

THE RISE OF INDUSTRIAL AMERICA, 1865–1900

*As we view the achievements of aggregated capital,
we discover the existence of trusts, combinations, and monopolies,
while the citizen is struggling far in the rear or is trampled
to death beneath an iron heel. Corporations, which should be
the carefully restrained creatures of the law and servants
of the people, are fast becoming the people's masters.*

President Grover Cleveland, 1888

By 1900, the United States was the leading industrial power in the world, manufacturing more than its leading rivals, Great Britain, France, or Germany. Several factors contributed to the rapid growth (about 4 percent a year) of the U.S. economy:

- The country was a treasure-house of raw materials essential to industrialization—coal, iron ore, copper, lead, timber, and oil.
- An abundant labor supply that was, between 1865 and 1900, supplemented yearly by the arrival of hundreds of thousands of immigrants.
- A growing population and an advanced transportation network made the United States the largest market in the world for industrial goods.
- Capital was plentiful, as Europeans with surplus wealth joined well-to-do Americans in investing in the economic expansion.
- The development of labor-saving technologies and an efficient patent system increased productivity. The federal government granted more than 440,000 new patents from 1860 to 1890.
- Businesses benefited from friendly government policies that protected private property, subsidized railroads with land grants and loans, supported U.S. manufacturers with protective tariffs, refrained from regulating business operations, and limited taxes on corporate profits.
- Talented entrepreneurs emerged during this era who were able to build and manage vast industrial and commercial enterprises.

The Business of Railroads

The dynamic combination of business leadership, capital, technology, markets, labor, and government support was especially evident in the development of the nation's first big business—railroads. After the Civil War, railroad mileage increased more than fivefold in a 35-year period (from 35,000 miles in 1865 to 193,000 miles in 1900). Railroads created a market for goods that was national in scale, and by so doing encouraged mass production, mass consumption, and economic specialization. The resources used in railroad-building promoted the growth of other industries, especially coal and steel. Railroads also affected the routines of daily life. Soon after the American Railroad Association divided the country into four time zones in 1883, railroad time became standard time for all Americans. Maybe the most important innovations of the railroads was the creation of the modern stockholder corporation and the development of complex structures in finance, business management, and the regulation of competition.

Eastern Trunk Lines

In the early decades of railroading (1830–1860), the building of dozens of separate local lines had resulted in different gauges (distance between tracks) and incompatible equipment. These inefficiencies were reduced after the Civil War through the consolidation of competing railroads into integrated trunk lines. (A trunk line was the major route between large cities; smaller branch lines connected the trunk line with outlying towns.) “Commodore” Cornelius Vanderbilt used his millions earned from a steamboat business to merge local railroads into the New York Central Railroad (1867), which ran from New York City to Chicago and operated more than 4,500 miles of track. Other trunk lines, such as the Baltimore and Ohio Railroad and the Pennsylvania Railroad, connected eastern seaports with Chicago and other midwestern cities and set standards of excellence and efficiency for the rest of the industry.

Western Railroads

The great age of railroad-building coincided with the settlement of the last frontier. Railroads not only promoted settlement on the Great Plains, but they linked the West with the East to create one great national market.

Federal Land Grants Recognizing that western railroads would lead the way to settlement, the federal government provided railroad companies with huge subsidies in the form of loans and land grants. The government gave 80 railroad companies more than 170 million acres of public land, more than three times the acres given away under the Homestead Act. The land was given in alternate mile-square sections in a checkerboard pattern along the proposed route of the railroad. The government expected that the railroad would sell the land to new settlers to finance construction. Furthermore, the completed railroad might both increase the value of government lands and provide preferred rates for carrying the mail and transporting troops.

The subsidies carried some negative consequences. The land grants and cash loans promoted hasty and poor construction and led to corruption in all levels of government. Insiders used construction companies, like the notorious *Crédit Mobilier* (see Chapter 15), to bribe government officials and pocket huge profits. Protests against the land grants mounted in the 1880s when citizens discovered that the railroads controlled half of the land in some western states.

Transcontinental Railroads During the Civil War, Congress authorized land grants and loans for the building of the first transcontinental railroad to tie California to the rest of the Union. Two newly incorporated railroad companies divided the task. The Union Pacific (UP) started from Omaha, Nebraska, and built westward across the Great Plains. The UP employed thousands of war veterans and Irish immigrants under the direction of General Grenville Dodge. The Central Pacific started from Sacramento, California, and built eastward. Led by Charles Crocker, the workers, including 6,000 Chinese immigrants, took on the great risks of laying track and blasting tunnels through the Sierra Nevada mountains. The two railroads came together on May 10, 1869, at Promontory Point, Utah, where a golden spike was ceremoniously driven into the rail tie to mark the linking of the Atlantic and the Pacific states.

In 1883, three other transcontinental railroads were completed. The Southern Pacific tied New Orleans to Los Angeles. The Atchison, Topeka, and Santa Fe linked Kansas City and Los Angeles. The Northern Pacific connected Duluth, Minnesota, with Seattle, Washington. In 1893, a fifth transcontinental railroad was finished, the Great Northern, which ran from St. Paul, Minnesota, to Seattle. It was built by James Hill. The transcontinental railroads may have helped to settle the West, but many proved failures as businesses. They were built in areas with few customers and with little promise of returning a profit in the near term.

Competition and Consolidation

During speculative bubbles, investors often overbuild new technologies, as did railroads owners in the 1870s and 1880s. Railroads also suffered from mismanagement and outright fraud. Speculators such as Jay Gould entered the railroad business for quick profits and made their millions by selling off assets and watering stock (inflating the value of a corporation's assets and profits before selling its stock to the public). In a ruthless scramble to survive, railroads competed by offering rebates (discounts) and kickbacks to favored shippers while charging exorbitant freight rates to smaller customers such as farmers. They also attempted to increase profits by forming pools, in which competing companies agreed secretly and informally to fix rates and share traffic.

A financial panic in 1893 forced a quarter of all railroads into bankruptcy. J. Pierpont Morgan and other bankers quickly moved in to take control of the bankrupt railroads and consolidate them. With competition eliminated, they could stabilize rates and reduce debts. By 1900, seven giant systems controlled nearly two-thirds of the nation's railroads. The consolidation made the rail system more efficient. However, the system was controlled by a few powerful men

TRANSCONTINENTAL RAILROADS, 1865–1900



such as Morgan, who dominated the boards of competing railroad corporations through interlocking directorates (the same directors ran competing companies). In effect, they created regional railroad monopolies.

Railroads captured the imagination of late-19th century America, as the public, local communities, states, and the federal government invested in their development. At the same time, however, customers and small investors often felt that they were the victims of slick financial schemes and ruthless practices. Early attempts to regulate the railroads by law did little good. The Granger laws passed by midwestern states in the 1870s were overturned by the courts, and the federal Interstate Commerce Act of 1886 was at first ineffective (see Chapter 17). Not until the Progressive era in the early 20th century did Congress expand the powers of Interstate Commerce Commission to protect the public interest.

Industrial Empires

The late 19th century witnessed a major shift in the nature of industrial production. Early factories had concentrated on producing textiles, clothing, and

leather products. After the Civil War, a “second Industrial Revolution” resulted in the growth of large-scale industry and the production of steel, petroleum, electric power, and the industrial machinery to produce other goods.

The Steel Industry

The technological breakthrough that launched the rise of heavy industry was the discovery of a new process for making large quantities of steel (a more durable metal than iron). In the 1850s, both Henry Bessemer in England and William Kelly in the United States discovered that blasting air through molten iron produced high-quality steel. The Great Lakes region, from Pennsylvania to Illinois, used its abundant coal reserves and access to the iron ore of Minnesota’s Mesabi Range to emerge as the center of steel production.

Andrew Carnegie Leadership of the fast-growing steel industry passed to a shrewd business genius, Andrew Carnegie. Born in 1835 in Scotland, Carnegie immigrated to the United States and worked his way up from poverty to become the superintendent of a Pennsylvania railroad. In the 1870s, he started manufacturing steel in Pittsburgh and soon outdistanced his competitors by a combination of salesmanship and the use of the latest technology. Carnegie employed a business strategy known as vertical integration, by which a company would control every stage of the industrial process, from mining the raw materials to transporting the finished product. By 1900, Carnegie Steel employed 20,000 workers and produced more steel than all the mills in Britain.

U.S. Steel Corporation Deciding to retire from business to devote himself to philanthropy, Carnegie sold his company in 1900 for more than \$400 million to a new steel combination headed by J. P. Morgan. The new corporation, United States Steel, was the first billion-dollar company and also the largest enterprise in the world, employing 168,000 people and controlling more than three-fifths of the nation’s steel business.

Rockefeller and the Oil Industry

The first U.S. oil well was drilled by Edwin Drake in 1859 in Pennsylvania. Only four years later, in 1863, a young John D. Rockefeller founded a company that would come to control most of the nation’s oil refineries by eliminating its competition. Rockefeller took charge of the chaotic oil refinery business by applying the latest technologies and efficient practices. At the same time, as his company grew, he was able to extort rebates from railroad companies and temporarily cut prices for Standard Oil kerosene to force rival companies to sell out. By 1881 his company—by then known as the Standard Oil Trust—controlled 90 percent of the oil refinery business. The trust that Rockefeller put together consisted of the various companies that he had acquired, all managed by a board of trustees that Rockefeller and Standard Oil controlled. Such a combination represented a horizontal integration of an industry, in which former competitors were brought under a single corporate umbrella. By controlling the supply and prices of oil products, Standard Oil’s profits soared and

so did Rockefeller's fortune, which at the time of his retirement amounted to \$900 million. By eliminating waste in the production of kerosene, Standard Oil was also able to keep prices low for consumers. Emulating Rockefeller's success, dominant companies in other industries (sugar, tobacco, leather, meat) also organized trusts.

Antitrust Movement

The trusts came under widespread scrutiny and attack in the 1880s. Middle-class citizens feared the trusts' unchecked power, and urban elites (old wealth) resented the increasing influence of the new rich. After failing to curb trusts on the state level, reformers finally moved Congress to pass the Sherman Antitrust Act in 1890, which prohibited any "contract, combination, in the form of trust or otherwise, or conspiracy in restraint of trade or commerce."

Although a federal law against monopolies was now on the books, it was too vaguely worded to stop the development of trusts in the 1890s. Furthermore, the Supreme Court in *United States v. E. C. Knight Co.* (1895) ruled that the Sherman Antitrust Act could be applied only to commerce, not to manufacturing. As a result, the U.S. Department of Justice secured few convictions until the law was strengthened during the Progressive era (see Chapter 21).

Laissez-Faire Capitalism

The idea of government regulation of business was alien to the prevailing economic, scientific, and religious beliefs of the late 19th century. The economic expression of these beliefs was summed up in the phrase "laissez-faire."

Conservative Economic Theories

As early as 1776, the economist Adam Smith had argued in *The Wealth of Nations* that business should be regulated, not by government, but by the "invisible hand" (impersonal economic forces) of the law of supply and demand. If government kept its hands off, so the theory went, businesses would be motivated by their own self-interest to offer improved goods and services at low prices. In the 19th century, American industrialists appealed to laissez-faire theory to justify their methods of doing business—even while they readily accepted the protection of high tariffs and federal subsidies. The rise of monopolistic trusts in the 1880s seemed to undercut the very competition needed for natural regulation. Even so, among conservatives and business leaders, laissez-faire theory was constantly invoked in legislative halls and lobbies to ward off any threat of government regulation.

Social Darwinism Charles Darwin's theory of natural selection in biology offended the beliefs of many religious conservatives, but it bolstered the views of economic conservatives. Led by English social philosopher Herbert Spencer, some people argued for Social Darwinism, the belief that Darwin's ideas of natural selection and survival of the fittest should be applied to the marketplace.

Spencer believed that concentrating wealth in the hands of the “fit” benefited everyone. An American Social Darwinist, Professor William Graham Sumner of Yale University, argued that helping the poor was misguided because it interfered with the laws of nature and would only weaken the evolution of the species by preserving the unfit. Social Darwinism gave some during this period a “scientific” sanction for their racial intolerance. Race theories about the superiority of one group over others would continue to produce problems in the 20th century.

Gospel of Wealth A number of Americans found religion more convincing than social Darwinism in justifying the wealth of successful industrialists and bankers. Because he diligently applied the Protestant work ethic (that hard work and material success are signs of God’s favor) to both his business and personal life, John D. Rockefeller concluded that “God gave me my riches.” In a popular lecture, “Acres of Diamonds,” the Reverend Russell Conwell preached that everyone had a duty to become rich. Andrew Carnegie’s article “Wealth” argued that the wealthy had a God-given responsibility to carry out projects of civic philanthropy for the benefit of society. Practicing what he preached, Carnegie distributed more than \$350 million of his fortune to support the building of libraries, universities, and various public institutions.

Technology and Innovations

Vital to industrial progress were new inventions. These led to greater productivity in the workplace and mass-produced goods in the home.

Inventions

The first radical change in the speed of communications was the invention of a workable telegraph by Samuel F. B. Morse, initially demonstrated in 1844. By the time of the Civil War, electronic communication by telegraph and rapid transportation by railroad were already becoming standard parts of modern living, especially in the northern states. After the war, Cyrus W. Field’s invention of an improved transatlantic cable in 1866 suddenly made it possible to send messages across the seas in minutes. By 1900, cables linked all continents of the world in an electronic network of nearly instantaneous, global communication. This communication revolution soon internationalized markets and prices for basic commodities, such as grains, coal, and steel, often placing local and smaller producers at the mercy of international forces.

Among the hundreds of noteworthy inventions of the late 19th century were the typewriter (1867), the telephone developed by Alexander Graham Bell (1876), the cash register (1879), the calculating machine (1887), and the adding machine (1888). These new products became essential tools for business. Products for the consumer that were in widespread use by the end of the century were George Eastman’s Kodak camera (1888), Lewis E. Waterman’s fountain pen (1884), and King Gillette’s safety razor and blade (1895).

Edison and Westinghouse

Possibly the greatest inventor of the 19th century, Thomas Edison was a young telegraph operator and patented his first invention, a machine for recording votes in 1869. Income from his early inventions enabled Edison to establish a research laboratory in Menlo Park, New Jersey, in 1876. This was the world's first modern research laboratory. It ranks among Edison's most important contribution to science and industry because it introduced the concept of mechanics and engineers working on a project as a team rather than as lone inventors. Out of Edison's lab came more than a thousand patented inventions, including the phonograph, the improvement of the incandescent lamp in 1879 (the first practical electric lightbulb), the dynamo for generating electric power, the mimeograph machine, and the motion picture camera.

Another remarkable inventor, George Westinghouse, held more than 400 patents and was responsible for developing an air brake for railroads (1869) and a transformer for producing high-voltage alternating current (1885). The latter invention made possible the lighting of cities and the operation of electric streetcars, subways, and electrically powered machinery and appliances.

Marketing Consumer Goods

The increased output of U.S. factories as well as the invention of new consumer products prompted businesses to find ways of selling their merchandise to a large public. R.H. Macy in New York and Marshall Field in Chicago made the large department store the place to shop in urban centers, while Frank Woolworth's Five and Ten Cent Store brought nationwide chain stores to the towns and urban neighborhoods. Two large mail-order companies, Sears, Roebuck and Montgomery Ward, used the improved rail system to ship to rural customers everything from hats to houses ordered from their thick catalogs, which were known to millions of Americans as the "wish book."

Packaged foods under such brand names as Kellogg and Post became common items in American homes. Refrigerated railroad cars and canning enabled Gustavus Swift and other packers to change the eating habits of Americans with mass-produced meat and vegetable products. Advertising and new marketing techniques not only promoted a consumer economy but also created a consumer culture in which shopping became a favorite pastime.

Impact of Industrialization

The growth of American industry raised the standard of living for most people. However, growth also created sharper economic and class divisions among the rich, the middle class, and the poor.

The Concentration of Wealth

By the 1890s, the richest 10 percent of the U.S. population controlled 90 percent of the nation's wealth. Industrialization created a new class of millionaires, some of whom flaunted their wealth by living in ostentatious mansions, sailing enormous yachts, and throwing lavish parties. The Vanderbilts graced

the waterfront of Newport, Rhode Island, with summer homes that rivaled the villas of European royalty. Guests at one of their dinner parties were invited to hunt for their party favors by using small silver shovels to seek out the precious gems hidden in sand on long silver trays.

Horatio Alger Myth Many Americans ignored the widening gap between the rich and the poor. They found hope in the examples of “self-made men” in business such as Andrew Carnegie and Thomas Edison and novels by Horatio Alger Jr. Every Alger novel portrayed a young man of modest means who becomes wealthy through honesty, hard work, and a little luck. In reality, opportunities for upward mobility (movement into a higher economic bracket) did exist, but the rags-to-riches career of an Andrew Carnegie was unusual. Statistical studies demonstrate that the typical wealthy businessperson of the day was a white, Anglo-Saxon, Protestant male who came from an upper- or middle-class background and whose father was in business or banking.

The Expanding Middle Class

The growth of large corporations required thousands of white-collar workers (salaried workers whose jobs generally do not involve manual labor) to fill the highly organized administrative structures. Middle management was needed to coordinate the operations between the chief executives and the factories. In addition, industrialization helped expand the middle class by creating jobs for accountants, clerical workers, and salespersons. In turn, these middle-class employees increased the demand for services from other middle-class workers: professionals (doctors and lawyers), public employees, and storekeepers. The increase in the number of good-paying occupations after the Civil War significantly increased the size of the middle class.

Wage Earners

By 1900, two-thirds of all working Americans worked for wages, usually at jobs that required them to work ten hours a day, six days a week. Wages were determined by the laws of supply and demand, and because there was usually a large supply of immigrants competing for factory jobs, wages were barely above the level needed for bare subsistence. Low wages were justified by David Ricardo (1772–1823), whose famous “iron law of wages” argued that raising wages would only increase the working population, and the availability of more workers would in turn cause wages to fall, thus creating a cycle of misery and starvation. Real wages (income adjusted for inflation) rose steadily in the late 19th century, but even so most wage earners could not support a family decently on one income. Therefore, working-class families depended on the income of women and children. In 1890, 11 million of the 12.5 million families in the United States averaged less than \$380 a year in income.

Working Women

One adult woman out of every five in 1900 was in the labor force working for wages. Most were young and single—only 5 percent of married women worked outside the home. In 1900, men and women alike believed that, if a

family could afford it, a woman's proper role was in the home raising children. Factory work for women was usually in industries that people perceived as an extension of the home: the textile, garment, and food-processing industries, for example. As the demand for clerical workers increased, women moved into formerly male occupations as secretaries, bookkeepers, typists, and telephone operators. Occupations or professions that became feminized (women becoming the majority) usually lost status and received lower wages and salaries.

Labor Discontent

Before the Industrial Revolution, workers labored in small workplaces that valued an artisan's skills. They often felt a sense of accomplishment in creating a product from start to finish. Factory work was radically different. Industrial workers were often assigned just one step in the manufacturing of a product, performing semiskilled tasks monotonously. Both immigrants from abroad and migrants from rural America had to learn to work under the tyranny of the clock. In many industries, such as railroads and mining, working conditions were dangerous. Many workers were exposed to chemicals and pollutants that only later were discovered to cause chronic illness and early death.

Industrial workers rebelled against intolerable working conditions by missing work or quitting. They changed jobs on the average of every three years. About 20 percent of those who worked in factories eventually dropped out of the industrial workplace rather than continuing. This was a far higher percentage than those who protested by joining labor unions.

The American Workforce, 1900–1960				
Year	Farm		Nonfarm	
	Total in millions	Percentage	Total in millions	Percentage
1900	11,050	41	15,906	59
1910	11,260	32	23,299	68
1920	10,440	27	28,768	73
1930	10,340	22	33,843	78
1940	9,540	20	37,980	80
1950	7,160	12	51,760	88
1960	5,458	8	60,318	92

Source: U.S. Bureau of the Census. *Historical Statistics of the United States, Colonial Times to 1970*

The Struggle of Organized Labor

The late 19th century witnessed the most deadly—and frequent—labor conflicts in the nation’s history. Many feared the country was heading toward open warfare between capital and labor.

Industrial Warfare

With a surplus of cheap labor, management held most of the power in its struggles with organized labor. Strikers could easily be replaced by bringing in strikebreakers, or scabs—unemployed persons desperate for jobs. Employers also used all of the following tactics for defeating unions:

- *the lockout*: closing the factory to break a labor movement before it could get organized
- *blacklists*: names of pro-union workers circulated among employers
- *yellow-dog contracts*: workers being told, as a condition for employment, that they must sign an agreement not to join a union
- calling in *private guards* and *state militia* to put down strikes
- obtaining *court injunctions* against strikes

Moreover, management fostered public fear of unions as anarchistic and un-American. Before 1900, management won most of its battles with organized labor because, if violence developed, employers could almost always count on the support of the federal and state governments.

Labor itself was often divided on the best methods for fighting management. Some union leaders advocated political action. Others favored direct confrontation: strikes, picketing, boycotts, and slowdowns to achieve union recognition and collective bargaining.

Great Railroad Strike of 1877 One of the worst outbreaks of labor violence in the century erupted in 1877, during an economic depression, when the railroad companies cut wages in order to reduce costs. A strike on the Baltimore and Ohio Railroad quickly spread across 11 states and shut down two-thirds of the country’s rail trackage. Railroad workers were joined by 500,000 workers from other industries in an escalating strike that quickly became national in scale. For the first time since the 1830s, a president (Rutherford B. Hayes) used federal troops to end labor violence. The strike and the violence finally ended, but not before more than 100 people had been killed. After the strike, some employers addressed the workers’ grievances by improving wages and working conditions, while others took a hard line by busting workers’ organizations.

Attempts to Organize National Unions

Before the 1860s, unions had been organized as local associations in one city or region. They usually focused on one craft or type of work.

National Labor Union The first attempt to organize all workers in all states—both skilled and unskilled, both agricultural workers and industrial workers—was the National Labor Union. Founded in 1866, it had some 640,000 members by 1868. Besides championing the goals of higher wages and the eight-hour day, the first national union also had a broad social program: equal rights for women and blacks, monetary reform, and worker cooperatives. Its chief victory was winning the eight-hour day for workers employed by the federal government. It lost support, however, after a depression began in 1873 and after the unsuccessful strikes of 1877.

Knights of Labor A second national labor union, the Knights of Labor, began in 1869 as a secret society in order to avoid detection by employers. Under the leadership of Terence V. Powderly, the union went public in 1881, opening its membership to all workers, including African Americans and women. Powderly advocated a variety of reforms: (1) worker cooperatives “to make each man his own employer,” (2) abolition of child labor, and (3) abolition of trusts and monopolies. He favored settling labor disputes by means of arbitration rather than resorting to strikes. Because the Knights were loosely organized, however, he could not control local units that decided to strike. The Knights of Labor grew rapidly and attained a peak membership of 730,000 workers in 1886. It declined just as rapidly, however, after the violence of the Haymarket riot in Chicago in 1886 turned public opinion against the union.

Haymarket Bombing Chicago, with about 80,000 Knights in 1886, was the site of the first May Day labor movement. Also living in Chicago were about 200 anarchists who advocated the violent overthrow of all government. In response to the May Day movement calling for a general strike to achieve an eight-hour day, labor violence broke out at Chicago’s McCormick Harvester plant. On May 4, workers held a public meeting in Haymarket Square, and as police attempted to break up the meeting, someone threw a bomb, which killed seven police officers. The bomb thrower was never found. Even so, eight anarchist leaders were tried for the crime and seven were sentenced to death. Horrified by the bomb incident, many Americans concluded that the union movement was radical and violent. The Knights of Labor, as the most visible union at the time, lost popularity and membership.

American Federation of Labor Unlike the reform-minded Knights of Labor, the American Federation of Labor (AF of L) concentrated on attaining narrower economic goals. Founded in 1886 as an association of 25 craft unions, and led by Samuel Gompers until 1924, the AF of L focused on just higher wages and improved working conditions. Gompers directed his local unions of skilled workers to walk out until the employer agreed to negotiate a new contract through collective bargaining. By 1901, the AF of L was by far the nation’s largest union, with 1 million members. Even this union, however, would not achieve major successes until the early decades of the 20th century.

Strikebreaking in the 1890s

Two massive strikes in the last decade of the 19th century demonstrated both the growing discontent of labor and the continued power of management to prevail in industrial disputes.

Homestead Strike Henry Clay Frick, the manager of Andrew Carnegie's Homestead Steel plant near Pittsburgh, precipitated a strike in 1892 by cutting wages by nearly 20 percent. Frick used the weapons of the lockout, private guards, and strikebreakers to defeat the steelworkers' walkout after five months. The failure of the Homestead strike set back the union movement in the steel industry until the New Deal in the 1930s.

Pullman Strike Even more alarming to conservatives was a strike of workers living in George Pullman's company town near Chicago. Pullman manufactured the famous railroad sleeping cars known as Pullman cars. In 1894, he announced a general cut in wages and fired the leaders of the workers' delegation who came to bargain with him. The workers at Pullman laid down their tools and appealed for help from the American Railroad Union whose leader, Eugene V. Debs, directed railroad workers not to handle any trains with Pullman cars. The union's boycott tied up rail transportation across the country.

Railroad owners supported Pullman by linking Pullman cars to mail trains. They then appealed to President Grover Cleveland, persuading him to use the army to keep the mail trains running. A federal court issued an injunction forbidding interference with the operation of the mail and ordering railroad workers to abandon the boycott and the strike. For failing to respond to this injunction, Debs and other union leaders were arrested and jailed. The jailing of Debs and others effectively ended the strike. In the case of *In re Debs* (1895), the Supreme Court approved the use of court injunctions against strikes, which gave employers a very powerful weapon to break unions. After serving a six-month jail sentence, Debs concluded that more radical solutions were needed to cure labor's problems. He turned to socialism and the American Socialist party, which he helped to found in 1900.

By 1900, only 3 percent of American workers belonged to unions. Management held the upper hand in labor disputes, with government generally taking its side. However, people were beginning to recognize the need for a better balance between the demands of employers and employees to avoid the numerous strikes and violence that characterized the late 19th century.

Regional Differences During the Gilded Age, industrial growth was concentrated in the Northeast and Midwest regions, the parts of the country with the largest populations, the most capital, and the best transportation. As industry grew, these regions developed more cities, attracted more immigrants and migrants from rural areas, and created more middle-class jobs. The next chapter will analyze the development of the West and South during this period.

HISTORICAL PERSPECTIVES: STATESMEN OR ROBBER BARONS?

Middle-class Americans who enjoyed the benefits of increased industrial production, new consumer goods, and a higher standard of living generally admired the business leaders of the age, viewing them as great industrial statesmen. University professors gave intellectual respectability to this view by drawing upon social Darwinism to argue that business leaders' success was due to their superior intelligence and fitness. Did they not, after all, make the United States the leading economic power in the world?

In the early 20th century, however, a growing number of citizens and historians questioned the methods used by business leaders to build their industrial empires. Charles Beard and other Progressive historians called attention to the oppression of farmers and workers, the corruption of democratic institutions, and the plundering of the nation's resources. Their critical view of 19th-century business leaders received support from historians of the 1930s (the Depression decade). Matthew Josephson, for example, popularized the view that John D. Rockefeller and others like him were robber barons, who took from American workers and small businesses to build personal fortunes. The robber barons were presented as ruthless exploiters who used unethical means to destroy competition, create monopolies, and corrupt the free enterprise system. Any positive contributions that might have been made were merely unplanned by-products of the industrialists' ruthlessness and greed.

The prevailing wisdom of the 1930s shifted in the 1950s, as Allan Nevins urged other historians to right the injustice done to "our business history and our industrial leaders." Nevins and other revisionists argued that the mass production that helped win two world wars and that made the United States an economic superpower far outweighed in significance any self-serving actions by business leaders.

Another approach to the era was taken by historians who analyzed statistical data in an effort to judge the contributions of industrialists and big business. They asked: Were big corporations essential for the economic development of the United States? Did monopolies such as the Standard Oil Trust advance or retard the growth of the U.S. economy? Robert Fogel, for example, used statistical data to prove his startling thesis that railroads were *not* indispensable to the economic growth of the era. The shifting perspectives and criteria of historians from one generation to another may ensure that the question will remain unsettled, yet these perspectives still help to shape economic policy today.

KEY TERMS BY THEME

Transportation (WXT)

nation's first big business
Cornelius Vanderbilt
Eastern trunk lines
transcontinental railroads
Union and Central Pacific
American Railroad Association
railroads and time zones
speculation and overbuilding
Jay Gould, watering stock
rebates and pools
bankruptcy of railroads
Panic of 1893

Large Scale Industry (WXT)

causes of industrial growth
Andrew Carnegie
vertical integration
U.S. Steel
John D. Rockefeller
horizontal integration
Standard Oil Trust
interlocking directorates
J. P. Morgan
leading industrial power

Technology (WXT)

Second Industrial Revolution
Bessemer process
transatlantic cable

Alexander Graham Bell
telephone
Thomas Edison
Menlo Park research laboratory
electric power; lighting
George Westinghouse
Eastman's Kodak camera

Marketing (WXT)

large department stores
R. H. Macy
mail-order companies
Sears, Roebuck
packaged foods
refrigeration; canning
Gustavus Swift
advertising
consumer economy

Role of Government (WXT)

federal land grants and loans
fraud and corruption, Crédit Mobilier
Interstate Commerce Act of 1886
anti-trust movement
Sherman Antitrust Act of 1890
federal courts, *U.S. v. E. C. Knight*

Organized Labor (WXT)

causes of labor discontent
"iron law of wages"
anti-union tactics

railroad strike of 1877
Knights of Labor
Haymarket bombing
American Federation of Labor
Samuel Gompers
Pullman Strike
Eugene Debs

Work and Migration (WXT, PEO)

railroad workers: Chinese, Irish, veterans
old rich vs. new rich
white-collar workers
expanding middle class
factory wage earners
women and children
factory workers
women clerical workers

Ideas, Beliefs (CUL)

Protestant work ethic
Adam Smith
laissez-faire capitalism
concentration of wealth
Social Darwinism
William Graham Sumner
survival of the fittest
Gospel of Wealth
Horatio Alger stories
"self-made man"

THE LAST WEST AND THE NEW SOUTH, 1865–1900

American social development has been continually beginning over again on the frontier. This perennial rebirth, this fluidity of American life, this expansion westward with its new opportunities, its continuous touch with the simplicity of primitive society, furnish the forces dominating American character. The true point of view in the history of this nation is not the Atlantic coast, it is the Great West.

Frederick Jackson Turner, 1893

During the post-Civil War era most of the large-scale industrial development took place in the Northeast and Midwest, while the South and West most often supplied raw materials and consumed northern manufactured goods. Some in the South and West resented this apparent colonial status, which helped to shape the politics in the final decades of the 19th century. However, the South and West were not defined by their economic roles alone. Their geography, people, and cultures shaped their regional characteristics well into the future.

The West: Settlement of the Last Frontier

After the Civil War, many Americans began settling in the vast arid territory in the West that included the Great Plains, the Rocky Mountains, and the Western Plateau. Before 1860, these lands between the Mississippi River and the Pacific Coast were known as “the Great American Desert” by pioneers passing through on the way to the green valleys of Oregon and the goldfields of California. The plains west of the 100th meridian had few trees and usually received less than 15 inches of rainfall a year, which was not considered enough moisture to support farming. While the winter blizzards and hot dry summers discouraged settlement, the open grasslands of the plains supported an estimated 15 million bison, or buffalo. The buffalo in turn provided food, clothing, shelter, and even tools for many of the 250,000 American Indians living in the West in 1865.

STATES ADMITTED TO THE UNION 1864–1896



In only 35 years, conditions on the Great Plains changed so dramatically that the frontier largely vanished. By 1900, the great buffalo herds had been wiped out. The open western lands were fenced in by homesteads and ranches, crisscrossed by steel rails, and modernized by new towns. Ten new western states had been carved out of the last frontier. Only Arizona, New Mexico, and Oklahoma remained as territories awaiting statehood. Progress came at a cost. The frenzied rush for the West's natural resources not only nearly exterminated the buffalo, but also seriously damaged the environment. Most significantly, the American Indians who lived in the region paid a high human and cultural price as land was settled by miners, ranchers, and farmers.

The Mining Frontier

The discovery of gold in California in 1848 caused the first flood of newcomers to the territory. The California Gold Rush was only the beginning of a feverish quest for gold and silver that would extend well into the 1890s and would help to settle much of the region. A series of gold strikes and silver strikes in what became the states of Colorado, Nevada, Idaho, Montana, Arizona, and South Dakota kept a steady flow of hopeful prospectors pushing into the western mountains. The discovery of gold near Pike's Peak, Colorado, in 1859 brought

nearly 100,000 miners to the area. In the same year, the discovery of the fabulous Comstock Lode (which produced more than \$340 million in gold and silver by 1890) was responsible for Nevada entering the Union in 1864. Idaho and Montana also received early statehood, largely because of mining booms.

California's great gold rush of 1849 set the pattern for other rushes. First, individual prospectors would look for traces of gold in the mountain streams by a method called placer mining, using simple tools such as shovels and washing pans. Such methods eventually gave way to deep-shaft mining that required expensive equipment and the resources of wealthy investors and corporations.

Rich strikes created boomtowns overnight—towns that became infamous for saloons, dance-hall girls, and vigilante justice. Many of these, however, became lonely ghost towns within a few years after the gold or silver ran out. Some towns, such as Nevada's Virginia City (created by the Comstock Lode), did grow, adding theaters, churches, newspapers, schools, libraries, railroads, and police. Mark Twain started his career as a writer working on a Virginia City newspaper in the early 1860s. A few towns that served the mines, such as San Francisco, Sacramento, and Denver, expanded into prosperous cities.

Chinese Exclusion Act Most of the mining towns that endured and grew were more like industrial cities than the frontier towns depicted in western films. As the mines developed, mining companies employed experienced miners from Europe, Latin America, and China. In many mining towns, half the population was foreign-born. About one-third of the western miners in the 1860s were Chinese immigrants. Native-born Americans resented the competition. In California, hostility to foreigners took the form of a Miner's Tax of \$20 a month on all foreign-born miners. Political pressure from western states moved Congress to pass the Chinese Exclusion Act in 1882, which prohibited further immigration to the United States by Chinese laborers. Immigration from China was severely restricted until 1965. The 1882 law was the first major act of Congress to restrict immigration on the basis of race and nationality.

Mining not only stimulated the settlement of the West but also reshaped the economics and politics of the nation. The vast increase in the supply of silver created a crisis over the relative value of gold- and silver-backed currency, which became a bitter political issue in the 1880s and 1890s. The mining boom left environmental scars that remain visible today, and it had a disastrous effect on American Indians, who lost their lands to miners pursuing instant riches.

The Cattle Frontier

The economic potential of the vast open grasslands that reached from Texas to Canada was realized by ranchers in the decades after the Civil War. Earlier, cattle had been raised and rounded up in Texas on a small scale by Mexican cowboys, or *vaqueros*. The traditions of the cattle business in the late 1800s, like the hardy "Texas" longhorn cattle, were borrowed from the Mexicans. By the 1860s, wild herds of about 5 million head of cattle roamed freely over the Texas grasslands. The Texas cattle business was easy to get into because both the cattle and the grass were free.

The construction of railroads into Kansas after the war opened up eastern markets for the Texas cattle. Joseph G. McCoy built the first stockyards in the region, at Abilene, Kansas, to hold cattle destined for Chicago. There, they could be sold for the high price of \$30 to \$50 per head. Dodge City and other cow towns sprang up along the railroads to handle the millions of cattle driven up the Chisholm, Goodnight-Loving, and other trails out of Texas during the 1860s and 1870s. The cowboys, many of whom were African Americans or Mexicans, received about a dollar a day for their dangerous work.

The long cattle drives began to come to an end in the 1880s. Overgrazing destroyed the grass and a winter blizzard and drought of 1885–1886 killed off 90 percent of the cattle. Another factor that closed down the cattle frontier was the arrival of homesteaders, who used barbed wire fencing to cut off access to the formerly open range. Wealthy cattle owners turned to developing huge ranches and using scientific ranching techniques. They raised new breeds of cattle that produced more tender beef by feeding them hay and grains. The Wild West was largely tamed by the 1890s, but in these few decades, Americans' eating habits changed from pork to beef and people created the legend of the rugged, self-reliant American cowboy.

The Farming Frontier

The Homestead Act of 1862 encouraged farming on the Great Plains by offering 160 acres of public land free to any family that settled on it for a period of five years. The promise of free land combined with the promotions of railroads and land speculators induced hundreds of thousands of native-born and immigrant families to attempt to farm the Great Plains between 1870 and 1900. About 500,000 families took advantage of the Homestead Act. However, five times that number had to purchase their land, because the best public lands often ended up in the hands of railroad companies and speculators.

Problems and Solutions The first “sodbusters” on the dry and treeless plains often built their homes of sod bricks. Extremes of hot and cold weather, plagues of grasshoppers, and the lonesome life on the plains challenged even the most resourceful of the pioneer families. Water was scarce, and wood for fences was almost nonexistent. The invention of barbed wire by Joseph Glidden in 1874 helped farmers to fence in their lands on the lumber-scarce plains. Using mail-order windmills to drill deep wells provided some water. Even so, many homesteaders discovered too late that 160 acres was not adequate for farming the Great Plains. Long spells of severe weather, together with falling prices for their crops and the cost of new machinery, caused the failure of two-thirds of the homesteaders' farms on the Great Plains by 1900. Western Kansas alone lost half of its population between 1888 and 1892.

Those who managed to survive adopted “dry farming” and deep-plowing techniques to use the moisture available. They also learned to plant hardy strains of Russian wheat that withstood the extreme weather. Ultimately, dams and irrigation saved many western farmers, as humans reshaped the rivers and physical environment of the West to provide water for agriculture.

The Closing of the Frontier

The Oklahoma Territory, once set aside for the use of American Indians, was opened for settlement in 1889, and hundreds of homesteaders took part in the last great land rush in the West. The next year, the U.S. Census Bureau declared that the entire frontier—except for a few pockets—had been settled.

Turner's Frontier Thesis Reacting to the closing of the frontier, historian Frederick Jackson Turner wrote an influential essay, "The Significance of the Frontier in American History" (1893). Turner argued that 300 years of frontier experience had shaped American culture by promoting independence and individualism. The frontier was a powerful social leveler, breaking down class distinctions and thus fostering social and political democracy. Furthermore, the challenges of frontier life caused Americans to be inventive and practical-minded—but also wasteful in their attitude toward natural resources.

The closing of the frontier troubled Turner. He saw the availability of free land on the frontier as a safety valve for harmlessly releasing discontent in American society. The frontier had always held out the promise of a fresh start. Once the frontier was gone, would the United States be condemned to follow the patterns of class division and social conflict that troubled Europe?

While many debate the Turner thesis, historians acknowledge that by the 1890s the largest movement of Americans was to the cities and industrialized areas. Not only was the era of the western frontier coming to a close, but the dominance of rural America was also on a decline.

American Indians in the West

The American Indians who occupied the West in 1865 belonged to dozens of different cultural and tribal groups. In New Mexico and Arizona, Pueblo groups such as the Hopi and Zuni lived in permanent settlements as farmers raising corn and livestock. The Navajo and Apache peoples of the Southwest were nomadic hunter-gatherers who adapted a more settled way of life, not only raising crops and livestock but also producing arts and crafts. In the Pacific Northwest (Washington and Oregon), such tribes as the Chinook and Shasta developed complex communities based on abundant fish and game.

About two-thirds of the western tribal groups lived on the Great Plains. These nomadic tribes, such as the Sioux, Blackfoot, Cheyenne, Crow, and Comanche, had given up farming in colonial times after the introduction of the horse by the Spanish. By the 1700s, they had become skillful horse riders and developed a way of life centered on the hunting of buffalo. Although they belonged to tribes of several thousand, they lived in smaller bands of 300 to 500 members. In the late 19th century, their conflicts with the U.S. government were partly the result of white Americans having little understanding of the Plains people's loose tribal organization and nomadic lifestyle.

Reservation Policy In the 1830s, President Andrew Jackson's policy of removing eastern American Indians to the West was based on the belief that lands west of the Mississippi would permanently remain "Indian country." This expectation soon proved false, as wagon trains rolled westward on the Oregon

Trail, and plans were made for building a transcontinental railroad. In 1851, in councils (negotiations) at Fort Laramie and Fort Atkinson, the federal government began to assign the Plains tribes large tracts of land—or reservations—with definite boundaries. Most Plains tribes, however, refused to restrict their movements to the reservations and continued to follow the migrating buffalo wherever they roamed.

Indian Wars In the late 19th century, the settlement of thousands of miners, ranchers, and homesteaders on American Indian lands led to violence. Fighting between U.S. troops and Plains Indians was often brutal, with the U.S. Army responsible for several massacres. In 1866, during the Sioux War, the tables were turned when an army column under Captain William Fetterman was wiped out by Sioux warriors. Following these wars, another round of treaties attempted to isolate the Plains Indians on smaller reservations with federal

AMERICAN INDIANS IN THE WEST



agents promising government support. However, gold miners refused to stay off American Indians' lands if gold was to be found on them, as indeed it was in the Dakotas' Black Hills. Soon, minor chiefs not involved in the treaty-making and younger warriors denounced the treaties and tried to return to ancestral lands.

A new round of conflicts in the West began in the 1870s. The Indian Appropriation Act of 1871 ended recognition of tribes as independent nations by the federal government and nullified previous treaties made with the tribes. Conflicts included the Red River War against the Comanche in the southern plains and a second Sioux War led by Sitting Bull and Crazy Horse in the northern plains. Before the Sioux went down to defeat, they ambushed and destroyed Colonel George Custer's command at Little Big Horn in 1876. Chief Joseph's courageous effort to lead a band of the Nez Percé into Canada ended in defeat and surrender in 1877. The constant pressure of the U.S. Army forced tribe after tribe to comply with Washington's terms. In addition, the slaughter of most of the buffalo by the early 1880s doomed the way of life of the Plains people.

The last effort of American Indians to resist U.S. government controls came through a religious movement known as the Ghost Dance. Leaders of the movements believed it could return prosperity to American Indians. In the government's campaign to suppress the movement, the famous Sioux medicine man Sitting Bull was killed during his arrest. Then in December 1890, the U.S. Army gunned down more than 200 American Indian men, women, and children in the "battle" (massacre) of Wounded Knee in the Dakotas. This final tragedy marked the end of the Indian Wars on the crimsoned prairie.

Assimilationists The injustices done to American Indians were chronicled in a best-selling book by Helen Hunt Jackson, *A Century of Dishonor* (1881). Although this book created sympathy for American Indians, especially in the eastern United States, it also generated support for ending Indian culture through assimilation. Reformers advocated formal education, job training, and conversion to Christianity. They set up boarding schools such as the Carlisle School in Pennsylvania to segregate American Indian children from their people and teach them white culture and farming and industrial skills.

Dawes Severalty Act (1887) A new phase in the relationship between the U.S. government and American Indians was incorporated in the Dawes Act of 1887. The act was designed to break up tribal organizations, which many felt kept American Indians from becoming "civilized" and law-abiding citizens. The Dawes Act divided the tribal lands into plots of up to 160 acres, depending on family size. U.S. citizenship was granted to those who stayed on the land for 25 years and "adopted the habits of civilized life."

Under the Dawes Act, as intended, the government distributed 47 million acres of land to American Indians. However, 90 million acres of former reservation land—often the best land—was sold over the years to white settlers by

the government, speculators, or American Indians themselves. The new policy proved a failure. By the turn of the century, disease and poverty had reduced the American Indian population to just 200,000 persons, most of whom lived as wards of the federal government.

Changes in the 20th Century In 1924, in partial recognition that forced assimilation had failed, the federal government granted U.S. citizenship to all American Indians, whether or not they had complied with the Dawes Act. As part of President Franklin Roosevelt's New Deal in the 1930s, Congress adopted the Indian Reorganization Act (1934), which promoted the re-establishment of tribal organization and culture. Today, more than 3 million American Indians, belonging to 500 tribes, live within the United States.

The Latino Southwest

After the Mexican War ended in 1848, the Spanish-speaking landowners in California and the Southwest were guaranteed their property rights and granted citizenship. However, drawn-out legal proceedings often resulted in the sale or loss of lands to new Anglo arrivals. Hispanic culture was preserved in dominant Spanish-speaking areas, such as the New Mexico territories, the border towns, and the barrios of California.

Mexican Americans moved to find work, such as to the sugar beet fields and the mines of Colorado, and the building of western railroads. Before 1917, the border with Mexico was open and few records were kept for either seasonal workers or permanent settlers. Mexicans, like their European counterparts, were drawn by the explosive economic development of the region.

The Conservation Movement

The concerns over deforestation sparked the conservation movement, and the breathtaking paintings and photographs of western landscapes helped to push Congress to preserve such western icons as Yosemite Valley as a California state park in 1864 (a national park in 1890), and to dedicate the Yellowstone area as the first



Source: Logging in California, 1909. Library of Congress

National Park in 1872. Carl Schurz, as Secretary of the Interior in the 1880s, advocated creation of forest reserves and a federal forest service to protect federal lands from exploitation. Presidents Benjamin Harrison and Grover Cleveland reserved 33 million acres of national timber.

With the closing of the frontier era, Americans grew increasingly concerned about the loss of public lands and the natural treasures they contained. The Forest Reserve Act of 1891 and the Forest Management Act of 1897 withdrew federal timberlands from development and regulated their use. While most “conservationists” believed in scientific management and regulated use of natural resources, “preservationists,” such as John Muir, a leading founder of the Sierra Club in 1892, went a step further, and aimed to preserve natural areas from human interference. The education efforts of the Arbor Day, Audubon Society, and the Sierra Club were another sign of a growing conservation movement by 1900.

The New South

While the West was being “won” by settlers and the U.S. Army, the South was recovering from the devastation of the Civil War. Some southerners promoted a new vision for a self-sufficient southern economy built on modern capitalist values, industrial growth, and improved transportation. Chief among them was Henry Grady, the editor of the *Atlanta Constitution*. Grady spread the gospel of the New South with editorials that argued for economic diversity and laissez-faire capitalism. To attract businesses, local governments offered tax exemptions to investors and the promise of low-wage labor.

Economic Progress

The growth of cities, the textual industry, and improved railroads symbolized efforts to create a “New South” in the late 19th century.” Birmingham, Alabama, developed into one of the nation’s leading steel producers. Memphis, Tennessee, prospered as a center for the South’s growing lumber industry. Richmond, Virginia, the former capital of the Confederacy, became the capital of the nation’s tobacco industry. Georgia, North Carolina, and South Carolina overtook the New England states as the chief producers of textiles. By 1900, the South had 400 cotton mills employing almost 100,000 white workers. Southern railroad companies rapidly converted to the standard-gauge rails used in the North and West, so the South was integrated into the national rail network. The South’s rate of postwar growth from 1865 to 1900 equaled or surpassed that of the rest of the country in population, industry, and railroads.

Continued Poverty

Despite progress and growth, the South remained a largely agricultural section—and also the poorest region in the country. To a greater extent than before the war, northern financing dominated much of the southern economy. Northern investors controlled three-quarters of the southern railroads and by 1900 had control of the South’s steel industry as well. A large share of the profits from the new industries went to northern banks and financiers. Industrial workers in

the South (94 percent of whom were white) earned half of the national average and worked longer hours than elsewhere. Most southerners of both races remained in traditional roles and barely got by from year to year as sharecroppers and farmers.

The poverty of the majority of southerners was not caused by northern capitalists. Two other factors were chiefly responsible: (1) the South's late start at industrialization and (2) a poorly educated workforce. Only a small number of southerners had the technological skills needed for industrial development. The South failed to invest in technical and engineering schools as did the North. Furthermore, in the late 1800s, political leadership in the South provided little support for the education of either poor whites or poor African Americans. Without adequate education, the southern workforce faced limited economic opportunities in the fast-changing world of the late 19th century.

Agriculture

The South's postwar economy remained tied mainly to growing cotton. Between 1870 and 1900, the number of acres planted in cotton more than doubled. Increased productivity, however, only added to the cotton farmer's problems, as a glut of cotton on world markets caused cotton prices to decline by more than 50 percent by the 1890s. Per capita income in the South actually declined, and many farmers lost their farms. By 1900, more than half the region's white farmers and three-quarters of the black farmers were tenants (or sharecroppers), most of them straining to make a living from small plots of 15 to 20 acres. A shortage of credit forced farmers to borrow supplies from local merchants in the spring with a lien, or mortgage, on their crops to be paid at harvest. The combination of sharecropping and crop liens forced poor farmers to remain tenants, virtual serfs tied to the land by debt.

Some southern farmers sought to diversify their farming to escape the trap of depending entirely on cotton. George Washington Carver, an African-American scientist at Tuskegee Institute in Alabama, promoted the growing of such crops as peanuts, sweet potatoes, and soybeans. His work played an important role in shifting southern agriculture toward a more diversified base.

Even so, most small farmers in the South remained in the cycle of debt and poverty. As in the North and the West, hard times produced a harvest of discontent. By 1890, the Farmers' Southern Alliance claimed more than 1 million members. A separate organization for African Americans, the Colored Farmers' National Alliance, had about 250,000 members. Both organizations rallied behind political reforms to solve the farmers' economic problems. If poor black and poor white farmers in the South could have united, they would have been a potent political force, but the economic interests of the upper class and the powerful racial attitudes of whites stood in their way.

Segregation

With the end of Reconstruction in 1877, the North withdrew its protection of the freedmen and left southerners to work out solutions to their own social and economic problems. The Democratic politicians who came to power in the

southern states after Reconstruction, known as redeemers, won support from two groups: the business community and the white supremacists. The latter group favored policies of separating, or segregating, public facilities for blacks and whites as a means of treating African Americans as social inferiors. The redeemers often used race as a rallying cry to deflect attention away from the real concerns of tenant farmers and the working poor. They discovered that they could exert political power by playing on the racial fears of whites.

Discrimination and the Supreme Court During Reconstruction, federal laws protected southern blacks from discriminatory acts by local and state governments. Starting in the late 1870s, however, the U.S. Supreme Court struck down one Reconstruction act after another applying to civil rights. In the *Civil Rights Cases* of 1883, the Court ruled that Congress could not legislate against the racial discrimination practiced by private citizens, which included railroads, hotels, and other businesses used by the public. Then, in 1896, in the landmark case of *Plessy v. Ferguson*, the Supreme Court upheld a Louisiana law requiring “separate but equal accommodations” for white and black passengers on railroads. The Court ruled that the Louisiana law did not violate the 14th Amendment’s guarantee of “equal protection of the laws.”

These federal court decisions supported a wave of segregation laws, commonly known as Jim Crow laws, that southern states adopted beginning in the 1870s. These laws required segregated washrooms, drinking fountains, park benches, and other facilities in virtually all public places. Only the use of streets and most stores was not restricted according to a person’s race.

Loss of Civil Rights Other discriminatory laws resulted in the wholesale disfranchisement of black voters by 1900. In Louisiana, for example, 130,334 black voters were registered in 1896 but only 1,342 in 1904—a 99 percent decline. Various political and legal devices were invented to prevent southern blacks from voting. Among the most common obstacles were literacy tests, poll taxes, and political party primaries for whites only. Many southern states adopted so-called grandfather clauses, which allowed a man to vote only if his grandfather had cast ballots in elections before Reconstruction. The Supreme Court again gave its sanction to such laws in a case of 1898, in which it upheld a state’s right to use literacy tests to determine citizens’ qualifications for voting.

Discrimination took many forms. In southern courts, African Americans were barred from serving on juries. If convicted of crimes, they were often given stiffer penalties than whites. In some cases, African Americans accused of crimes were not even given the formality of a court-ordered sentence. Lynch mobs killed more than 1,400 men during the 1890s. Economic discrimination was also widespread, keeping most southern African Americans out of skilled trades and even factory jobs. Thus, while poor whites and immigrants learned the industrial skills that would help them rise into the middle class, African Americans remained engaged in farming and low-paying domestic work.

Responding to Segregation Segregation, disenfranchisement, and lynching left African Americans in the South oppressed but not powerless. Some responded with confrontation. Ida B. Wells, editor of the *Memphis Free Speech*,

a black newspaper, campaigned against lynching and the Jim Crow laws. Death threats and the destruction of her printing press forced Wells to carry on her work from the North. Other black leaders advocated migration. Bishop Henry Turner formed the International Migration Society in 1894 to help blacks emigrate to Africa. Many African Americans moved to Kansas and Oklahoma.

A third response to oppression, advocated by Booker T. Washington, was to accommodate it. Washington, a former slave, had graduated from Hampton Institute in Virginia. In 1881, he established an industrial and agricultural school for African Americans in Tuskegee, Alabama. There, African Americans learned skilled trades while Washington preached the virtues of hard work, moderation, and economic self-help. Earning money, he said, was like having “a little green ballot” that would empower African Americans more effectively than a political ballot. Speaking at an exposition in Atlanta in 1895, Washington argued that “the agitation of the questions of social equality is the extremist folly.” In 1900, he organized the National Negro Business League, which established 320 chapters across the country to support businesses owned and operated by African Americans. Washington’s emphasis on racial harmony and economic cooperation won praise from many whites, including industrialist Andrew Carnegie and President Theodore Roosevelt.

Later civil rights leaders had mixed reactions to Washington’s approach, especially his Atlanta speech. Some criticized him as too willing to accept discrimination. For example, after 1900, the younger African American leader W. E. B. Du Bois would demand an end to segregation and the granting of equal civil rights to all Americans. (See Chapter 21.) In contrast, other writers have praised Washington for paving the way for black self-reliance because of his emphasis on starting and supporting black-owned businesses.

Farm Problems: North, South, and West

By the end of the 1800s, farmers had become a minority within American society. While the number of U.S. farms more than doubled between 1865 and 1900, people working as farmers declined from 60 percent of the working population in 1860 to less than 37 percent in 1900. All farmers—white or black, westerner or southerner—faced similar problems.

Changes in Agriculture

With every passing decade in the late 1800s, farming became increasingly commercialized—and also more specialized. Northern and western farmers of the late 19th century concentrated on raising single cash crops, such as corn or wheat, for both national and international markets. As consumers, farmers began to procure their food from the stores in town and their manufactured goods from the mail-order catalogs sent to them by Montgomery Ward and Sears Roebuck. As producers, farmers became more dependent on large and expensive machines, such as steam engines, seeders, and reaper-thresher combines. Ever larger farms were run like factories. Unable to afford the new equipment, small, marginal farms could not compete and, in many cases, were driven out of business.

Falling Prices Increased American production as well as increased production in Argentina, Russia, and Canada drove prices down for wheat, cotton, and other crops. And since the money supply was not growing as fast as the economy, each dollar became worth more. This put more downward pressure on prices, or deflation. These figures tell the depressing story for farmers:

Wheat and Corn Prices per Bushel, 1867 and 1889		
Year	Wheat	Corn
1867	\$2.01	\$0.78
1889	\$0.70	\$0.28

Source: U.S. Bureau of the Census. *Historical Statistics of the United States, Colonial Times to 1970*

As prices fell, farmers with mortgages faced both high interest rates and the need to grow more and more to pay off old debts. Of course, increased production only lowered prices. The predictable results of this vicious circle were more debts, foreclosures by banks, and more independent farmers forced to become tenants and sharecroppers.

Rising Costs Farmers felt victimized by impersonal forces of the larger national economy. Industrial corporations were able to keep prices high on manufactured goods by forming monopolistic trusts. Wholesalers and retailers (known as “the middlemen”) took their cut before selling to farmers. Railroads, warehouses, and elevators took what little profit remained by charging high or discriminatory rates for the shipment and storage of grain. Railroads would often charge more for short hauls on lines with no competition than for long hauls on lines with competition.

Taxes too seemed unfair to farmers. Local and state governments taxed property and land heavily but did not tax income from stocks and bonds. The tariffs protecting various American industries were viewed as just another unfair tax paid by farmers and consumers for the benefit of the industrialists.

Fighting Back

A long tradition of independence and individualism restrained farmers from taking collective action. Finally, however, they began to organize for their common interests and protection.

National Grange Movement The National Grange of Patrons of Husbandry was organized in 1868 by Oliver H. Kelley primarily as a social and educational organization for farmers and their families. Within five years, Granges existed in almost every state, with the most in the Midwest. As the Grange expanded, it became active in economics and politics to defend members against middlemen, trusts, and railroads. For example, Grangers established *cooperatives*—businesses owned and run by the farmers to save the costs charged by middlemen. In Illinois, Iowa, Minnesota, and Wisconsin, the Grangers, with help from local

businesses, successfully lobbied their state legislatures to pass laws regulating the rates charged by railroads and elevators. Other Granger laws made it illegal for railroads to fix prices by means of pools and to give rebates to privileged customers. In the landmark case of *Munn v. Illinois* (1877), the Supreme Court upheld the right of a state to regulate businesses of a public nature, such as railroads.

Interstate Commerce Act (1886) The state laws regulating railroad rates ran into numerous legal problems, especially with railroads that crossed state lines. States could regulate only local or short-haul rates. Interstate commerce, on the other hand, was a federal matter, and railroad companies adapted to the Granger laws by simply raising their long-haul (interstate) rates. The Supreme Court ruled in the case of *Wabash v. Illinois* (1886) that individual states could not regulate interstate commerce. In effect, the Court's decision nullified many of the state regulations achieved by the Grangers.

Congress responded to the outcry of farmers and shippers by passing the first federal effort to regulate the railroads. The Interstate Commerce Act of 1886 required railroad rates to be "reasonable and just." It also set up the first federal regulatory agency, the Interstate Commerce Commission (ICC), which had the power to investigate and prosecute pools, rebates, and other discriminatory practices. Ironically, the first U.S. regulatory commission helped the railroads more than the farmers. The new commission lost most of its cases in the federal courts in the 1890s. On the other hand, the ICC helped railroads by stabilizing rates and curtailing destructive competition.

Farmers' Alliances Farmers also expressed their discontent by forming state and regional groups known as farmers' alliances. Like the Grange, the alliances taught about scientific farming methods. Unlike the Grange, alliances always had the goal of economic and political action. Hence, the alliance movement had serious potential for creating an independent national political party. By 1890, about 1 million farmers had joined farmers' alliances. In the South, both poor white and black farmers joined the movement.

Ocala Platform Potential nearly became reality in 1890 when a national organization of farmers—the National Alliance—met in Ocala, Florida, to address the problems of rural America. The alliance attacked both major parties as subservient to Wall Street bankers and big business. Ocala delegates created a platform that would significantly impact politics. They supported (1) direct election of U.S. senators (in the original U.S. Constitution, senators were selected by state legislatures), (2) lower tariff rates, (3) a graduated income tax (people with higher incomes would pay higher rates of tax), and (4) a new banking system regulated by the federal government.

In addition, the alliance platform demanded that Treasury notes and silver be used to increase the amount of money in circulation, which farmers hoped would create inflation and raise crop prices. The platform also proposed federal storage for farmers' crops and federal loans, which would free farmers from dependency on middlemen and creditors.

The alliances stopped short of forming a political party. Even so, their backing of local and state candidates who pledged support for alliance goals often proved decisive in the elections of 1890. Many of the reform ideas of the Grange and the farmers' alliances would become part of the Populist movement, which would shake the foundations of the two-party system in the elections of 1892 and 1896. (See Chapter 19.)

HISTORICAL PERSPECTIVES: HOW DID THE FRONTIER DEVELOP?

Frederick Jackson Turner set the agenda for generations of historians with his frontier thesis. He presented the settling of the frontier as an evolutionary process. The frontier, according to Turner, began as wilderness. The hunting frontier came first, which was followed by either the mining or the cattle frontier, and then the farming frontier. Finally, the founding of towns and cities completed the process.

Later historians challenged Turner's evolutionary view by arguing that frontier cities played an early and primary role in development. For example, Charles Glaab documented the role of town "boosters," who tried to create settlements on the frontier overnight in the middle of nowhere. After laying out town plots on paper, boosters of different western towns strove to establish their own town as a territory's central hub of development by competing to capture the county seat or state capital, a state asylum, a railroad depot, or a college. Many would-be towns, promoted as the next "Athens of the West," proved a booster's false prophecy and died as ghost towns.

Historian William Cronon argued that the frontier and cities grew up together, not sequentially. In his analysis of the growth of Chicago in the 19th century, (*Nature's Metropolis*, 1991) Cronon argued that the "frontier and the metropolis turn out to be two sides of the same coin. . . . The history of the Great West is a long dialogue between the place we call city and the place we call country." Urban markets made rural development possible. The cattle ranchers' frontier developed because it was linked by the railroads to Chicago and eastern markets. By "reading Turner backward," Cronon demonstrated how Chicago helped to create the mining, cattle, lumber, and farming frontiers as it developed into the great city of the West, or "nature's metropolis." By integrating the history of the city and the settlement of the frontier, Cronon challenged the perspective that urban areas and rural areas are necessarily in conflict. Not only the development of the American frontier, but the growth of cities and rural areas is clarified, when we begin to understand, as Cronon argued, "every city is nature's metropolis and every countryside its rural hinterland."

KEY TERMS BY THEME

Western Environment (ENV)

Great American Desert
100th meridian
buffalo herds
Great Plains
mineral resources

Western Development (WXT)

Mining frontier,
boomtowns
Chinese Exclusion Act of
1882
commercial cities
longhorns, vaqueros
cattle drives
barbed wire
Joseph Glidden
Homestead Act
dry farming

American Indians (PEO, POL)

Great Plains tribes
Southwest tribes
federal treaty policies
causes of "Indian wars"
Little Big Horn
assimilationists
Helen Hunt Jackson
Dawes Act of 1887
Ghost Dance movement
Indian Reorganization
Act of 1934

Mexican Americans (PEO)

Mexican War aftermath
Spanish-speaking areas
Migration for jobs

Conservation Move- ment (ENV)

deforestation
Yellowstone, Yosemite
Department of Interior
conservationists and
preservationists
Forest Reserve Act of
1891

Forest Management Act
of 1897

John Muir, Sierra Club

Southern Development (WXT)

"New South"
Henry Grady
Birmingham (steel)
Memphis (lumber)
Richmond (tobacco)
integrated rail network
agriculture's dominance
sharecropping; tenant
farmers

George Washington
Carver

Tuskegee Institute

Racial Discrimination (PEO, POL)

white supremacists
Civil Rights Cases of
1883

Plessy v. Ferguson

Jim Crow laws

literacy tests, poll taxes,
grandfather clauses
white primaries, white
juries

lynch mobs

economic discrimination

African American

migration

Ida B. Wells

Booker T. Washington

economic cooperation

Farm Protests Move- ments (POL)

markets and farmers

crop price deflation

railroads and middlemen

National Grange

Movement

cooperatives

Granger laws

Munn v. Illinois

Wabash v. Illinois

Interstate Commerce

Commission

Ocala Platform of 1890

Frontier Closing (CUL)

census of 1890

Frederick Jackson Turner,

"The Significance of
the Frontier in Ameri-
can History"

role of cities, "nature's
metropolis"

THE GROWTH OF CITIES AND AMERICAN CULTURE, 1865–1900

*Give me your tired, your poor,
Your huddled masses yearning to breathe free,
The wretched refuse of your teeming shore,
Send these, the homeless, tempest-tossed, to me:
I lift my lamp beside the golden door.*

Emma Lazarus, "The New Colossus," 1883
(Inscription on the base of the Statue of Liberty)

In 1893, Chicago hosted a world's fair known as the World's Columbian Exposition. More than 12 million people traveled to the White City, as Chicago's fairgrounds and gleaming white buildings were known. Visitors saw the progress of American civilization as represented by new industrial technologies and by the architects' grand visions of an ideal urban environment. In just six decades, Chicago's population had grown to more than one million. Its central business district was a marvel of modern urban structures: steel-framed skyscrapers, department stores, and theaters. Around this central hub lay a sprawling gridiron of workers' housing near the city's factories and warehouses, and a few miles beyond were tree-lined suburban retreats for the wealthy. The entire urban complex was connected by hundreds of miles of streetcars and railroads.

Visitors to Chicago also experienced a "gray city" of pollution, poverty, crime, and vice. Some complained of the confusion of tongues, "worse than the tower of Babel," for in 1893 Chicago was a city of immigrants. More than three-fourths of its population were either foreign-born or the children of the foreign-born. Both the real Chicago and the idealized "White City" represented the complex ways in which three great forces of change—industrialization, immigration, and urbanization—were transforming the nature of American society in the late 19th century. A previous chapter covered industrialization. This chapter focuses on immigration and urbanization.

A Nation of Immigrants

In the last half of the 19th century, the U.S. population more than tripled, from about 23.2 million in 1850 to 76.2 million in 1900. The arrival of 16.2 million immigrants fueled the growth. An additional 8.8 million more arrived during the peak years of immigration, 1901–1910.

Growth of Immigration

The growing connections between the United States and the world are evident during this period, especially in the area of immigration. A increased combination of “pushes” (negative factors from which people are fleeing) and “pulls” (positive attractions of the adopted country) increased migrations around the world. The negative forces driving Europeans to emigrate included (1) the poverty of displaced farmworkers driven from the land by political turmoil and the mechanization of farmwork, (2) overcrowding and joblessness in cities as a result of a population boom, and (3) religious persecution, particularly of Jews in eastern Europe. Positive reasons for moving to the United States included this country’s reputation for political and religious freedom and the economic opportunities afforded by the settling of the West and the abundance of industrial jobs in U.S. cities. Furthermore, the introduction of large steamships and the relatively inexpensive one-way passage in the ships’ “steerage” made it possible for millions of poor people to emigrate.

“Old” Immigrants and “New” Immigrants

Through the 1880s, the vast majority of immigrants came from northern and western Europe: the British Isles, Germany, and Scandinavia. Most of these “old” immigrants were Protestants, although many were Irish or German Catholics. Their language (mostly English-speaking) and high level of literacy and occupational skills made it relatively easy for these immigrants to blend into a mostly rural American society in the early decades of the 19th century.

New Immigrants Beginning in the 1890s and continuing to the outbreak of World War I in 1914, the national origins of most immigrants changed. The “new” immigrants came from southern and eastern Europe. They were Italians, Greeks, Croats, Slovaks, Poles, and Russians. Many were poor and illiterate peasants who had left autocratic countries and therefore were unaccustomed to democratic traditions. Unlike the earlier groups of Protestant immigrants, the newcomers were largely Roman Catholic, Greek Orthodox, Russian Orthodox, and Jewish. On arrival, most new immigrants crowded into poor ethnic neighborhoods in New York, Chicago, and other major U.S. cities.

An estimated 25 percent of them were “birds of passage,” young men contracted for unskilled factory, mining, and construction jobs, who would return to their native lands once they had saved a fair sum of money to bring back to their families.

Restricting Immigration

In the 1870s, when the French sculptor Frédéric-Auguste Bartholdi began work on the Statue of Liberty, there were few legal restrictions on immigration to the United States. By 1886, however—the year that the great welcoming-statue was placed on its pedestal in New York Harbor—Congress had passed a number of new laws restricting immigration. First came the Chinese Exclusion Act of 1882, placing a ban on all new immigrants from China. As already noted in the last chapter, this hostility to the Chinese mainly came from the western states. Restrictions also came in 1882 on the immigration of “undesirable” persons, such as paupers, criminals, convicts, and those diagnosed as mentally incompetent. The Contract Labor Law of 1885 restricted temporary workers to protect American workers. A literacy test for immigrants was vetoed by President Cleveland, but passed in 1917. Soon after the opening of Ellis Island as an immigration center in 1892, new arrivals had to pass more rigorous medical examinations and pay a tax before entering the United States.

Efforts to restrict immigration were supported by diverse groups such as (1) labor unions, which feared that employers would use immigrants to depress wages and break strikes, (2) a nativist society, the American Protective Association, which was openly prejudiced against Roman Catholics, and (3) social Darwinists, who viewed the new immigrants as biologically inferior to English and Germanic stocks. During a severe depression in the 1890s, foreigners became a convenient scapegoat for jobless workers as well as for employers who blamed strikes and the labor movement on foreign agitators.

However, anti-immigrant feelings and early restrictions did not stop the flow of newcomers. At the turn of the century, almost 15 percent of the U.S. population were immigrants. The Statue of Liberty remained a beacon of hope for the poor and the oppressed of southern and eastern Europe until the 1920s, when the Quota Acts almost closed Liberty’s golden door (see Chapter 23).

Urbanization

Urbanization and industrialization developed simultaneously. Cities provided both laborers for factories and a market for factory-made goods. The shift in population from rural to urban became more obvious with each passing decade. By 1900 almost 40 percent of Americans lived in towns or cities. By 1920, for the first time, more Americans lived in urban areas than in rural areas.

Those moving into the cities were both immigrants and internal migrants born in the rural United States. In the late 19th century, millions of young Americans from rural areas decided to seek new economic opportunities in the cities. They left the farms for industrial and commercial jobs, and few of them returned. Among those who joined the movement from farms to cities were African Americans from the South. Between 1897 and 1930, nearly 1 million southern blacks settled in northern and western cities.

Changes in the Nature of Cities

Cities of the late 19th century underwent significant changes not only in their size but also in their internal structure and design.

Streetcar Cities Improvements in urban transportation made the growth of cities possible. In the walking cities of the pre-Civil War era, people had little choice but to live within walking distance of their shops or jobs. Such cities gave way to streetcar cities, in which people lived in residences many miles from their jobs and commuted to work on horse-drawn streetcars. By the 1890s, both horse-drawn cars and cable cars were being replaced by electric trolleys, elevated railroads, and subways, which could transport people to urban residences even farther from the city's commercial center. The building of massive steel suspension bridges such as New York's Brooklyn Bridge (completed in 1883) also made possible longer commutes between residential areas and the center city.

Mass transportation had the effect of segregating urban workers by income. The upper and middle classes moved to streetcar suburbs to escape the pollution, poverty, and crime of the city. The exodus of higher-income residents left older sections of the city to the working poor, many of whom were immigrants. The residential areas of the cities and suburbs both reflected and contributed to the class, race, ethnic, and cultural divisions in American society.

Skyscrapers As cities expanded outward, they also soared upward, since increasing land values in the central business district dictated the construction of taller and taller buildings. In 1885, William Le Baron Jenny built the ten-story Home Insurance Company Building in Chicago—the first true skyscraper with a steel skeleton. Structures of this size were made possible by such innovations as the Otis elevator and the central steam-heating system with radiators in every room. By 1900 steel-framed skyscrapers for offices of industry had replaced church spires as the dominant feature of American urban skylines.

Ethnic Neighborhoods As affluent citizens moved out of residences near the business district, the poor moved into them. To increase their profits, landlords divided up inner-city housing into small, windowless rooms. The resulting slums and tenement apartments could cram more than 4,000 people into one city block. In an attempt to correct unlivable conditions, New York City passed a law in 1879 that required each bedroom to have a window. The cheapest way for landlords to respond to the law was to build the so-called dumbbell tenements, with ventilation shafts in the center of the building to provide windows for each room. However, overcrowding and filth in new tenements continued to promote the spread of deadly diseases, such as cholera, typhoid, and tuberculosis.

In their crowded tenement quarters, different immigrant groups created distinct ethnic neighborhoods where each group could maintain its own language, culture, church or temple, and social club. Many groups even supported their own newspapers and schools. While often crowded, unhealthy, and crime-ridden, these neighborhoods (sometimes called "ghettos") often served as springboards for ambitious and hardworking immigrants and their children to achieve their version of the American dream.

Residential Suburbs The residential pattern in the United States contrasted with that of Europe, where wealthy people remained near the business districts of modern cities and lower-income people live in the outlying areas. Five factors prompted Americans who could afford to move to the suburbs: (1) abundant land available at low cost, (2) inexpensive transportation by rail, (3) low-cost construction methods such as the wooden, balloon-frame house, (4) ethnic and racial prejudice, and (5) an American fondness for grass, privacy, and detached individual houses.

Landscape architect Frederick Law Olmsted, who designed New York's Central Park in the 1860s, went on to design suburban communities with graceful curved roads and open spaces—"a village in the park." By 1900, suburbs had grown up around every major U.S. city, and a single-family dwelling surrounded by an ornamental lawn soon became the American ideal of comfortable living. Thus began the world's first suburban nation.

Private City Versus Public City At first, city residents tried to carry on life in large cities much as they had in small villages. Private enterprise shaped the development of American cities, and provided services such as streetcars and utilities for a profit. In time, increasing disease, crime, waste, water pollution, and air pollution slowly convinced reform-minded citizens and city governments of the need for municipal water purification, sewerage systems, waste disposal, street lighting, police departments, and zoning laws to regulate urban development. In the 1890s, the "City Beautiful" movement advanced grand plans to remake American cities with tree-lined boulevards, public parks and public cultural attractions. The debate between the private good and the public good in urban growth and development has continued as an open issue.

Boss and Machine Politics

The consolidation of power in business had its parallel in urban politics. Political parties in major cities came under the control of tightly organized groups of politicians, known as political machines. Each machine had its boss, the top politician who gave orders to the rank and file and doled out government jobs to loyal supporters. Several political machines, such as Tammany Hall in New York City, started as social clubs and later developed into power centers to coordinate the needs of businesses, immigrants, and the underprivileged. In return, machines asked for people's votes on election day.

Successful party bosses knew how to manage the competing social, ethnic, and economic groups in the city. Political machines often brought modern services to the city, including a crude form of welfare for urban newcomers. The political organization would find jobs and apartments for recently arrived immigrants and show up at a poor family's door with baskets of food during hard times. But the political machine could be greedy as well as generous and often stole millions from the taxpayers in the form of graft and fraud. In New York City in the 1860s, for example, an estimated 65 percent of public building funds ended up in the pockets of Boss Tweed and his cronies.

Awakening of Reform

Urban problems, including the desperate poverty of working-class families, inspired a new social consciousness among the middle class. Reform movements begun in earlier decades increased strength in the 1880s and 1890s.

Books of Social Criticism A San Francisco journalist, Henry George, published a provocative book in 1879 that became an instant best-seller and jolted readers to look more critically at the effects of laissez-faire economics. George called attention to the alarming inequalities in wealth caused by industrialization. In his book *Progress and Poverty*, George proposed one innovative solution to poverty: replacing all taxes with a single tax on land. Another popular book of social criticism, *Looking Backward, 2000–1887*, was written by Edward Bellamy in 1888. It envisioned a future era in which a cooperative society had eliminated poverty, greed, and crime. So enthusiastic were many of the readers of George's and Bellamy's books that they joined various reform movements and organizations to try to implement the authors' ideas. Both books encouraged a shift in American public opinion away from pure laissez-faire and toward greater government regulation.

Settlement Houses Concerned about the lives of the poor, a number of young, well-educated women and men of the middle class settled into immigrant neighborhoods to learn about the problems of immigrant families first-hand. Living and working in places called settlement houses, the young reformers hoped to relieve the effects of poverty by providing social services for people in the neighborhood. The most famous such experiment was Hull House in Chicago, which was started by Jane Addams and a college classmate in 1889. Settlement houses taught English to immigrants, pioneered early-childhood education, taught industrial arts, and established neighborhood theaters and music schools. By 1910 there were more than 400 settlement houses in America's largest cities.

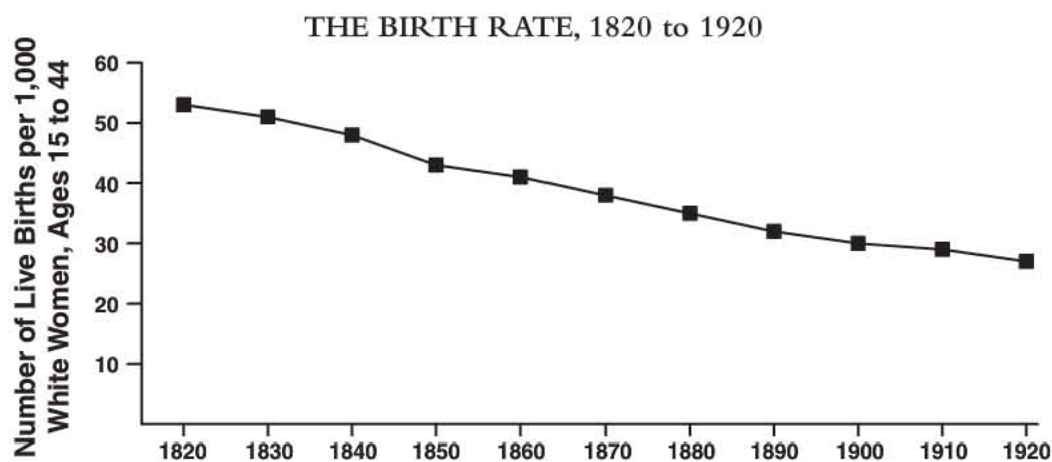
Settlement workers were civic-minded volunteers who created the foundation for the later job of social worker. They were also political activists who crusaded for child-labor laws, housing reform, and women's rights. Two settlement workers, Frances Perkins and Harry Hopkins, went on to leadership roles in President Franklin Roosevelt's reform program, the New Deal, in the 1930s.

Social Gospel In the 1880s and 1890s, a number of Protestant clergy espoused the cause of social justice for the poor—especially the urban poor. They preached what they called the Social Gospel, or the importance of applying Christian principles to social problems. Leading the Social Gospel movement in the late 19th and early 20th centuries was a Baptist minister from New York, Walter Rauschenbusch, who worked in the poverty-stricken neighborhood of New York City called Hell's Kitchen, wrote several books urging organized religions to take up the cause of social justice. His Social Gospel preaching linked Christianity with the Progressive reform movement (see Chapter 21) and encouraged many middle-class Protestants to attack urban problems.

Religion and Society All religions adapted to the stresses and challenges of modern urban living. Roman Catholicism grew rapidly from the influx of new immigrants. Catholic leaders such as Cardinal James Gibbons of Baltimore inspired the devoted support of old and new immigrants by defending the Knights of Labor and the cause of organized labor. Among Protestants, Dwight Moody, who founded the Moody Bible Institute in Chicago in 1889, would help generations of urban evangelists to adapt traditional Christianity to city life. The Salvation Army, imported from England in 1879, provided basic necessities to the homeless and the poor while preaching the Christian gospel.

Members of the urban middle class were attracted to the religious message of Mary Baker Eddy, who taught that good health was the result of correct thinking about “Father Mother God.” By the time of her death in 1910, hundreds of thousands had joined the church she had founded, the Church of Christ, Scientist—popularly known as Christian Science.

Families in Urban Society Urban life placed severe strains on parents and their children by isolating them from the extended family (relatives beyond the family nucleus of parents and children) and village support. Divorce rates increased to one in 12 marriages by 1900, partly because a number of state legislatures had expanded the grounds for divorce to include cruelty and desertion. Another consequence of the shift from rural to urban living was a reduction in family size. Children were an economic asset on the farm, where their labor was needed at an early age. In the city, however, they were more of an economic liability. Therefore, in the last decades of the 19th century, the national average for birthrates and family size continued to drop.



Source: U.S. Bureau of the Census. *Historical Statistics of the United States, Colonial Times to 1970*

Voting Rights for Women The cause of women’s suffrage, launched at Seneca Falls in 1848, was vigorously carried forward by a number of middle-class women. In 1890, two of the pioneer feminists of the 1840s, Elizabeth Cady Stanton and Susan B. Anthony of New York, helped found the National American Woman Suffrage Association (NAWSA) to secure the vote for women.

A western state, Wyoming, was the first to grant full suffrage to women, in 1869. By 1900, some states allowed women to vote in local elections, and most allowed women to own and control property after marriage.

Temperance Movement Another cause that attracted the attention of urban reformers was temperance. Excessive drinking of alcohol by male factory workers was one cause of poverty for immigrant and working-class families. The Woman's Christian Temperance Union (WCTU) was formed in 1874. Advocating total abstinence from alcohol, the WCTU, under the leadership of Frances E. Willard of Evanston, Illinois, had 500,000 members by 1898. The Antisaloon League, founded in 1893, became a powerful political force and by 1916 had persuaded 21 states to close down all saloons and bars. Unwilling to wait for the laws to change, Carry A. Nation of Kansas created a sensation by raiding saloons and smashing barrels of beer with a hatchet.

Urban Reforms Across the country, grassroots efforts arose to combat corruption in city governments. In New York, a reformer named Theodore Roosevelt tried to clean up the New York City Police Department. As a result of his efforts, he became a vice-presidential nominee in 1896, and later the president. However, many of the reformers of the Gilded Age would not see their efforts reach fruition or have a national impact until the early 20th century.

Intellectual and Cultural Movements

The change from an agricultural to an industrial economy and from rural to urban living profoundly affected all areas of American life, including education, sciences, literature, arts, and popular entertainment.

Changes in Education

The growing complexity of life, along with reactions to Darwin's theory of evolution, raised challenging questions about what schools should teach.

Public Schools Elementary schools after 1865 continued to teach the 3 R's (reading, writing, arithmetic) and the traditional values promoted in the standard texts, McGuffey's readers. New compulsory education laws that required children to attend school, however, dramatically increased the number students enrolled. As a result, the literacy rate rose to 90 percent of the population by 1900. The practice of sending children to kindergarten (a concept borrowed from Germany) became popular and reflected the growing interest in early-childhood education in the United States.

Perhaps even more significant than lower-grade schools was the growing support for tax-supported public high schools. At first these schools followed the college preparatory curriculum of private academies, but soon the public high schools became more comprehensive. They began to provide vocational and citizenship education for a changing urban society.

Higher Education The number of U.S. colleges increased in the late 1800s largely as a result of: (1) land-grant colleges established under the federal Morrill acts of 1862 and 1890, (2) universities founded by wealthy philanthropists—the University of Chicago by John D. Rockefeller, for

example, and (3) the founding of new colleges for women, such as Smith, Bryn Mawr, and Mount Holyoke. By 1900, 71 percent of the colleges admitted women, who represented more than one-third of the attending students.

The college curriculum also changed greatly in the late 19th century. Soon after becoming president of Harvard in 1869, Charles W. Eliot reduced the number of required courses and introduced electives (courses chosen by students) to accommodate the teaching of modern languages and the sciences: physics, chemistry, biology, and geology. Johns Hopkins University was founded in Baltimore in 1876 as the first American institution to specialize in advanced graduate studies. Following the model of German universities, Johns Hopkins emphasized research and free inquiry. As a result of such innovations in curriculum, the United States produced its first generation of scholars who could compete with the intellectual achievements of Europeans. As the curriculum was changing, colleges added social activities, fraternities, and intercollegiate sports, additions that soon dominated the college experience for many students.

Social Sciences The application of the scientific method and the theory of evolution to human affairs revolutionized the study of human society in the late 19th century. New fields, known as the social sciences, emerged, such as psychology, sociology, anthropology, and political science. Richard T. Ely of Johns Hopkins attacked laissez-faire economic thought as dogmatic and outdated and used economics to study labor unions, trusts, and other existing economic institutions not only to understand them but also to suggest remedies for economic problems of the day. Evolutionary theory influenced leading sociologists (Lester F. Ward), political scientists (Woodrow Wilson), and historians (Frederick Jackson Turner) to study the dynamic process of actual human behavior instead of logical abstractions.

One social scientist who used new statistical methods to study crime in urban neighborhoods was W. E. B. Du Bois. The first African American to receive a doctorate from Harvard, Du Bois was the leading black intellectual of the era. He advocated for equality for blacks, integrated schools, and equal access to higher education for the “talented tenth” of African Americans.

The Professions Scientific theory and methodology also influenced the work of doctors, educators, social workers, and lawyers. Oliver Wendell Holmes Jr. argued that the law should evolve with the times in response to changing needs and not remain restricted by legal precedents and judicial decisions of the past. Clarence Darrow, a famous lawyer, argued that criminal behavior could be caused by a person’s environment of poverty, neglect, and abuse. These changes in the professions, along with changes in the universities, would provide a boost to progressive legislation and liberal reform in the 20th century.

Literature and the Arts

American writers and artists responded in diverse ways to industrialization and urban problems. In general, the work of the best-known innovators of the era reflected a new realism and an attempt to express an authentic American style.

Realism and Naturalism Many of the popular works of literature of the post-Civil War years were romantic novels that depicted ideal heroes and heroines. Breaking with this genteel literary tradition were regionalist writers such as Bret Harte, who depicted life in the rough mining camps of the West. Mark Twain (the pen name for Samuel L. Clemens) became the first great realist author. His classic work, *The Adventures of Huckleberry Finn* (1884), revealed the greed, violence, and racism in American society.

A younger generation of authors who emerged in the 1890s became known for their naturalism, which focused on how emotions and experience shaped human experience. In his naturalistic novel *Maggie: A Girl of the Streets* (1893), Stephen Crane told how a brutal urban environment could destroy the lives of young people. Crane also wrote the popular *Red Badge of Courage* about fear and human nature on the Civil War battlefield before dying himself of tuberculosis at only 29. Jack London, a young California writer and adventurer, portrayed the conflict between nature and civilization in novels such as *The Call of the Wild* (1903). A naturalistic book that caused a sensation and shocked the moral sensibilities of the time was Theodore Dreiser's novel about a poor working girl in Chicago, *Sister Carrie* (1900).

Painting Some American painters responded to the new emphasis on realism, while others continued to cater to the popular taste for romantic subjects. Winslow Homer, the foremost American painter of seascapes and watercolors, often rendered scenes of nature in a matter-of-fact way. Thomas Eakins's realism included paintings of surgical scenes and the everyday lives of working-class men and women. He also used the new technology of serial-action photographs to study human anatomy and paint it more realistically.



Source: Winslow Homer, "The Life Line," 1836–1910, LACMA

James McNeill Whistler was born in Massachusetts but spent most of his life in Paris and London. His most famous painting, *Arrangement in Grey and Black* (popularly known as “Whistler’s Mother”), hangs in the Louvre. This study of color, rather than subject matter, influenced the development of modern art. A distinguished portrait painter, Mary Cassatt, also spent much of her life in France where she learned the techniques of impressionism, especially in her use of pastel colors. As the 19th century ended, a group of social realists, such as George Bellows, of the “Ashcan School” painted scenes of everyday life in poor urban neighborhoods. Upsetting to realists and romanticists alike were the abstract, nonrepresentational paintings exhibited in the Armory Show in New York City in 1913. Art of this kind would be rejected by most Americans until the 1950s when it finally achieved respect among collectors of fine art.

Architecture In the 1870s, Henry Hobson Richardson changed the direction of American architecture. While earlier architects found inspiration in classical Greek and Roman styles, his designs were often based on the medieval Romanesque style of massive stone walls and rounded arches. Richardson gave a gravity and stateliness to functional commercial buildings. Louis Sullivan of Chicago went a step further by rejecting historical styles in his quest for a suitable style for the tall, steel-framed office buildings of the 1880s and 1890s. Sullivan’s buildings achieved a much-admired aesthetic unity, in which the form of a building flowed from its function—a hallmark of the Chicago School of architecture. Frank Lloyd Wright, an employee of Sullivan’s in the 1890s, developed an “organic” style of architecture that was in harmony with its natural surroundings. Wright’s vision is exemplified in the long, horizontal lines of his prairie-style houses. Wright became the most famous American architect of the 20th century. Some architects, such as Daniel H. Burnham,



Frank Lloyd Wright, Robie House, Chicago, 1909. Library of Congress

who revived classical Greek and Roman architecture in his designs for the World's Columbian Exposition of 1893, continued to explore historical styles.

One of the most influential urbanists, Frederick Law Olmsted specialized in the planning of city parks and scenic boulevards, including Central Park in New York City and the grounds of the U.S. Capitol in Washington. As the originator of landscape architecture, Olmsted not only designed parks, parkways, campuses, and suburbs but also established the basis for later urban landscaping.

Music With the growth of cities came increasing demand for musical performances appealing to a variety of tastes. By 1900, most large cities had either an orchestra, an opera house, or both. In smaller towns, outdoor bandstands were the setting for the playing of popular marches by John Philip Sousa.

Among the greatest innovators of the era were African Americans in New Orleans. Jelly Roll Morton and Buddy Bolden expanded the audience for jazz, a musical form that combined African rhythms with European instruments, and mixed improvisation with a structured format. The remarkable black composer and performer Scott Joplin sold nearly a million copies of sheet music of his "Maple Leaf Rag" (1899). Also from the South came blues music that expressed the pain of the black experience. Jazz, ragtime, and blues music gained popularity during the early 20th century as New Orleans performers headed north into the urban centers of Memphis, St. Louis, Kansas City, and Chicago.

Popular Culture

Entertaining the urban masses became big business in the late 19th century. People wanted amusements as respites from their work.

Popular Press Mass-circulation newspapers had been around since the 1830s, but the first newspaper to exceed a million in circulation was Joseph Pulitzer's *New York World*. Pulitzer filled his daily paper with both sensational stories of crimes and disasters and crusading feature stories about political and economic corruption. Another New York publisher, William Randolph Hearst, pushed scandal and sensationalism to new heights (or lows).

Mass-circulation magazines also became numerous in the 1880s. Advertising revenues and new printing technologies made it possible for the *Ladies' Home Journal* and similar magazines to sell for as little as 10 cents a copy.

Amusements In addition to urbanization, other factors also promoted the growth of leisure-time activities: (1) a gradual reduction in the hours people worked, (2) improved transportation, (3) promotional billboards and advertising, and (4) the decline of restrictive Puritan and Victorian values that discouraged "wasting" time on play. Based on numbers alone, the most popular form of recreation in the late 19th century, despite the temperance movement, was drinking and talking at the corner saloon. Theaters that presented comedies and dramas flourished in most large cities, but vaudeville with its variety of acts drew the largest audiences. The national rail network encouraged traveling circuses such as Barnum and Bailey and the Ringling Brothers to create circus

trains that moved a huge number of acts and animals from town to town, as the “Greatest Show on Earth.” Also immensely popular was the Wild West show brought to urban audiences by William F. Cody (“Buffalo Bill”) and headlining such personalities as Sitting Bull and the markswoman Annie Oakley.

Commuter streetcar and railroad companies also promoted weekend recreation in order to keep their cars running on Sundays and holidays. They created parks in the countryside near the end of the line so that urban families could enjoy picnics and outdoor recreation.

Spectator Sports Professional spectator sports originated in the late 19th century. Boxing attracted male spectators from all classes, and champions such as John L. Sullivan became national heroes. Baseball, while it recalled a rural past of green fields and fences, was very much an urban game that demanded the teamwork needed for an industrial age. Owners organized teams into leagues, much as trusts of the day were organized. In 1909, when President William Howard Taft started the tradition of the president throwing out the first ball of the season, baseball was the national pastime. However, Jim Crow laws and customs prevented blacks from playing on all-white big-league baseball teams between the 1890s and 1947.

Football developed primarily as a college activity, with the first game played by two New Jersey colleges, Rutgers and Princeton, in 1869. In the 1920s professional football teams and leagues were organized. Basketball was invented in 1891 at Springfield College, in Massachusetts. Within a few years, high schools and colleges across the nation had teams. The first professional basketball league was organized in 1898.

American spectator sports were played and attended by men. They were part of a “bachelor subculture” for single men in their twenties and thirties, whose lives centered around saloons, horse races, and pool halls. It took years for some spectator sports, such as boxing and football, to gain middle-class respectability.

Amateur Sports The value of sports as healthy exercise for the body gained acceptance by the middle and upper classes in the late 19th century. Women were considered unfit for most competitive sports, but they engaged in such recreational activities as croquet and bicycling. Sports such as golf and tennis grew, but mostly among the prosperous members of athletic clubs. The very rich pursued expensive sports of polo and yachting. Clubs generally discriminated against Jews, Catholics, and Africans Americans.

HISTORICAL PERSPECTIVES: MELTING POT OR CULTURAL DIVERSITY?

To what extent did immigrants give up their heritage to become Americanized, or fully assimilated into the existing culture? The prevailing view in the 19th and early 20th centuries was that the United States was a melting pot, in which immigrant groups quickly shed old-world characteristics in order to become successful citizens of their adopted country. This view was expressed as early as 1782 by a naturalized Frenchman, J. Hector St. John Crèvecoeur. In his *Letters From an American Farmer*, Crèvecoeur described how the American experience “melted” European immigrants “into a new race of men.” The term “melting pot” became firmly associated with immigration in a popular play by that name: Israel Zangwill’s *The Melting Pot* (1908). One line of this drama described “how the great Alchemist melts and fuses them [immigrants] with purging flames!”

In recent decades, the melting pot concept has come under intense scrutiny and challenge by modern historians. Carl N. Degler, for example, has argued that a more accurate metaphor would be the salad bowl, in which each ingredient (ethnic culture) remains intact. To support this view, Degler points to the diversity of religions in the United States. Neither immigrants nor their descendants gave up their religions for the Protestantism of the American majority.

In his groundbreaking study of immigration, *The Uprooted* (1952), Oscar Handlin observed that newcomers to a strange land often became alienated from both their native culture and the culture of their new country. According to Handlin, first-generation immigrants remained alienated and did not lose their cultural identity in the melting pot. Only the immigrants’ children and children’s children became fully assimilated into mainstream culture.

Many historians agree with Handlin that, after two or three generations, the melting pot, or assimilation, process reduced the cultural differences among most ethnic groups. However, certain groups have had a different experience. Historian Richard C. Wade has observed that African Americans who migrated to northern cities faced the special problem of racism, which has created seemingly permanent ghettos with “a growingly alienated and embittered group.”

Historians remain divided in their analysis of the melting pot. Those who accept the concept see people of diverse ethnic backgrounds coming together to build a common culture. Others see American urban history characterized by intergroup hostility, alienation, crime, and corruption. The questions about past immigration shape current views of ethnic tensions in contemporary society. Is there a process, common to all groups, in which initial prejudice against the most recent immigrants fades after two or three generations? Is the cultural diversity in U.S. society today a permanent condition—or just unmelted bits of foreign ways that will someday fuse into a homogeneous culture?

KEY NAMES, EVENTS, AND TERMS

Immigration (PEO, POL)

causes of immigration
old immigrants
new Immigrants
Statue of Liberty
Chinese Exclusion Act of 1882
Immigration Act of 1882
Contract Labor Act of 1885
American Protective Association
Ellis Island 1892
melting pot vs. cultural diversity

City Growth (PEO, POL)

causes of migration
streetcar cities
steel-framed buildings
tenements, poverty
ethnic neighborhoods
residential suburbs
politic machines, "boss"
Tammany Hall
urban reformers
"City Beautiful" movement

Reformers (CUL)

Henry George
Edward Bellamy
Jane Addams
settlement houses
Social Gospel
Walter Rauschenbusch
Cardinal Gibbons

Dwight Moody
Salvation Army
family size, divorce
Susan B. Anthony, NAWSA
Francis Willard, WCTU
Antisaloon League
Carrie Nation

Education (CUL)

kindergarten
public high school
college elective system
Johns Hopkins University

Professions (CUL)

new social sciences
Richard T. Ely
Oliver Wendell Holmes
Clarence Darrow
W.E.B. Du Bois

Arts and Writing (CUL)

realism, naturalism
Mark Twain
Stephen Crane
Jack London
Theodore Dreiser
Winslow Homer
Thomas Eakins
Impressionism
James Whistler
Mary Cassatt
Ashcan School
Armory Show
abstract art

Architecture (CUL)

Henry Hobson Richardson
Romanesque style
Louis Sullivan
"form follows function"
Frank Lloyd Wright
organic architecture
Frederick Law Olmsted
landscape architecture

Popular Culture (CUL)

growth of leisure time
John Philip Sousa
jazz, blues, ragtime
Jelly Roll Morton
Scott Joplin
mass circulation newspapers
Joseph Pulitzer
William Randolph Hearst
Ladies' Home Journal
circus trains
Barnum & Bailey
"Greatest Show on Earth"
"Buffalo Bill" Wild West Show
spectator sports, boxing, baseball
amateur sports, bicycling, tennis
social class and discrimination
country clubs, golf, polo, yachts
corner saloon, pool halls

THE POLITICS OF THE GILDED AGE, 1877–1900

*My country, 'is of thee, Once land of liberty, Of thee I sing.
Land of the Millionaire; Farmers with pockets bare;
Caused by the cursed snare—The Money Ring.*

Alliance Songster, 1890

Congress had enacted an ambitious reform program during the 1860s and 1870s—the era of Civil War and Reconstruction. After the election of President Rutherford B. Hayes and the Compromise of 1877, the national government settled into an era of stalemate and comparative inactivity. However, the causes of limited achievements and failure of politicians to address the growing problems related to industrialization and urbanization are often as instructive as periods of political achievements.

Politics in the Gilded Age

The expression “Gilded Age,” first used by Mark Twain in 1873 as the title of a book, referred to the superficial glitter of the new wealth so prominently displayed in the late 19th century. Historians often criticize the politics of the era as more show than substance. It was the era of “forgettable” presidents, none of whom served two consecutive terms, and of politicians who largely ignored problems arising from the growth of industry and cities. The two major parties in these years often avoided taking stands on controversial issues.

Causes of Stalemate

Factors accounting for the complacency and conservatism of the era included (1) the prevailing political ideology of the time, (2) campaign tactics of the two parties, and (3) party patronage.

Belief in Limited Government The idea of “do-little” government was in tune with two other popular ideas of the time: laissez-faire economics and Social Darwinism. Furthermore, the federal courts narrowly interpreted the government’s powers to regulate business, and this limited the impact of the few regulatory laws that Congress did pass.

Campaign Strategy The closeness of elections between 1876 and 1892 was one reason that Republicans and Democrats alike avoided taking strong positions on the issues. The Democrats won only two presidential contests in the electoral college (but four in the popular vote). They nevertheless controlled the House of Representatives after eight of the ten general elections. The result was divided government in Washington (except for two years of the Harrison administration, 1889–1891, when the Republicans were in control of both the presidency and the two houses of Congress). With elections so evenly matched, the objective was to get out the vote and not alienate voters on the issues.

Election campaigns of the time were characterized by brass bands, flags, campaign buttons, picnics, free beer, and crowd-pleasing oratory. Both parties had strong organizations, the Republicans usually on the state level and the Democrats in the cities. The irony is that the issue-free campaigns brought out nearly 80 percent of the eligible voters for presidential elections, much higher than elections in later periods. The high turnout was a function of strong party identification and loyalty, often connected with the regional, religious, and ethnic ties of voters.

Republicans In the North, Republican politicians kept memories of the Civil War alive during the Gilded Age by figuratively waving the “bloody shirt” in every campaign and reminding the millions of veterans of the Union army that their wounds had been caused by (southern) Democrats and that Abraham Lincoln had been murdered by a Democrat. The party of Lincoln, because of its antislavery past, kept the votes of reformers and African Americans. The core of Republican strength came from men in business and from middle-class, Anglo-Saxon Protestants, many of whom supported temperance or prohibition. Republicans followed the tradition of Hamilton and the Whigs, supporting a pro-business economic program of high protective tariffs.

Democrats After 1877, Democrats could count upon winning every election in the former states of the Confederacy. The solid South was indeed solidly Democratic until the mid-20th century. In the North, Democratic strength came from big-city political machines and the immigrant vote. Democrats were often Catholics, Lutherans, and Jews who objected to temperance and prohibition crusades conducted by Protestant (and largely Republican) groups. Democrats of the Gilded Age argued for states’ rights and limiting powers for the federal government, following in the Jeffersonian tradition.

Party Patronage Since neither party had an active legislative agenda, politics in this era was chiefly a game of winning elections, holding office, and providing government jobs to the party faithful. In New York, for example, Republican Senator Roscoe Conkling became a powerful leader of his party by dictating who in the Republican ranks would be appointed to lucrative jobs in the New York Customs House. Conkling and his supporters were known as the Stalwarts, while their rivals for patronage were the Halfbreeds, led by James G. Blaine. Who got the patronage jobs within the party became a more important issue than any policy. Republicans who did not play the patronage

game were ridiculed as the Mugwumps for sitting on the fence—their “mugs” on one side of the fence and “wumps” on the other. Historians generally consider this era a low point in American politics.

Political Party Affiliations in Congress, 1881–1901				
	House		Senate	
Year	Major Parties	Minor Parties	Major Parties	Minor Parties
1881–1883	R-147, D-135	11	R-37, D-37	1
1883–1885	D-197, R-118	10	R-38, D-36	2
1885–1887	D-183, R-140	2	R-43, D-34	0
1887–1889	D-169, R-152	4	R-39, D-37	0
1889–1891	R-166, D-159	0	R-39, D-37	0
1891–1893	D-235, R-88	9	R-47, D-39	2
1893–1895	D-218, R-127	11	D-44, R-38	3
1895–1897	R-244, D-105	7	R-43, D-39	6
1897–1899	R-204, D-113	40	R-47, D-34	7
1899–1901	R-185, D-163	9	R-53, D-26	8

R: Republican D: Democrat

Source: U.S. Bureau of the Census. *Historical Statistics of the United States, Colonial Times to 1970*

Presidential Politics

The administrations of presidents Hayes, Garfield, and Arthur reflected the political stalemate and patronage problems of the Gilded Age.

Rutherford B. Hayes After being declared the winner of the disputed election of 1876, Rutherford B. Hayes’s most significant act was to end Reconstruction by withdrawing the last federal troops from the South. President Hayes also attempted to re-establish honest government after the corrupt Grant administration. As temperance reformers, Hayes and his wife, “Lemonade Lucy,” cut off the flow of liquor in the White House. Hayes vetoed efforts to restrict Chinese immigration.

James Garfield Republican politicians, more interested in spoils and patronage than reform, were happy to honor President Hayes’s pledge in 1877 to serve only one term. In the election of 1880, the Republicans compromised on the nomination of “Halfbreed” James A. Garfield of Ohio (a key swing state of the times), and “Stalwart” Chester A. Arthur of New York as vice president. The Democrats nominated Winfield S. Hancock, a former Union general who had been wounded at Gettysburg. The Garfield-Arthur ticket defeated the Democratic war hero in a very close popular vote.

In his first weeks in office, Garfield was besieged in the White House by hordes of Republicans seeking some 100,000 federal jobs. Garfield's choice of Halfbreeds for most offices provoked a bitter contest with Senator Conkling and his Stalwarts. While the president was preparing to board a train for a summer vacation in 1881, a deranged office seeker who identified with the Stalwarts shot Garfield in the back. After an 11-week struggle, the gunshot wound proved fatal. Chester A. Arthur then became president.

Chester A. Arthur Arthur proved a much better president than people expected. He distanced himself from the Stalwarts, supported a bill reforming the civil service. This bill expanded the number of government employees hired based on their qualifications rather than their political connections. In addition, he approved the development of a modern American navy and began to question the high protective tariff. His reward was denial of renomination by the Republican party in 1884.

Congressional Leaders

Weak presidents do not necessarily mean strong Congresses. Lawmakers of the Gilded Age typically had long but undistinguished careers. John Sherman, brother of the famous Civil War general, was in Congress from 1855 to 1898 but did little other than allow his name to be attached to a number of bills, including the Sherman Antitrust Act of 1890. Thomas "Czar" Reed from Maine, a sharp-tongued bully, became Speaker of the House in 1890 and instituted an autocratic rule over the House that took years to break. Senator James G. Blaine, also from Maine, had the potential of being a great political leader and largely succeeded in reshaping the Republicans from an antislavery party into a well-organized, business-oriented party. However, Blaine's reputation was tarnished by links with railroad scandals and other corrupt dealings.

The Election of 1884

In 1884 the Republicans nominated Blaine for president, but suspicions about Blaine's honesty were enough for the reform-minded Mugwumps to switch allegiance and campaign for the Democratic nominee, Grover Cleveland. Unlike most Gilded Age politicians, Cleveland was honest, frugal, conscientious, and uncompromising. He had been an honest mayor of Buffalo and incorruptible governor of New York State. Republicans raised questions, however, about the New Yorker's private life, making much of the fact that Cleveland had fathered the child of a woman not his wife. In a notably dirty campaign, the Democrats were labeled the party of "Rum, Romanism, and Rebellion." Catholic voters were offended by the phrase, and their votes in key states such as New York may have been enough to ensure Cleveland's victory as the first Democrat to be elected president since Buchanan in 1856.

Cleveland's First Term

The Democratic president believed in frugal and limited government in the tradition of Jefferson. He implemented the new civil service system (see below) and vetoed hundreds of private pension bills for those falsely claiming to have

served or been injured in the Civil War. He signed into law both (1) the Interstate Commerce Act of 1887, the federal government's first effort to regulate business, and (2) the Dawes Act, which reformers hoped would benefit American Indians. Cleveland's administration also retrieved some 81 million acres of government land from cattle ranchers and the railroads.

Issues: Civil Service, Currency, and Tariffs

During the 1870s and 1880s, the Congresses in Washington were chiefly concerned with such issues as patronage, the money supply, and the tariff issue. They left the states and local governments to deal with the growing problems of the cities and industrialization.

Civil Service Reform Public outrage over the assassination of President Garfield in 1881 pushed Congress to remove certain government jobs from the control of party patronage. The Pendleton Act of 1881 set up the Civil Service Commission and created a system by which applicants for classified federal jobs would be selected on the basis of their scores on a competitive examination. The law also prohibited civil servants from making political contributions. At first, the law applied to only 10 percent of federal employees, but in later decades, the system was expanded until most federal jobs were classified (that is, taken out of the hands of politicians).

Politicians adapted to the reform by depending less on their armies of party workers and more on the rich to fund their campaigns. People still debate which approach is more harmful to democratic government.

Money Question The most hotly debated issues of the Gilded Age was how much to expand the money supply. For the economy to grow soundly, it needed more money in circulation. However, the money question reflected the growing tension in the era between the “haves” and the “have-nots.”

Debtors, farmers, and start-up businesses wanted more “easy” or “soft” money in circulation, since this would enable them to (1) borrow money at lower interest rates and (2) pay off their loans more easily with inflated dollars. After the Panic of 1873, many Americans blamed the gold standard for restricting the money supply and causing the depression. To expand the supply of U.S. currency, easy-money advocates campaigned first for more paper money (greenbacks) and then for the unlimited minting of silver coins.

On the opposite side of the question, bankers, creditors, investors, and established businesses stood firm for “sound” or “hard” money—meaning currency backed by gold stored in government vaults. Supporters of hard money argued that dollars backed by gold would hold their value against inflation. Holders of money understood that as the U.S. economy and population grew faster than the number of gold-backed dollars, each dollar would gain in value. As predicted, the dollar did increase in value by as much as 300 percent between 1865 and 1895.

Greenback Party Paper money not backed by specie (gold or silver) had been issued by the federal government in the 1860s as an emergency measure for financing the Civil War. Northern farmers, who received high

prices during the war, prospered from the use of “greenbacks.” On the other hand, creditors and investors attacked the use of unbacked paper money as a violation of natural law. In 1875, Congress sided with the creditors, and passed the Specie Resumption Act, which withdrew all greenbacks from circulation.

Supporters of paper money formed a new political party, the Greenback party. In the congressional election of 1878, Greenback candidates received nearly 1 million votes, and 14 members were elected to Congress, including James B. Weaver of Iowa (a future leader of the Populist party). When the hard times of the 1870s ended, the Greenback party died out, but the goal of increasing the amount of money in circulation did not.

Demands for Silver Money In addition to removing greenbacks, Congress in the 1870s also stopped the coining of silver. Critics call this action “the Crime of 1873.” Then silver discoveries in Nevada revived demands for the use of silver to expand the money supply. A compromise law, the Bland-Allison Act, was passed over Hayes’s veto in 1878. It allowed only a limited coinage of between \$2 million and \$4 million in silver each month at the standard silver-to-gold ratio of 16 to 1. Not satisfied, farmers, debtors, and western miners continued to press for the unlimited coinage of silver.

Tariff Issue In the 1890s, tariffs provided more than half of federal revenue. Western farmers and eastern capitalists disagreed on the question of whether tariff rates on foreign imports should be high or low. During the Civil War, the Republican Congress had raised tariffs to protect U.S. industry and also fund the Union government. After the war, southern Democrats as well as some northern Democrats objected to high tariffs because these taxes raised the prices on consumer goods. Another result of the protective tariff was that other nations retaliated by placing taxes of their own on U.S. farm products. American farmers lost some overseas sales, contributing to surpluses of corn and wheat and resulting in lower farm prices and profits. From a farmer’s point of view, industry seemed to be growing rich at the expense of rural America.

The Growth of Discontent, 1888–1896

The politics of stalemate and complacency would begin to lose their hold on the voters by the late 1880s. Discontent over government corruption, the money issue, tariffs, railroads, and trusts was growing. In response, politicians began to take small steps to respond to public concerns, but it would take a third party (the Populists) and a major depression in 1893 to shake the Democrats and the Republicans from their lethargy.

Harrison and the Billion-Dollar Congress

Toward the end of his first term, President Cleveland created a political storm by challenging the high protective tariff. He proposed that Congress set lower tariff rates, since there was a growing surplus in the federal treasury and the government did not need the added tax revenue.

The Election of 1888 With the tariff question, Cleveland introduced a real issue, the first in years that truly divided Democrats and Republicans. In

the election of 1888, Democrats campaigned for Cleveland and a lower tariff; Republicans campaigned for Benjamin Harrison (grandson of the former president, William Henry Harrison) and a high tariff. The Republicans argued that a lower tariff would wreck business prosperity. They played upon this fear to raise campaign funds from big business and to rally workers in the North, whose jobs depended on the success of U.S. industry. The Republicans also attacked Cleveland's vetoes of pension bills to bring out the veteran vote. The election was extremely close. Cleveland received more popular votes than Harrison, but ended up losing the election because Harrison's sweep of the North gained the Republican ticket a majority of votes in the electoral college.

Billion-dollar Congress For the next two years, Republicans controlled the presidency and both houses of Congress—unusual for this era of close elections. The new Congress was the most active in years, passing the first billion-dollar budget in U.S. history. It enacted the following:

- The McKinley Tariff of 1890, which raised the tax on foreign products to a peacetime high of more than 48 percent
- Increases in the monthly pensions to Civil War veterans, widows, and children
- The Sherman Antitrust Act, outlawing “combinations in restraint of trade” (see Chapter 16)
- The Sherman Silver Purchase Act of 1890, which increased the coinage of silver, but too little to satisfy farmers and miners
- A bill to protect the voting rights of African Americans, passed by the House but defeated in the Senate

Return of the Democrats In the congressional elections of 1890, the voters, especially in the Midwest, replaced many Republicans with Democrats. They were reacting in part to unpopular measures passed by Republican state legislatures: prohibition of alcohol and laws requiring business to close on Sundays. Voters who were neither Anglo-Saxon nor Protestant rushed back to the Democrats, who had not tried to legislate public morality.

Rise of the Populists

Another factor in the Republican setbacks of 1890 was growing agrarian discontent in the South and West. Members of the Farmers' Alliances elected U.S. senators and representatives, the governors of several states, and majorities in four state legislatures in the West.

Omaha Platform The Alliance movement provided the foundation of a new political party—the People's, or Populist, party. Delegates from different states met in Omaha, Nebraska, in 1892 to draft a political platform and nominate candidates for president and vice president for the new party. Populists

were determined to do something about the concentration of economic power in the hands of trusts and bankers. Their Omaha platform called for both political and economic reforms. Politically, it demanded an increase in the power of common voters through (1) direct popular election of U.S. senators (instead of indirect election by state legislatures) and (2) the use of initiatives and referendums, procedures that allowed citizens to vote directly on proposed laws. Economically, the Populist platform was even more ambitious. Populists advocated: (1) unlimited coinage of silver to increase the money supply, (2) a graduated income tax (the greater a person's income, the higher the percentage of the tax on his or her income), (3) public ownership of railroads by the U.S. government, (4) telegraph and telephone systems owned and operated by the government, (5) loans and federal warehouses for farmers to enable them to stabilize prices for their crops, and (6) an eight-hour day for industrial workers.

At the time, the Populist movement seemed revolutionary not only for its attack on laissez-faire capitalism but also for its attempt to form a political alliance between poor whites and poor blacks. In the South, Thomas Watson of Georgia appealed to poor farmers of both races to unite on their common economic grievances by joining the People's party.

The Election of 1892 In 1892, James Weaver of Iowa, the Populist candidate for president, won more than 1 million votes and 22 electoral votes, making him one of the few third-party candidates in U.S. history to win votes in the electoral college. Nevertheless, the Populist ticket lost badly in the South and failed to attract urban workers in the North. The fear of Populists uniting poor blacks and whites drove conservative southern Democrats to use every technique to disfranchise African Americans (see Chapter 17).

The two major parties provided a rematch between President Harrison and former president Cleveland. This time, Cleveland won a solid victory in both the popular and electoral vote. He won in part because of the unpopularity of the high-tax McKinley Tariff. Cleveland became the first and only former president thus far to return to the White House after having left it.

Depression Politics

No sooner did Cleveland take office than the country entered into one of its worst and longest depressions.

Panic of 1893 In the spring and summer of 1893, the stock market crashed as a result of overspeculation, and dozens of railroads went into bankruptcy as a result of overbuilding. The depression continued for almost four years. Farm foreclosures reached new highs, and the unemployed reached 20 percent of the workforce. Many people ended up relying on soup kitchens and riding the rails as hoboes. President Cleveland, more conservative than he had been in the 1880s, dealt with the crisis by championing the gold standard and otherwise adopting a hands-off policy toward the economy.

Gold Reserve and Tariff A decline in silver prices encouraged investors to trade their silver dollars for gold dollars. The gold reserve (bars of gold bullion stored by the U.S. Treasury) fell to a dangerously low level, and President

Cleveland saw no alternative but to repeal the Sherman Silver Purchase Act of 1890. This action, however, failed to stop the gold drain. The president then turned to the Wall Street banker J. P. Morgan to borrow \$65 million in gold to support the dollar and the gold standard. This deal convinced many Americans that the government in Washington was only a tool of rich eastern bankers. Workers became further disenchanted with Cleveland when he used court injunctions and federal troops to crush the Pullman strike in 1894 (see Chapter 16).

The Democrats did enact one measure that was somewhat more popular. Congress passed the Wilson-Gorman Tariff in 1894, which (1) provided a moderate reduction in tariff rates and (2) included a 2 percent income tax on incomes of more than \$2,000. Since the average American income at this time was less than \$1,000, only those with higher incomes would be subject to the income tax. Within a year after the passage of the law, however, the conservative Supreme Court declared an income tax unconstitutional.

Jobless on the March As the depression worsened and the numbers of jobless people grew, conservatives feared class war between capital and labor. They were especially alarmed by a march to Washington in 1894 by thousands of the unemployed led by Populist Jacob A. Coxey of Ohio. “Coxey’s Army” demanded that the federal government spend \$500 million on public works programs to create jobs. Coxey and other protest leaders were arrested for trespassing, and the dejected marchers returned home.

Also in 1894, a little book by William H. Harvey presenting lessons in economics seemed to offer easy answers for ending the depression. Illustrated with cartoons, *Coin’s Financial School* taught millions of discontented Americans that their troubles were caused by a conspiracy of rich bankers, and that prosperity would return if the government coined silver in unlimited quantities.

Turning Point in American Politics: 1896

National politics was in transition. The repeal of the Silver Purchase Act and Cleveland’s handling of the depression thoroughly discredited the conservative leadership of the Democratic party. The Democrats were buried in the congressional elections of 1894 by the Republicans. At the same time, the Populists continued to gain both votes and legislative seats. The stage was set for a major reshaping of party politics in 1896.

The Election of 1896

The election of 1896 was one of the most emotional in U.S. history. It also would mark the beginning of a new era in American politics.

Bryan, Democrats, and Populists Democrats were divided in 1896 between “gold” Democrats loyal to Cleveland and prosilver Democrats looking for a leader. Their national convention in Chicago in the summer of 1896 was dominated by the prosilver forces. Addressing the convention, William Jennings Bryan of Nebraska captured the hearts of the delegates with a speech that ended with these words: “We will answer their demands for a gold standard by saying to them: ‘You shall not press down upon the brow of labor this crown

of thorns, you shall not crucify mankind upon a cross of gold.’ ” So powerful was Bryan’s “Cross of Gold” speech that it made him instantly the Democratic nominee for president. Bryan was only 36 years old.

The Democratic platform favored the unlimited coinage of silver at the traditional, but inflationary, ratio of 16 ounces of silver to one ounce of gold. (The market price then was about 32 to 1.) Thus, the Democrats had taken over the leading issue of the Populist platform. Given little choice, the Populist convention in 1896 also nominated Bryan and conducted a “fused” campaign for “free silver.”

Unhappy with Bryan and free silver, the conservative faction of “Gold Bug” Democrats, including Cleveland, either formed the separate National Democratic party or voted Republican.

McKinley, Hanna, and Republicans For their presidential nominee, the Republicans nominated William McKinley of Ohio, best known for his support of a high protective tariff but also considered a friend of labor. Marcus (Mark) Hanna, who had made a fortune in business, was the financial power behind McKinley’s nomination as well as the subsequent campaign for president. After blaming the Democrats for the Panic of 1893, the Republicans offered the American people the promise of a strong and prosperous industrial nation. The Republican platform proposed a high tariff to protect industry and upheld the gold standard against unlimited coinage of silver.

The Campaign The defection of “Gold Bug” Democrats over the silver issue gave the Republicans an early advantage. Bryan countered by turning the Democratic-Populist campaign into a nationwide crusade. Traveling by train from one end of the country to the other, the young candidate covered 18,000 miles and gave more than 600 speeches. His energy, positive attitude, and rousing oratory convinced millions of farmers and debtors that the unlimited coinage of silver was their salvation.

Mark Hanna meanwhile did most of the work of campaigning for McKinley. He raised millions of dollars for the Republican ticket from business leaders who feared that “silver lunacy” would lead to runaway inflation. Hanna used the money to sell McKinley through the mass media (newspapers, magazines), while the Republican candidate stayed home and conducted a safe, front-porch campaign, greeting delegations of supporters.

In the last weeks of the campaign, Bryan was hurt by (1) a rise in wheat prices, which made farmers less desperate, and (2) employers telling their workers that factories would shut down if Bryan was elected. On election day, McKinley carried all of the Northeast and the upper Midwest in a decisive victory over Bryan in both the popular vote (7.1 million to 6.5 million) and the electoral vote (271 to 176).

McKinley’s Presidency

McKinley was lucky to take office just as the economy began to revive. Gold discoveries in Alaska in 1897 increased the money supply under the gold standard, which resulted in the inflation that the silverites had wanted. Farm

prices rose, factory production increased, and the stock market climbed. The Republicans honored their platform by enacting the Dingley Tariff of 1897 that increased the tariff to more than 46 percent, and, in 1900, making gold the official standard of the U.S. currency. McKinley was a well-liked, well-traveled president who tried to bring conflicting interests together. As leader during the war with Spain in 1898, he helped to make the United States a world power.

Significance of the Election of 1896

The election of 1896 had significant short-term and long-term consequences on American politics. It marked the end of the stalemate and stagnation that had characterized politics in the Gilded Age. In addition, the defeat of Bryan and the Populist free-silver movement initiated an era of Republican dominance of the presidency (seven of the next nine elections) and of both houses of Congress (17 of the next 20 sessions). Once the party of “free soil, free labor, and free men,” the Republicans had become the party of business and industry, though it continued to advocate for a strong national government. The Democrats carried on in defeat as the sectional party of the South and host of whatever Populist sentiment remained.

Populist Demise The Populist party declined after 1896 and soon ceased to be a national party. In the South, Thomas Watson and other Populist leaders gave up trying to unite poor whites and blacks, having discovered the hard lesson that racism was stronger than common economic interests. Ironically, in defeat, much of the Populist reform agenda, such as the graduated income tax and popular election of senators, was adopted by both the Democrats and Republicans during the reform-minded Progressive era (1900–1917).

Urban Dominance The election of 1896 was a clear victory for big business, urban centers, conservative economics, and moderate, middle-class values. It proved to be the last hope of rural America to reclaim its former dominance in American politics. Some historians see the election marking the triumph of the values of modern industrial and urban America over the rural ideals of the America of Jefferson and Jackson.

Beginning of Modern Politics McKinley emerged as the first modern president, an active leader who took the United States from being relatively isolated to becoming a major player in international affairs. Mark Hanna, the master of high-finance politics, created a model for organizing and financing a successful campaign. McKinley’s model focused on winning favorable publicity in the dominant mass media of his day: newspapers.

HISTORICAL PERSPECTIVES: WHO WERE THE POPULISTS?

Historians debate whether the Populist crusade was realistic or romantic. Was it a practical, liberal response to problems or an idealistic, reactionary effort to bring back a farmer-dominated society?

Early histories of the Populists depicted them as farmers and small producers who challenged the abuses of industrial America and the corruption of the political system. As reformers, they were seeking only economic fairness and an honest democratic process. The reforms that they advocated in the Omaha platform of 1892 had long-term significance in preparing the way for similar reforms in the Progressive era (1900–1917) and the New Deal (1933–1939).

An alternative view of the Populists sees them largely as reactionaries who dreamed up conspiracies by eastern bankers instead of seriously trying to understand the complex causes of the decline of farm income. Critics argue that Populists—rather than dealing with the world as it was—isolated themselves from the new urban and industrial age and were often racists, nativists, anti-Semites, and anti-Catholics. Richard Hofstadter in *The Age of Reform* (1955) saw both positive and negative aspects in the Populist movement. He credited the Populists for insisting on the federal government's responsibility to promote the common good and deal with problems of industrialization. At the same time, Hofstadter criticized the Populists' backward-looking and nostalgic ideology and their hopeless quest to restore an agrarian golden age that existed only in myth.

Since Hofstadter, historians have returned to the view that the farmers' grievances were real and that American democracy was endangered by powerful economic groups. Members of the National Farmers' Alliance and the Populist movement were not ignorant of complex economic changes; instead, they worked to educate themselves about economics and politics. Nor were most of them bigoted. Walter Nugent in *The Tolerant Populists* (1963) depicts them as democratic humanists who welcomed into their ranks people of all races, creeds, and ethnic backgrounds.

As a style of politics, populism remains powerful. Michael Kazin in *The Populist Persuasion* (1995) analyzed populism as a political attitude and posture that combines anti-elitism with advocacy for the common people. According to Kazin, populism shifted to the right in the 1960s with the emergence of George Wallace and the presidency of Richard Nixon. The populist movements of the late 20th century were primarily conservative reactions against the increased role of government. Populist movements of the 2010s, such as the Tea Party, proved again the appeal of the outsiders and anti-establishment voices, and that the populist tradition remains a potent part of American politics.

KEY TERMS BY THEME

Political Stalemate (POL)

laissez-faire economics and politics
divided electorate
Identity politics
"Rum, Romanism, and Rebellion"
close elections
divided government
weak presidents
patronage politics
corrupt politicians

Republican Party (POL)

Union veterans, "bloody shirt"
Whig past, pro-business
Hamiltonian tradition
Social reformers, temperance
Anglo-Saxon heritage
Protestant religion
African Americans

Democratic Party (POL)

former Confederacy, "Solid South"
states' rights, limited government
Jeffersonian tradition
big-city political machines
immigrant vote
against prohibition
Catholics, Lutherans, Jews

Patronage Issue (POL)

federal government jobs
Stalwarts, Halfbreeds, and Mugwumps
Election of 1880

assassination of James Garfield
Chester Arthur
Pendleton Act of 1881
civil service reform
election of 1884
Grover Cleveland

Tariff Issue (POL, WXT)

high tariff
business vs. consumers
Cleveland threatens lower tariff
McKinley Tariff of 1890
Wilson-Gorman Tariff of 1894
Dingley Tariff of 1897–46.5 percent

Money Supply (WXT, POL)

"hard" money vs. "soft" money
banks, creditors vs. debtors
Panic of 1873, "Crime of '73"
Specie Resumption Act of 1875
Greenback party
James B. Weaver
Bland-Allison Act of 1878
Sherman Silver Purchase Act of 1890
run on gold reserves, J. P. Morgan bail out
repeal of Sherman Silver Purchase Act

Rise of Discontent (POL)

election of 1888, Harrison
"Billion Dollar Congress"
rise of the Populist Party
Farmers' Alliances in South and West
Alliance of whites and blacks in South
Thomas Watson
reformers vs. racism in South
Omaha Platform
government regulation and ownership
election of 1892, Cleveland returns
Panic of 1893
Coxey's Army, March on Washington
Coin's Financial School

Election of 1896 (POL)

William Jennings Bryan
"Cross of Gold" Speech
fusion of Democrats and Populists
unlimited coinage of silver at 16 to 1
"Gold Bug" Democrats
Mark Hanna, money and mass media
McKinley victory
gold standard and higher tariff
rise of modern urban-industrial society
decline of traditional rural-agricultural
start of the modern presidency
era of Republican dominance