

OUTLINE

Chapter 16 America's Gilded Age, 1870-1890

This chapter examines the changes that industrialization brought to American society during the final decades of the 19th century. A growing industrial economy presented new challenges to those who owned businesses and to those who worked in factories.

INTRODUCTION

I. THE SECOND INDUSTRIAL REVOLUTION

II. THE TRANSFORMATION OF THE WEST

III. POLITICS IN THE GILDED AGE

IV. FREEDOM IN THE GILDED AGE

V. LABOR AND THE REPUBLIC

INTRODUCTION

STORY:

In 1886 Americans celebrated the opening of the Statue of Liberty in New York Harbor. The statue was a gift to America from France, and it soon became the symbol of American freedom especially for the millions who immigrated to this country during the Gilded Age. But the Gilded Age was also a time of great tension between those who increasingly argued that freedom ought to mean more than civic rights. The great question of the age, according to Eric Foner, was “What are the social conditions that make freedom possible?”



THEMES:

1. Industrialization produced new conditions in American society that forced a rethinking of the meaning of freedom.
2. The settlement of the American West during this time period was part of the process of capitalist expansion taking place in the East.
3. The middle class and the working class had responses to the changes brought about by industrialization, but the political system of the Gilded Age could not effectively direct reform.

I. THE SECOND INDUSTRIAL REVOLUTION

FOCUS QUESTION: How did the United States become a mature industrial society in the decades after the Civil War?

A. The Industrial Economy

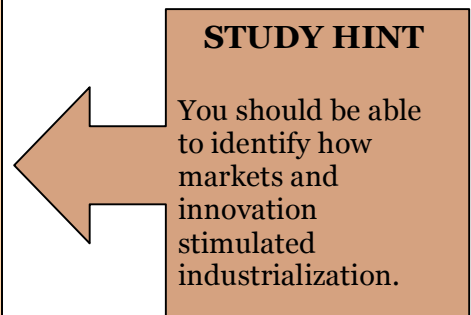
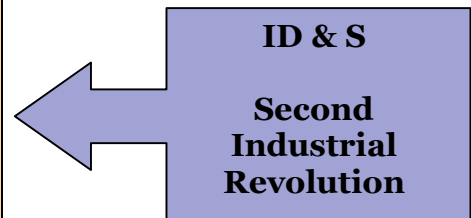
1. By 1913, the United States produced one-third of the world's industrial output
2. The 1880 census showed for the first time that a majority of the work force engaged in non-farming jobs
3. Growth of cities were vital for financing industrialization
 - a. Great Lakes region
 - i. Pittsburgh
 - ii. Chicago

B. The National Market

1. The railroad made possible what is sometimes called the second industrial revolution
2. The growing population formed an ever-expanding market for the mass production, mass distribution, and mass marketing of goods

C. The Spirit of Innovation

1. Scientific breakthroughs poured forth from Thomas A. Edison

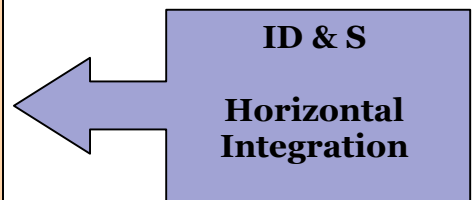
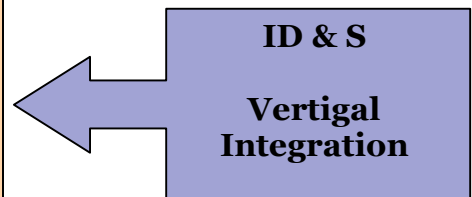
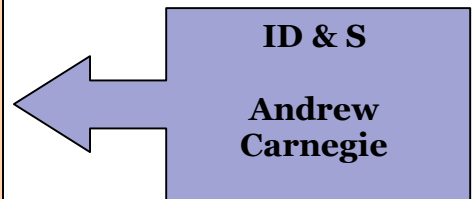
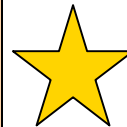


D. Competition and Consolidation

1. Depression plagued the economy between 1873 and 1897
2. Businesses engaged in ruthless competition
3. To avoid cutthroat competition, more and more corporations battled to control entire industries
 - a. Between 1897 and 1904, 4,000 firms vanished into larger corporations

E. Captains of Industry

1. The railroad pioneered modern techniques of business organization
 - a. Thomas Scott of Pennsylvania Railroad
2. Andrew Carnegie worked for Scott at Pennsylvania Railroad
3. By the 1890s, Carnegie dominated the steel industry
 - a. Vertical integration
4. Carnegie's life reflected his desire to succeed and his desire to give back to society
5. John D. Rockefeller dominated the oil industry
 - a. Horizontal integration
6. "Captains of industry" versus "Robber Barons"



F. Workers' Freedom in an Industrial Age

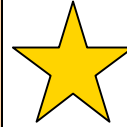
1. For a minority of workers, the rapidly expanding industrial system created new forms of freedom
2. For most workers, economic insecurity remained a basic fact of life
3. Between 1880 and 1900, an average of 35,000 workers perished each year in factory and mine accidents, the highest rate in the industrial world
4. Women were part of the working class

G. Sunshine and Shadow

1. Class divisions became more and more visible
2. Many of the wealthiest Americans consciously pursued an aristocratic lifestyle
 - a. Thorstein Veblen on "conspicuous consumption"
3. The working class lived in desperate conditions

STUDY HINT

You should be able to identify some of the advantages that industrialization brought to workers and some of the disadvantages.



II. THE TRANSFORMATION OF THE WEST

FOCUS QUESTION: How was the West transformed economically and socially in this period?

A. A Farming Empire

1. More land came into cultivation in the thirty years after the Civil War than in the previous two-and-a-half centuries of American history
2. Even small farmers became increasingly oriented to national and international markets
3. As crop production increased, prices fell and small farmers throughout the world suffered severe difficulties in the last quarter of the nineteenth century
4. The future of western farming ultimately lay with giant agricultural enterprises

B. The Day of the Cowboy

1. The cowboys became symbols of a life of freedom on the open range

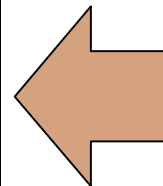
C. The Corporate West

1. Many western industries fell under the sway of companies that mobilized eastern and European investment to introduce advanced technology
2. New Mexican sheepfarming



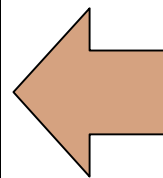
STUDY HINT

You should be able to identify the basic conditions of western agriculture during the Gilded Age as described on pages 520-522.



STUDY HINT

There will be no questions on the test about the West from pages 523-528, except for the ID &S highlighted in the blue boxes.



D. The Subjugation of the Plains Indians

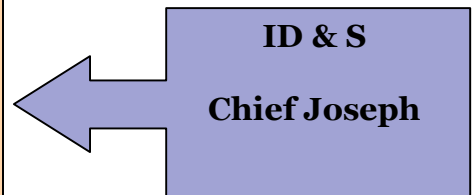
1. The incorporation of the West into the national economy spelled the doom of the Plains Indians and their world
2. As settlers encroached on Indian lands, bloody conflict between the army and Plains tribes began in the 1850s and continued until 1890
3. The Union army launched a campaign against the Navajo in the Southwest
4. Once numbering 30 million in 1800, buffalo were nearly extinct from hunting by 1890

E. Let Me Be a Free Man

1. The Nez Perce were chased over 1,700 miles before surrendering in 1877
2. Chief Joseph spoke of freedom before a distinguished audience in 1879
3. Defending their land, Sioux and Cheyenne warriors attacked Custer at Little Big Horn
4. These events delayed only temporarily the onward march of white soldiers, settlers, and prospectors

F. Remaking Indian Life

1. In 1871, Congress eliminated the treaty system that dated back to the Revolutionary era
 - a. Forced assimilation



ID & S
Chief Joseph

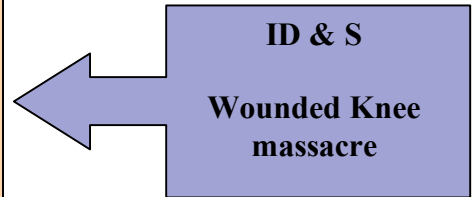
2. The crucial step in attacking “tribalism” came in 1887 with the passage of the Dawes Act

a. The policy proved to be a disaster for the Indians

G. The Ghost Dance and Wounded Knee

1. Some Indians sought solace in the Ghost Dance, a religious revitalization campaign reminiscent of the pan-Indian movements led by earlier prophets like Neolin and Tenskwatawa

2. On December 29, 1890, soldiers opened fire on Ghost Dancers encamped on Wounded Knee Creek in South Dakota, killing between 150 and 200 Indians, mostly women and children.



III. POLITICS IN A GILDED AGE

FOCUS QUESTION: How effective was the political system of the Gilded Age?

A. The Corruption of Politics

1. Americans during the Gilded Age saw their nation as an island of political democracy in a world still dominated by undemocratic governments
2. Political corruption was rife
3. Urban politics fell under the sway of corrupt political machines
 - a. Boss Tweed
4. Corruption was at the national level too
 - a. Credit Mobilier

B. The Politics of Dead Center

1. Every Republican candidate for president from 1868 to 1900 had fought in the Union army
 - a. Union soldiers' pensions
2. Democrats dominated the South and Catholic votes
3. The parties were closely divided and national elections were very close
4. Gilded Age presidents made little effort to mobilize public opinion or exert executive leadership



STUDY HINT

You should be able to identify some examples of political corruption during the Gilded Age.

ID & S

Boss Tweed

5. In some ways, American democracy in the Gilded Age seemed remarkably healthy

C. Government and the Economy

1. The nation's political structure proved ill-equipped to deal with the problems created by the economy's rapid growth

- a. Tariff policy was debated
- b. Return to gold standard in 1879

2. Republican economic policies strongly favored the interests of eastern industrialists and bankers

3. The Civil Service Act of 1883 created a merit system for federal employees

4. Congress established the Interstate Commerce Commission (ICC) in 1887

- a. Sherman Antitrust Act

D. Political Conflict in the States

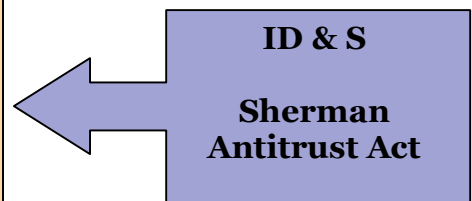
1. State governments expanded their responsibilities to the public

2. Third parties enjoyed significant, if short-lived, success in local elections

- a. The Greenback-Labor Party

3. Farmers responded to railroad policies by organizing the Grange

4. Some states passed eight-hour-day laws



IV. FREEDOM IN THE GILDED AGE

FOCUS QUESTION: How was American freedom transformed by the economic development of the Gilded Age?

A. The Social Problem

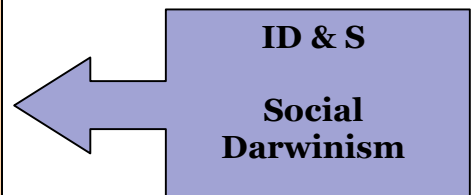
1. As the United States matured into an industrial economy, Americans struggled to make sense of the new social order
2. Many Americans sensed that something had gone wrong in the nation's social development

B. Freedom, Inequality, and Democracy

1. Many Americans viewed the concentration of wealth as inevitable, natural, and justified by progress
2. Gilded Age reformers feared that with lower-class groups seeking to use government to advance their own interests, democracy was becoming a threat to individual liberty and the rights of property

C. Social Darwinism in America

1. Charles Darwin put forth the theory of evolution whereby plant and animal species best suited to their environment took the place of those less able to adapt
2. Social Darwinism argued that evolution was as natural a process in human society as in nature, and government must not interfere



3. Failure to advance in society was widely thought to indicate a lack of character

4. Social Darwinist William Sumner believed that freedom required frank acceptance of inequality

D. Liberty of Contract

1. Labor contracts reconciled freedom and authority in the workplace

2. Demands by workers that the government help them struck liberals as an example of how the misuse of political power posed a threat to liberty

E. The Courts and Freedom

1. The courts viewed state regulation of business as an insult to free labor

2. The courts generally sided with business enterprises that complained of a loss of economic freedom

3. *Lochner v. New York* voided a state law establishing ten hours per day or sixty per week as the maximum hours of work for bakers, citing that it infringed upon individual freedom

V. LABOR AND THE REPUBLIC

FOCUS QUESTION: How did reformers of the period approach the problems of an industrial society?

A. The Overwhelming Labor Question

1. The 1877 Great Railroad Strike demonstrated that there was an “overwhelming labor question”

B. The Knights of Labor in an Industrial Age

1. The Knights of Labor organized all workers to improve social conditions

C. The Conditions Essential to Liberty

1. Labor raised the question whether meaningful freedom could exist in a situation of extreme economic inequality

D. Middle-Class Reformers

1. Alarmed by fear of class warfare and the growing power of concentrated capital, social thinkers offered numerous plans for change

E. Progress and Poverty

1. Henry George’s solution was the “single tax”

2. George rejected the traditional equation of liberty with ownership of land

ID & S

Knights of
Labor



ID & S

Henry George



F. Gronlund and Bellamy

1. Lawrence Gronlund's *Cooperative Commonwealth* was the first book to popularize socialist ideas for an American audience
2. It explained socialist concepts in easy-to-understand prose
3. Freedom, Edward Bellamy insisted, was a social condition, resting on interdependence, not autonomy
4. Bellamy held out the hope of retaining the material abundance made possible by industrial capitalism while eliminating inequality

G. A Social Gospel

1. Walter Rauschenbusch insisted that freedom and spiritual self-development required an equalization of wealth and power and that unbridled competition mocked the Christian ideal of brotherhood
2. Social Gospel adherents established mission and relief programs in urban areas

H. The Haymarket Affair

1. On May 1, 1886, some 350,000 workers in cities across the country demonstrated for an eight-hour day
2. A riot ensued after a bomb killed a police officer on May 4

ID & S

Edward Bellamy



ID & S

Social Gospel



ID & S

**Haymarket
Affair**



3. Employers took the opportunity to paint the labor movement as a dangerous and un-American force prone to violence and controlled by foreign-born radicals

4. Seven of the eight men accused of plotting the Haymarket bombing were foreign-born

I. Labor and Politics

1. Henry George ran for mayor of New York in 1886 on a labor ticket

2. The events of 1886 suggested that labor might be on the verge of establishing itself as a permanent political force