The Gilded Age
1870-1900
Presidents of the Gilded Age

Ulysses S. Grant 1869-1877
Rutherford B. Hayes 1877-1881
James Garfield 1881
Chester A. Arthur 1881-1885
Grover Cleveland 1885-1889 and 1893-1897
Benjamin Harrison 1889-1893
William McKinley 1897-1901
Term comes from a book written about the time period by Mark Twain and Charles Dudley Warner in 1873.

“The Gilded Age”

“Gilded” is when something is golden/beautiful on the surface but is really cheap/worthless underneath.

Period when corruption existed in society but was overshadowed by the wealth of the period.

Abuses in business and government caused problems for immigrants, laborers, and farmers.
Problems with Philosophy

- Tariffs
- Railroad Land Grants
- Federal subsidies
- Blame the poor
- Laws written for & by rich elite men
- Racism
- Force used to benefit corporations
- No competition
Technological Innovations

Henry Ford
Assembly Line

Samuel Morse
Telegraph (1837)

Guglielmo Marconi
Radio

Wright Brothers
Airplane (1903)

Christopher Sholes
Typewriter 1867

Wright Brothers on 1903 Flight
Inventors/Inventions

Alexander Graham Bell
- Telephone 1876

Thomas A. Edison
- Phonograph 1877
- Electric light bulb 1879
- Perfected the light bulb in 1880
- Motion picture
- Organized power plants
- Established first research lab

George Eastman
- Camera (1885)
Edison & Phonograph 1870
Industry & Mechanization

- Standardized parts
- Mass production
- Routine labor
- Low wages
- De-skilled labor
- Hierarchies
- Technology
The **Bessemer Process**, developed around 1850, injected air into molten iron to remove impurities and make steel - a lighter, more flexible, rust-resistant metal.

Steel is used in railroads, farm equipment, canned goods.

Engineers use steel to create skyscrapers and longer bridges (Brooklyn Bridge)
Impact of the Railroad

National power
Centralized control
Trans-national markets
Nationwide distribution
Homogenization
Job creation & destruction
Benefits
Stimulated growth of other industries (steel, iron, coal, lumber, glass).
Helped cities grow.
Helped increase westward expansion of America.
Standard time zones were created to get everyone on correct time.

Corruption
Charged much higher rates to western farmers.
Credit Mobilier Scandal 1868
- Union Pacific
- Fake construction company
- Bribe members of Congress
- Represented corruption of period.
Standard Oil Cartoon based on Ida B. Tarbell’s book-
*The History of Standard Oil*
The Rise of Big Business

Vertical Integration
A process in which a company buys out all of the suppliers. (Ex. coal and iron mines, ore freighters, rr lines)

Horizontal Consolidation
A process in which a company buys out or merges with all competing companies (JP Morgan bought out Carnegie steel and other companies)
Corporations

Andrew Carnegie
U.S. Steel (1870s)

Industrialists who made a fortune in steel in the late 1800’s.

As a philanthropist he gave away some $350 million.
John D. Rockefeller
Standard Oil (1880s)

Industrialists who made a fortune in the oil refining industry

- Vertical & horizontal organization
- Scientific management
- Monopolies
J.P. Morgan

Industrialists who started U.S. Steel from Carnegie Steel and other companies.

Became 1st Billion Dollar Corporation.

Bailed out the U.S. economy on more than one occasion.
Trusts

A group of separate companies placed under the control of a single managing board.

Critics called these practices unfair and the business leaders “Robber Barons”
TRUSTS—THE MAIN ISSUE.
Social Darwinism & Laissez Faire

Theory of Capitalism

“Free markets” = no government intervention

Competition creates innovation and keeps prices low.

Individuals could improve condition.

Herbert Spencer

Distorted Charles Darwin’s “natural selection” and “survival of the fittest”.

A social & economic system where the poor were naturally poor, and the rich were naturally rich was natural.
Used Darwin’s theory to explain business.
Natural Selection, Survival of the Fittest
Government should not interfere.

Laissez-faire
Policy that US had followed since inception to not allow Government to interfere with business.

Captains of Industry
A positive idea that industrial leaders worked hard and deserved their wealth.
Gospel of Wealth
Belief that the wealthy are “chosen by God” to be successful and were therefore responsible to look out for the well being of those less fortunate. Many Industrialist shared wealth although rarely through direct welfare. Started museums, universities and others.

Monopoly
Complete control of a product or service.
Sherman Anti-Trust Act of 1890

Law outlawing a combination of companies that restrained interstate trade or commerce; important to prevent monopolies.

Not initially enforced properly.

Passed by Congress in 1890 under the presidency of Benjamin Harrison

“What can I do when both Parties insist on kicking”
Poor Working Conditions in the late 1800’s

- Most factory workers worked 12 hour days, 6 days a week.
- Steel mills often demanded 7 days a week.
- No vacations, sick leave, unemployment compensation, or workers compensation for injuries on the job.
- Children as young as 5 often worked as much as 12 or sometimes 14 hours a day, for as little as $.27 a day.
The Rise of Labor Unions

The Purpose of a labor union was “strength in numbers.”

Attempted to gain better working conditions and pay.

The Knights of Labor

Was the first union to accept workers of all races and gender.

Pushed for 8 hour workday, equal pay for women, accepted skilled and unskilled workers
The American Federation of Labor (AFL)

- Accepted only skilled white males.
- Won higher wages and shorter work weeks for its members.
- Head of AFL was Samuel Gompers.
Industrial Workers of the World (IWW) or Wobblies

Created in 1905, was a radical group of mostly unskilled workers who believed in socialism.

Socialism

An economic or political philosophy that favors public (or social) control of property and income.
Setbacks for Labor Unions

Great Railroad Strike of 1877

- RR workers strike to protest wage cut.
- Violence erupted in many cities for a week.
- President Rutherford B. Hayes sends in Federal Troops to put down strike.

Scab

A worker called in by an employer to replace strikers.

Courts and Federal government often sided with business during the Gilded Age.
Haymarket Riot 1886

- Workers protesting and holding demonstrations in Haymarket Square Chicago.
- Speakers are socialist and anarchist.
- Police arrive and bomb is thrown at police killing some and causing riot.
- Public blames labor unions and views them as radical, violent, and mostly foreigners.
Homestead Strike-1892
Workers strike against Carnegie Steel plant.
Henry Frick was anti-union leader of plant.

Pullman Strike 1894
Railroad industry strike in which 120,000 striking railroad workers were stopped only by the intervention of the federal government.
Immigration and National Culture

1870-1910, 20 million immigrants
Southern & eastern Europe
Culture, language, religion, ethnicity
Chinese, Japanese, Mexicans

Chain Migration
Assimilation stripped people of their cultures, attacked diversity, and tried to make them into WASPs
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El Paso & Ciudad Juarez

Civil War
- Texas Confederacy
- James Magoffin-invoke Mexico, annexed
- French expelled 1867

El Paso del Norte
- Name change in 1888

Zona Libre, open border, free trade.
El Paso and del Norte

1869: 750 voters, 580 Mex. Am.
County business in Spanish

1870s: Salt Wars
- Native & Mexican ownership
- Judge Charles Howard declared beds his
- Shot Luis Cardis
- Border conflict
- White vigilantes, Texas Rangers went on rampage through lower valley.
EL Paso and Modernization

- Southern Pacific Railroad entered 1881 using Chinese laborers.
- Agriculture
- Mining up from Northern Mexico & Southern Arizona
- Rapid growth of downtown business district
- Northeastern wealth
- School, sanitation system, streetcar service
Race and Class

Segundo Barrio & Chihuahuita

Mayor Joseph Magoffin 1881
  ◦ Decline of Mexican-American Political power
  ◦ “Clean up” Segundo Barrio

Segregated Schools (Aoy 1887)

Moved County Seat from San Elizario to El Paso, 1884

Isleta del Sur (Tiguas)
  ◦ Taxes, laws, rezoning, deeds, and land sales
Nativism

As American as apple pie
Anti-immigrant fears of non-northern European groups
Quasi-scientific
Racial purity & Anglo-Saxonism
Labor-based
1792 Naturalization Act
The New Immigrants

Between 1870 and 1920 twenty million Europeans, mostly from Southern and Eastern Europe, came to America, Jews and Catholics.

Hundreds of thousands more came from Mexico, Caribbean, and China.

Looked and sounded different than natives.

Nativism

Movement to ensure that native-born Americans received better treatment than immigrants.
1888 Puck Magazine cartoon about American businessmen encouraging immigration for cheap labor which hurts Americans
Ellis Island
In New York harbor, where most European immigrants came to get processed

Angel Island
In San Francisco, where most Asians entered United States

Culture Shock
Melting Pot
Chinese Immigration

1870 - 63,000 Chinese, most in California, 22% in Idaho
1930 - 470,000 in U.S 90% in West

Worked in railroads, mining, and service sector of cities
Anti-Chinese Nativism

1852 - Foreign Miners Tax
- Ineligible for citizenship due to 1790 law barring naturalization of “non-white” immigrants.
- Tax repealed by 1870 Civil Rights Act

1878: Denied citizenship due to race.

1882 Chinese Exclusion Act (laborers).

1888: “All Chinese”

1902: Renewed law
Exclusionary laws were passed on racial and economic basis to protect white businesses.

1878 - California Constitution Convention:

“Were the Chinese to amalgamate...it would be the most vile and degraded of our race...a hybrid of the most despicable, a mongrel of the most detestable that has ever afflicted the earth.”

John F. Miller

1880 - California barred marriage between whites and “negroes, mulattos, and Mongolians.”
The Chinese Exclusion Act of 1882 prohibited Chinese laborers from entering the country. It was not lifted until 1943.

The Gentlemen’s Agreement 1907 was reached between the United States and Japan in which Japan agreed to restrict immigration to the U.S. and US wold end segregation laws against Japanese.
Political Cartoon depicting how Chinese immigrants workers lived and regular American workers lived. Rats, Yummy!
Urbanization

Growth of industries, concentrated people and power in cities.

Industrialization pushed people off the land.

Technological advances: elevators, sewage, piped water, electricity, subways, electric streetcar (1888), refrigeration increased urbanization.
Problems of Rapid Urbanization

Three reasons cities grew in late 1800’s and early 1900’s:

1. New immigrants arrived in cities for work.
2. As farm machines replaced farmers they moved to cities.
3. African Americans left South after Civil War and came to Northern cities.
Cities and Populations

Foreign Born:

New York (40%)
Chicago (42%)
San Fran (45%)
El Paso (31%)
City Life

- Fast Growth
- Few social services or regulations
- Tenement buildings
- Settlement Houses
- Multicultural & ethnically organized
Problems in the Cities

1. **Housing shortages**
   - **Tenement**: crowded apartment building with poor standards of sanitation, safety, and comfort.

2. **Transportation** struggled to keep up with growth.

3. **Clean water** was difficult to produce and to transport.

4. **Waste and garbage** removal was a challenge and often neglected.
5. Fires were very common.

Great Chicago Fire 1871
San Francisco Earthquake 1906

Early Reforms to Solve Problems of Urbanization

► **Settlement House**
Community center organized to provide various services to urban poor

**Hull House** 1889 was the most famous settlement house established by Jane Addams and Ellen Gates Starr.

► **Social Gospel Movement**
Social reform movement that sought to fix social problems in the name of Jesus.
The Rise of Political Machines

► Political Machines

A group of people that controlled the activities of a political party.

By giving voters services they needed, the machine won their vote and controlled city government.

► City Boss

Was head of Political Machine and controlled jobs in police, fire, sanitation departments, and agencies that granted licenses to businesses.

They obtained money to fund large construction projects

“All Politics center around the Boss”
Political machines loved immigrants, Why?
Never voted, tried to sway votes by bribery, intimidation, and other means.

Political machines used power to:
- Rig elections
- Become wealthy from kickbacks-illegal payments
- Control police force to stay out of trouble.
“Boss Tweed” and Thomas Nast

► William “Boss” Tweed
City Boss of Tammany Hall
Democratic Political Machine in New York City

► Thomas Nast
Political cartoonist who was critical of machines and Tweed
WHO STOLE THE PEOPLE'S MONEY? — DO TELL, IN TIMES.

'TWAS HIM.
Corruption in Government

Patronage or Spoils System

Giving government jobs to loyal party workers or friends:

- Were not qualified
- Used position to get money from government (graft)

President James Garfield is assassinated by disappointed office seeker favoring Spoils System.

President Chester Arthur signs Pendleton Civil Service Act of 1883
Pendleton Civil Service Act 1883

Attempted to end Patronage/Spoils System

1. Creating the Civil Service Commission, which required appointed govt. officials to pass the Civil Service Exam to base jobs on merit instead of friendship.

2. Federal employees did not have to contribute to campaign funds.

3. Federal employees could not be fired for political reasons.

Chester A. Arthur signed Pendleton Act into effect
Conclusion

Good & Bad impact of technology
Rise of National Corporations
New Business Structures
Social Darwinism
Immigration and Urbanization
Racism and Immigration Policy