



# Chapter 17-20



America's Gilded Age 1870-1890

# Discussion: The Second Industrial Revolution (459-463 / 465-467)

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- ▶ Define the term “Gilded” What does this term mean? How do you think this will apply to this era of American history?
- ▶ Why is this called “Second” Industrial revolution? What was the first? What was the first industrial revolution focused on?
  - ▶ What types of innovations came about during this second industrial revolution? Who were some of the inventors responsible for this? What impact do you think each of these innovations will have on American Society and the Economy? (459-461)
- ▶ By 1880 what did the Census Bureau discover regarding the labor force of the United States (465-467)
  - ▶ Think about this labor force change, what implications do you think this will have on our nation in the future?



# The Industrial Economy

## Explosion of Economic Growth

- ▶ Factory, Mining, Railroad, Construction
  - ▶ Everywhere except the South
- ▶ Government Actively promotes economic growth
  - ▶ High Tariffs – Protect American Industry

## Labor Changes

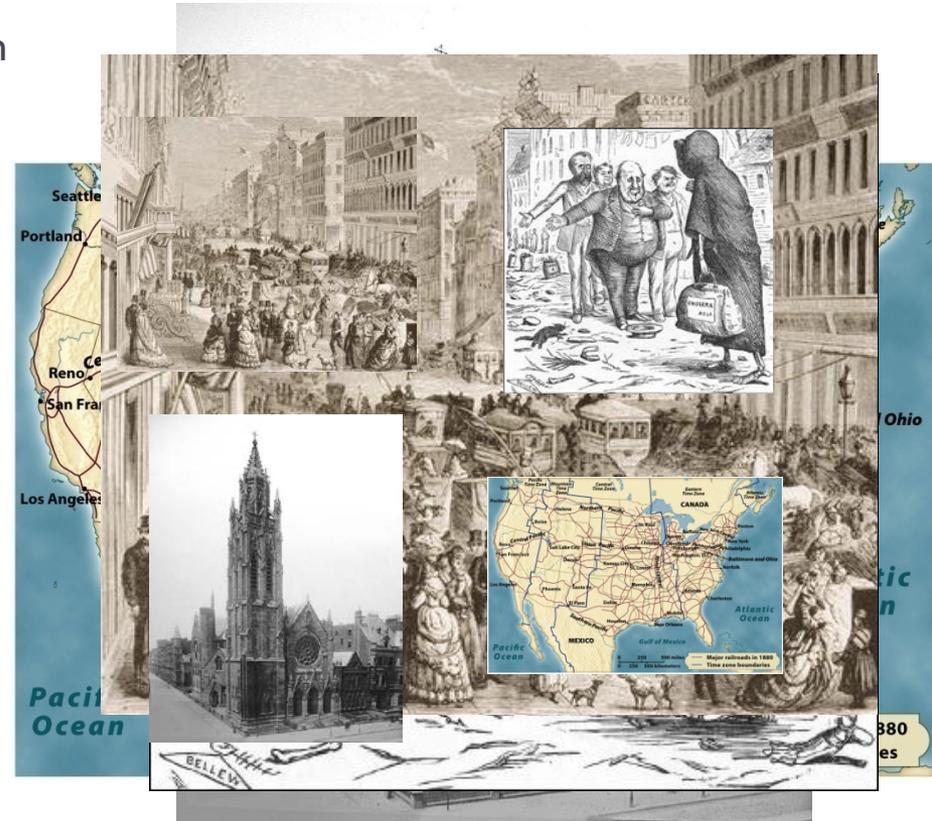
- ▶ 1880 – Majority of Workforce are non farmers
- ▶ 1890 – 2/3 of workers worked for wages rather than owning a business or farm
- ▶ 1913 – United States produces 1/3 of world's industrial goods
  - ▶ More than England, France and Germany Combined

## Population Movements 1870-1920

- ▶ 11 Million move to cities
- ▶ 25 million immigrants arrive

## Expansion of Railroads

- ▶ Introduction of Time zones
  - ▶ Rail Growth and Industrial Growth
  - ▶ Take advantage of working class and farmers
    - High Freight Rates for Farmers



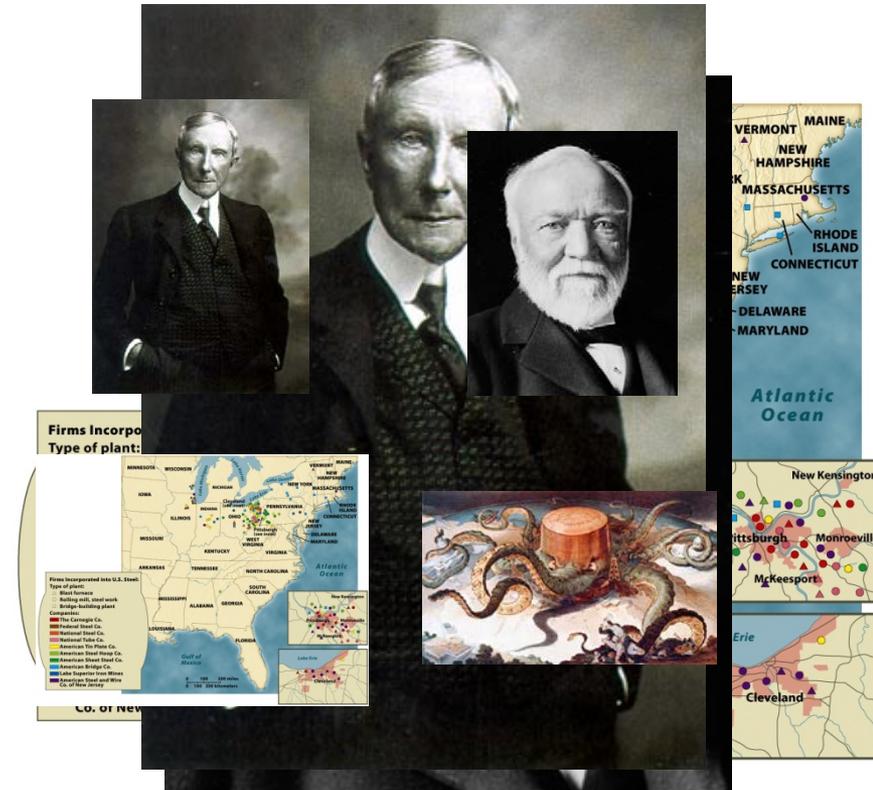
# The Plight of the Worker And Wealth of the Upper Class

## ▶ Distribution of Economic Benefits

- ▶ Skilled Workers: High Wages, Control over Production, Very small group
  - ▶ Occasionally knew more about process and production than employers
- ▶ Unskilled Workers
  - ▶ Toiling Labor for Low Wages
  - ▶ No compensation for injuries or protection from unemployment
  - ▶ Danger 1880-1900 35,000 die in factory and mine accidents
  - ▶ Could not demand higher wages
    - Fired and replaced by other workers

## ▶ The Wealthy

- ▶ Enormous Growth in Wealth
- ▶ 1890 Top 1% of Americans Receive the same amount in pay as the bottom 50% of the population combined. Top 1% own more property than the entire remainder of the population



# Discussion: Monopolists of the Gilded Age (478-482 / 466-468)

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- ▶ (479-480) By 1900 What percentage of goods were produced by large American Corporations?
    - ▶ Could states deny corporations equal access to property rights to protect small industries?
    - ▶ Who is John D. Rockefeller? What is a Trust and What is Vertical Integration?
  - ▶ (In Class) Discuss the Concept of Social Darwinism and laissez faire. How did these two concepts work together to govern the economic and social ideals of the Gilded Age?
    - ▶ Think about this philosophy. Do we have something similar today? Have we ever gotten over Social Darwinism?
  - ▶ (466) What is “Freedom of Contract” How did monopolists use this idea to justify the treatment of workers?
    - ▶ How did the supreme court differ in its reactions to working conditions and working hours? Give specific examples of cases during the era.
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# Rise of Monopolists

## ▶ Andrew Carnegie

### ▶ Accumulation of Enormous Wealth

- ▶ “Vertical Integration” of Steel manufacturing
  - Controlled every aspect of raw materials – distribution
    - Very technologically advanced manufacturing – dominated steel business.
- ▶ Gave much of fortune away before death

## ▶ John D. Rockefeller

### ▶ Dominance in Oil Industry

- ▶ Use of “cutthroat competition”
  - Secret deals with railroad companies
  - Using Monopoly to set prices – 90% of industry controlled
  - Set production quotas
- ▶ Vertical Integration

### ▶ Gave much of fortune away before death

## ▶ Both

- ▶ Both Fought Unionization as much as possible
- ▶ “robber barons”



# The Average Worker

## ▶ Growing Labor Force

- ▶ Skilled – Iron workers, steel workers – Unions: Controlled aspects of production

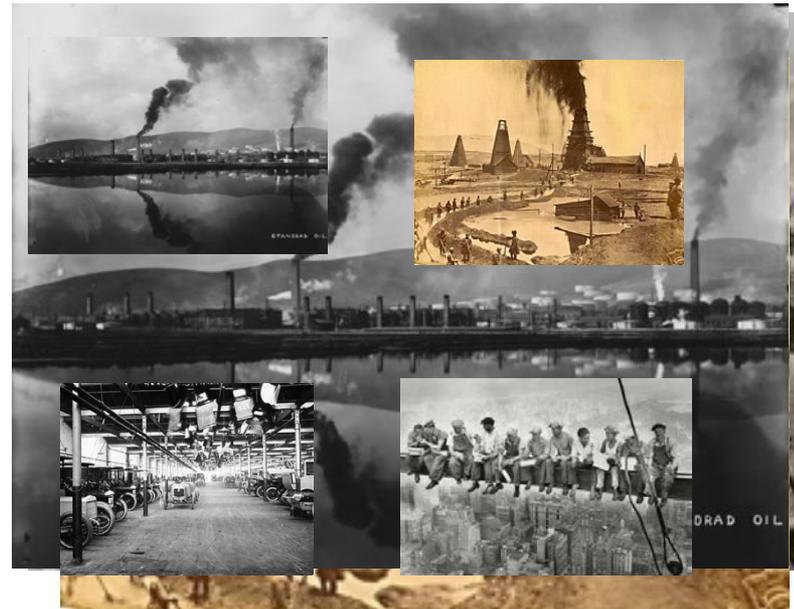
- ▶ Decent wages
- ▶ Small minority of workers

- ▶ Unskilled – Vast majority of workers

- ▶ Labor – 60 hrs/wk
- ▶ No injury compensation, low wages, no unemployment protection
- ▶ Dangerous working conditions
  - 35,000 workers die / year between 1880 to 1900

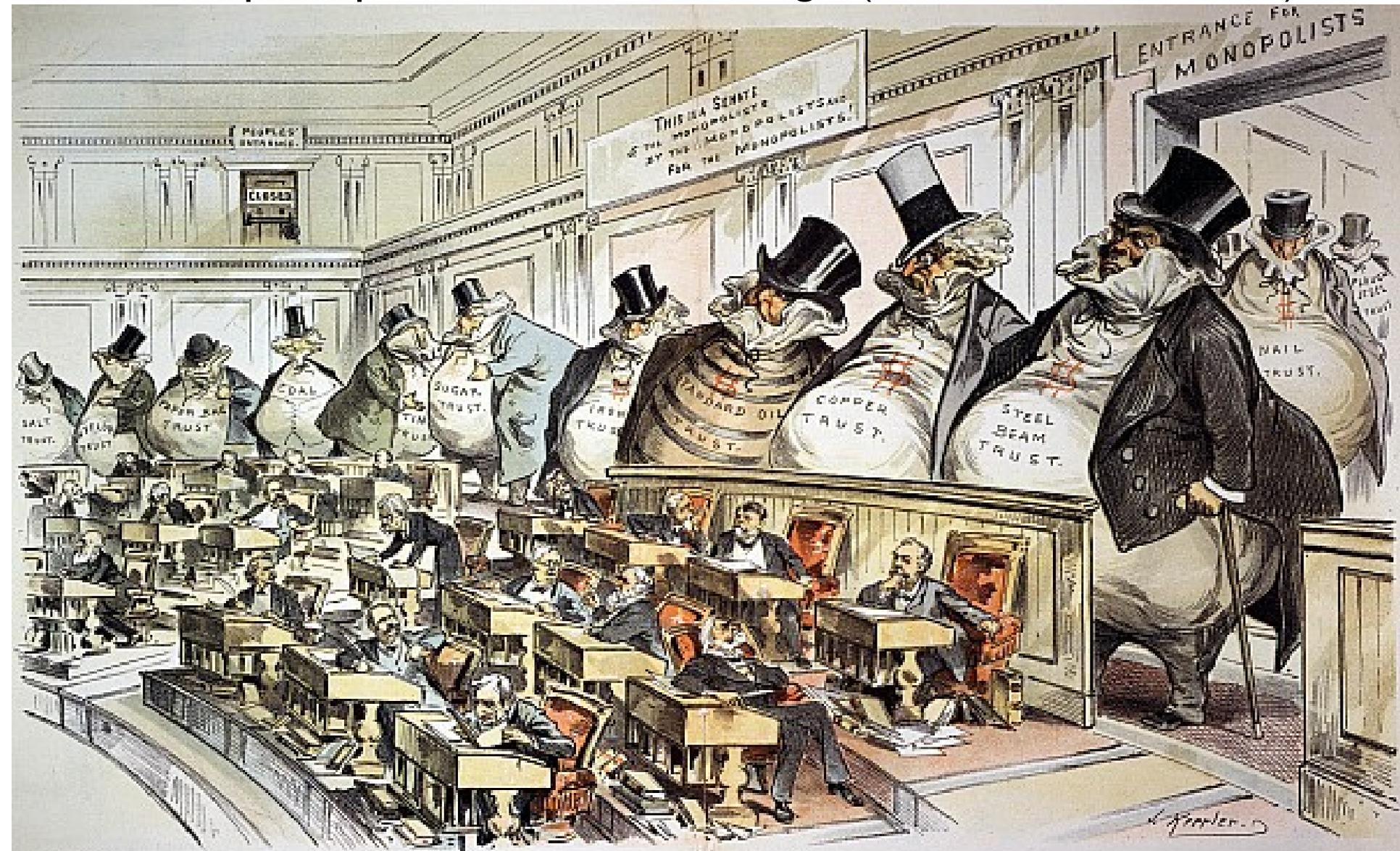
## ▶ Growing Business Market

- ▶ Dramatic expansion of business and market
- ▶ Cutthroat competition
- ▶ Monopolies / Collusion
  - ▶ US Steel, Standard Oil,
- ▶ No personal or corporate income taxes



# Discussion Politics of the Gilded Age-DBQ

- ▶ Analyze the following picture and discuss the political corruption present in the Gilded Age. (Skim Ch 20 / 515-522)



THE BOSSSES OF THE SENATE

# Politics and Corruption

## ▶ Power of American Lobbyists

- ▶ Corporations begin influencing American political systems

## ▶ Political Corruption

### ▶ Washington Politics

- ▶ Stock ownerships in companies
  - Passing of legislation to assist growth of companies

## ▶ Party Politics

### ▶ Republican Control in North, West and Midwest

- ▶ Supported by Union Army / Civil War Vets.

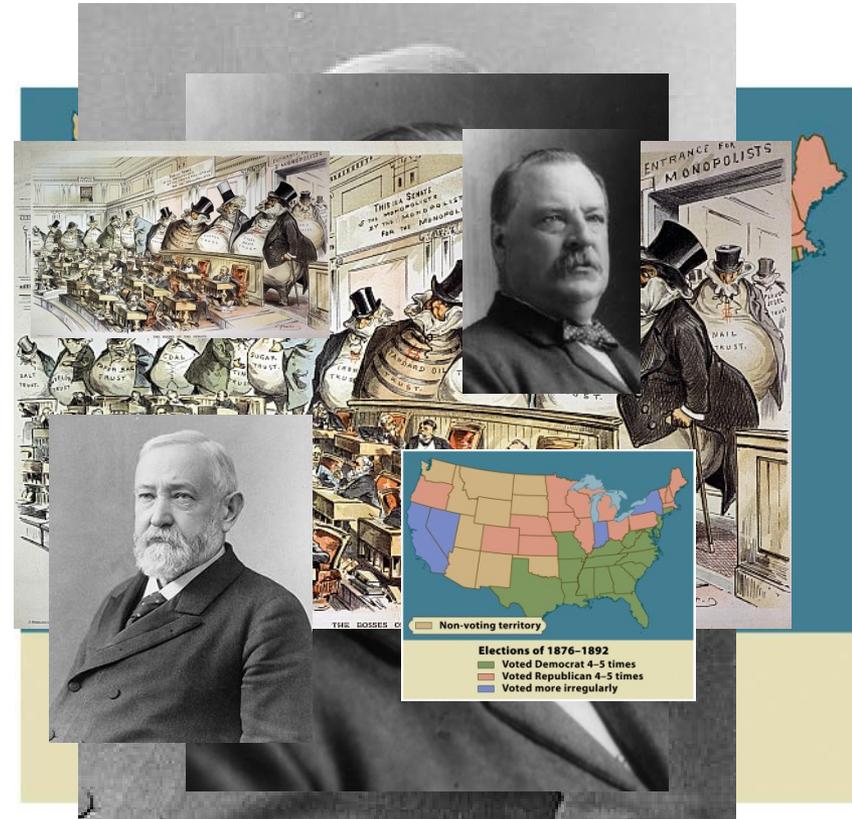
### ▶ Democrats in South / Catholic and Irish Voters

### ▶ Most Political Candidates had been Generals in the Union Army

### ▶ Democrats regain power in Government

- ▶ Political Stalemate and a divided Nation 1876-1884

- String of One Term Presidents
- 2 Presidential Wins in Electoral college but loss in popular vote



# Economics in the Gilded Age

## ▶ Rapid Economic Growth

- ▶ Causes Problems – Very small federal government
  - ▶ 100k employees 1880
  - ▶ 2.5 million 2010
  - ▶ Education, business regulation, medical care, civil and criminal laws – domain of state governments

## ▶ Political Economic Debates

### ▶ Republicans

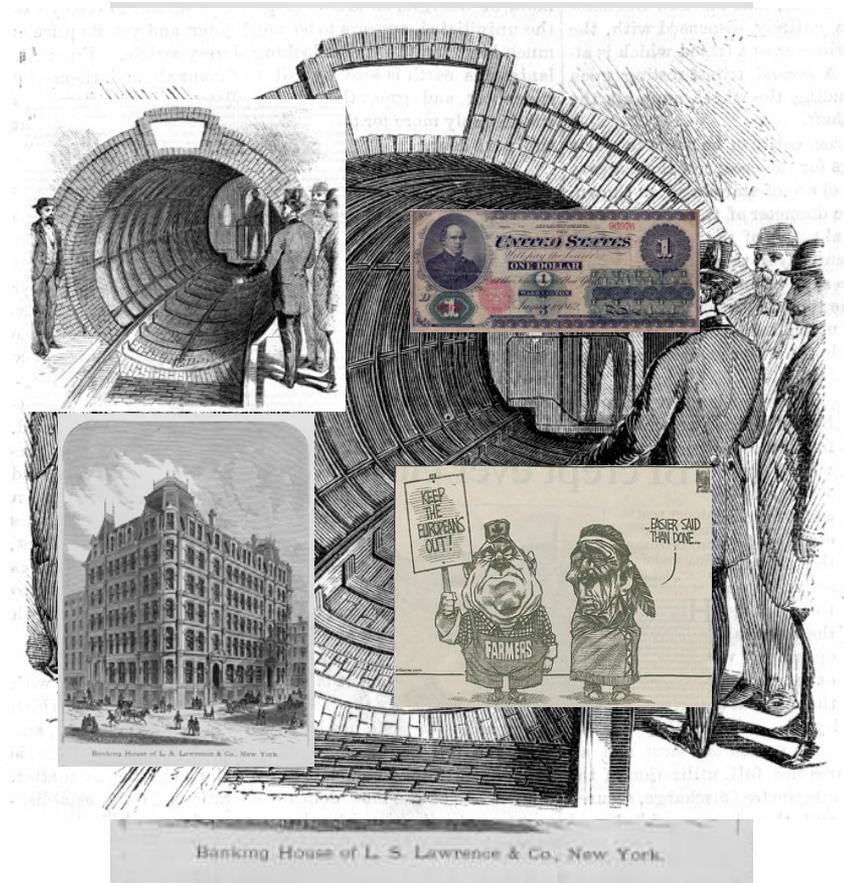
- ▶ High Tariffs – Protectionism
- ▶ Reduce federal Spending
- ▶ Repay debt
- ▶ Withdraw Greenbacks – Return to Gold Standard
- ▶ Favor Northern Industrialists

### ▶ Democrats

- ▶ Tight Knit with NY Bankers
- ▶ Resisted Demands for Agricultural Assistance for Money Supply Increase
- ▶ Favored Northern Economics

### ▶ Both

- ▶ Policies hurt southern agriculture – must pay high prices for manufactured goods and face reduction in crop prices
- ▶ Policies help northern industrialists and railroad industries



# Discussion Social Systems of the Gilded Age (474-478 / 481-482)

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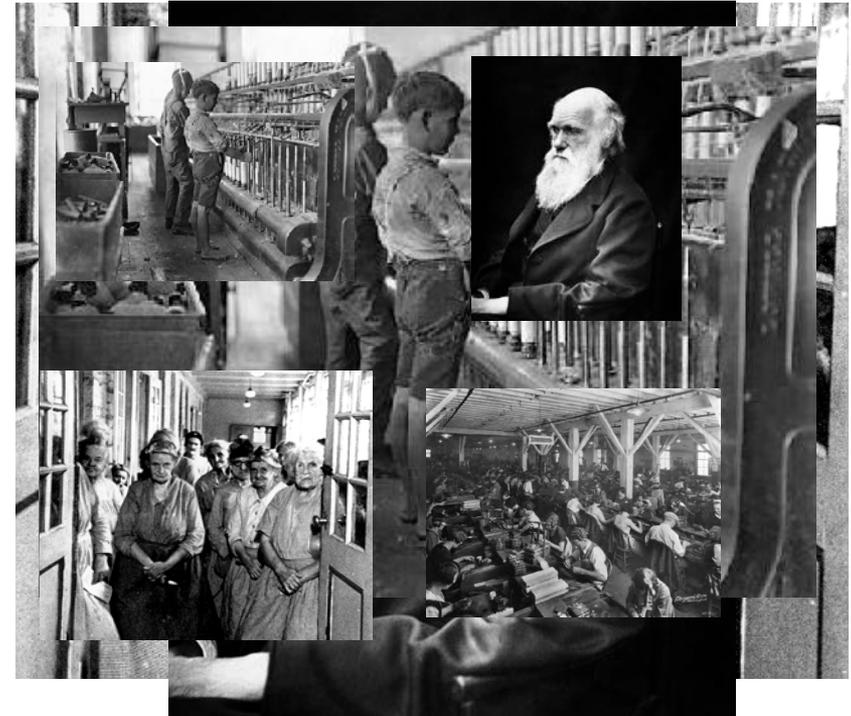
- ▶ (481) Discuss the Concept of “Social Darwinism” What does this idea mean and how did it apply to the Gilded Age?
- ▶ (474-478) Discuss some innovations and inventions that were developed during the gilded age which directly affected the lives of average people. What impact will these things have on history?
- ▶ (Think) During the Gilded Age the growth of industry led to the exploitation of the common worker. Industrialists used ideas such as Social Darwinism to justify their actions. Industrialists defined themselves as the top of society and it was by their own fault that the urban poor were destined to a life of labor. Is industrialization evil in its exploitation of the worker? Or is it simply by the process of Industrialization that any country grows in its social systems?



# Social Darwinism

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- ▶ Reuse of concepts of Natural Superiority
  - ▶ Originally used to justify slavery
  - ▶ Now reused to explain the success and failure of some social classes
- ▶ Charles Darwin - 1859 – “On the Origin of Species”
  - ▶ Evolution – Survival of the Fittest / Natural Selection
  - ▶ Applied to Social Systems
    - ▶ Government should not interfere
      - Evolution of human society and classes
      - Argued against government assistance to working class and support for the poor
      - The poor were responsible for their own fate
        - Deserving v Undeserving (Widows, Orphans) poor
  - ▶ Almost no social assistance for poor in large urban areas



# The Freedom TO Labor

## ▶ The Unrestrained Market

- ▶ Social Darwinism
- ▶ Law of Contract
  - ▶ Foundation of Industrialist Society

## ▶ Workers Demands

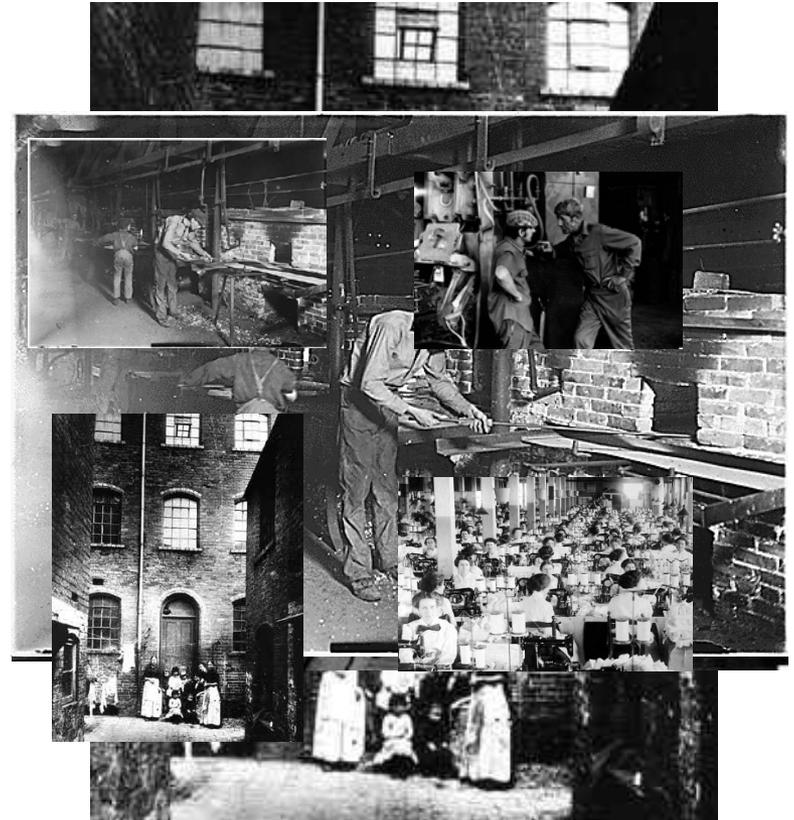
- ▶ Movements begin for industrial reform
  - ▶ Enforcement of 8 hr work day
  - ▶ Unemployment relief
    - All seen as a threat to liberty by government
      - Standard belief that men could chose to labor as much or as little as they wanted

## ▶ The Courts

- ▶ See laws requiring set labor hours and regulation of business as a hindrance to free labor.
- ▶ Enterprise could use land as it saw fit

## ▶ Shift and Indecision of the Courts

- ▶ Some movements in the direction of workers rights but often quickly reversed



# Discussion Labor / Labor Reform (470-474)

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- ▶ (470) Discuss some strikes and labor protests of the gilded age. What caused these labor strikes? How were they resolved?
  - ▶ Who were the Knights of Labor and what did they want?
  - ▶ What was the American Federation of Labor, what did they want? (471)
  - ▶ What was the IWW? What did they want? (473)
- ▶ (Think) Based on the labor issues of this era. Why would there be serious fears in the United States to the growing threat of “class warfare?” What was occurring in the United States, wealth wise, that might cause this problem?
  - ▶ (In Class) Some may argue that the split between social classes today could lead to a spark of class warfare? Is society heading down this road? Is there anything we can do to avoid it (if it is happening). What are the concerns of the urban / poor / working class that may not be shared by the wealthy?
- ▶ (471) What occurred at Haymarket Square in Chicago? Discuss the events from beginning to end.
  - ▶ (In class) How may have industrialists used the events of Haymarket to their advantage? What could they have ‘proven’ based on the events of Haymarket?





# The Haymarket Affair

## Rise of the Labor Movements

### 1885 Chicago

- ▶ Iron Molders Union – Organizes Strike against wage reduction
  - ▶ Company Brings in Strike Breakers and private police to physically force strikers to go back to work
    - Strikers and Company Men battle in the streets
  - ▶ Mayor fears anarchy – forces company to comply with union

### 1886

- ▶ Company introduces mechanization – reduce dependency on individual Iron Molders
  - ▶ Company employees strike – Company is supported by local government
  - ▶ Police kill four strikers
- ▶ Strikers gather in Haymarket square to protest killings
  - ▶ Bomb is thrown at police killing one
  - ▶ Police open fire on crowd

### Haymarket

- ▶ Used by companies to depict labor movements as dangerous and un-American.



# Discussion: Transformation of the West (Skim Chapter 17)

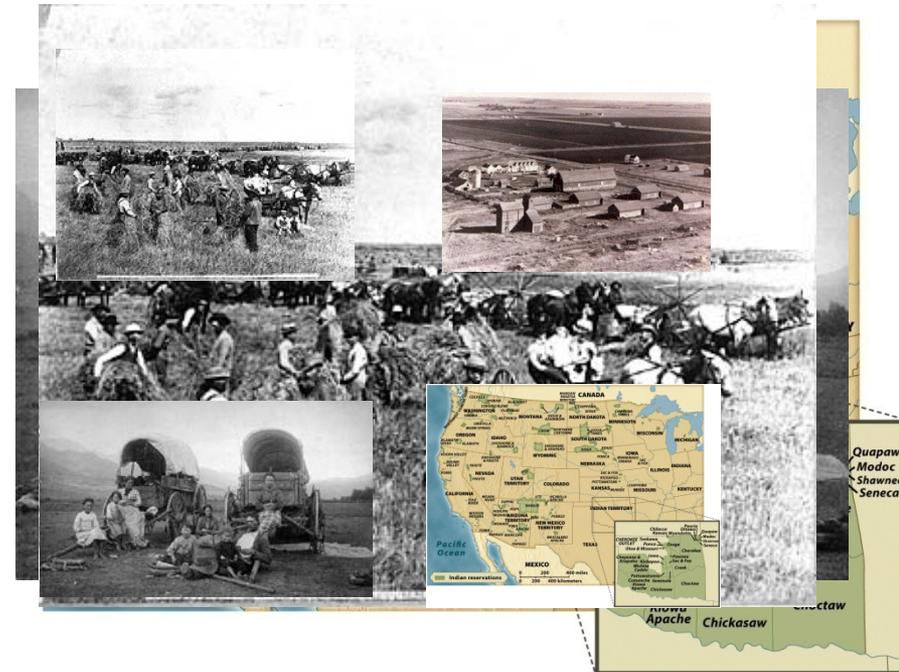
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- ▶ As the United States continued to expand the frontier continued to shift further and further west. (443/ 448-454)
    - ▶ What was life like for the residents of these frontier towns?
      - ▶ Geography / Challenges / Lifestyle / Farming?
      - ▶ (Lookup) What was “rugged individualism?” and how does this term apply to the west.
  - ▶ Research the battle of Little Bighorn and the Battle of Wounded Knee (440).
    - ▶ Describe the battle in general.
    - ▶ Who were the key players in these conflicts?
    - ▶ What occurred during these battles? / how were these battles fought?
    - ▶ Who was victorious? Why were they victorious
    - ▶ What impact did this battle have on history?
  - ▶ (At home) Research Native Americans have been treated by White Americans since the foundation of the United States. Find four examples of native mistreatment over time
    - ▶ (In Class) Discuss the reasons why natives have been treated this way, are they the real reasons? Or are these the reasons we gave to justify the poor treatment given to natives?
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# The Diversity of the Region

- ▶ Expansion in the 20<sup>th</sup> Century
  - ▶ Federally financed irrigation systems and dams
    - ▶ Western expansion reliant on the federal government
  - ▶ Rugged individualism
- ▶ Population shifts westward
  - ▶ Advertising in Europe about easy access to land spurs immigration
    - ▶ Western Population - areas experience millions in growth
- ▶ Development of Agricultural Empire
  - ▶ The Bonanza Farm
    - ▶ Large Scale Cooperative Farming
      - Ideas of Homestead Act Don't work
      - Arid land and limited rainfall



# The Cowboy and the West

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- ▶ Texas and the Railroads
  - ▶ Railroad Stops in Dodge City and Wichita Kansas
    - ▶ Cattle Drives from Texas (Cattle Kingdom) across open plains to rail stations
      - Low Paid Wage Workers
  - ▶ Barbed Wire Kills the Cowboy



# Encountering the Natives

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## ▶ Loss of Land and Identity

- ▶ Introduction of European lifestyles and technology
  - ▶ Horses, Guns
- ▶ Loss of Land to settlers
- ▶ Failed Rebellions
  - ▶ Loss of some during the Civil War

## ▶ At the Hands of Government

- ▶ Federal Systematic destruction of Indian Civilizations
  - ▶ Dispatch of the military to destroy villages
  - ▶ Relocation of some to Oklahoma
- ▶ Little Bighorn
  - ▶ Native Resistance to Government
    - 1876 General George A Custer / 250 men die against Sitting Bull and Crazy Horse / Sioux and Cheyenne
- ▶ Wounded Knee
  - ▶ December 1890
    - Religious Festival
      - Federal Troops – fear uprising and massacre 150-200 Indians (mostly women and children)
      - Marked the end of armed conflict between Indians and White settlers



# Breaking the Natives

## ▶ Plains Indians

- ▶ Continuing effort to dismantle civilization
  - ▶ Congress
    - Eliminated treaty system with Natives
    - Removed status of independent nations
    - Attempts to civilize natives

## ▶ Dawes Act

- ▶ Attacking “Tribalism”
  - Dismantling of all Indian lands
    - Sold to white citizens
  - Allowed “civilized” Indians to become American Citizens
    - Could then get some land back
    - 86 million of 138 million acres lost

## ▶ Citizenship

- ▶ Only a few took advantage of Dawes Act
  - ▶ Maintained Tribal identity
    - 1924 Congress makes all Indians Citizens

