
History 1302
U.S. From 1877

Chapter 19

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Late 19th Century Politics

Developing forces ensure the status quo:

- - Increased urbanization of Northeast & Midwest
 - Industrialization and complex integrated
 - “National” economic powers / issues / players yet politics was still, in many ways, sectional
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- - - Created a need to win elections – money & support for party apparatus -patronage of functionaries – graft
 - High turn-out 78% of electorate voted
 - Expensive Elections
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 - Party affiliation was “traditional”
 - Business tended to be Republican
 - City immigrants tended to be Democrat
 - Southern Democrats had defeated Reconstruction
 - Republicans were the party of the Civil War victory and Lincoln (Midwestern farmer and small business)
 - Partisan use of public investigations to embarrass the opposite party
 - Executive and Legislative were rarely in control of same party
 - Strict constitutionalism of the political leadership and the “Governing Class”
 - Consensus -on individual opportunity, property rights and a economic system free of constraints
 - Fed Gov’t did little except deliver mail, deal with Indians, foreign affairs & tarriff

Chronology:

- Time line:
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 - 1881 Garfield dies – Arthur becomes president
 - 1883 “Pendleton” Civil Service Act
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 - 1887 ICC act
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 - 1890 Sherman Anti-trust Act
 - 1890 Sherman Silver Purchase Act
 - 1890 McKinley Tariff
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 - 1892 People’s Party formed
 - 1893 Depression hits
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 - 1900 Gold Standard
 - Each Party had internal “Good Government” integrity issues – mainly about patronage
 - Presidential patronage was about 100K jobs
 - Hayes was “Stalwarts” (old school) V “Half Breeds” (party reform)
 - Both sides reject Civil Service reform
 - Garfield assassinated by disgruntled office seeker
 - Republicans use patronage to keep southern Black support
 - Blaine V Cleveland – reformer Republicans “Mugwumps” bolt to Cleveland – “Honest Democrat”
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Politics of Party:

- 1887 - 1890 Tariff issue
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 - - Business versus populace
 - Product prices versus jobs
- “Trusts”
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 - 15 States had laws against “monopoly” or Trusts by 1880s
 - Ineffective because of New Jersey / Delaware incorporation laws
 - - Against business & unions who practiced “restraint of trade” (competition)
 - Actuality of enforcement
- - Granger issues over Railroad pricing and business practices
 - Control of Warehouses, Silos, etc.
 - Differential rates & Rebates
 - Processing company controls
 - State laws ruled as unconstitutional
 - 1887 Interstate Commerce Act

Crisis in the countryside:

- 1880s Kansas land boom
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 - Drought of 1887 hit farmers hard
- Railroad control of shipping core of many issues
- - Meatpacking operations had a local presence but national pricing drove prices down
 - Flour – through improved milling yielded 2.5X flour
 - Consolidation of companies reduced competition
 - Corn market floundered:
 - Glucose (Corn Syrup) use led to dramatic production increases of corn
 - Glucose processing companies consolidation further eroded corn market
 - Between 1884 - 19 Glucose factories by 1897 into one huge company
- Farm mechanization boosted productivity but required massive investments.
 - Harvesting Combines in 1880s replaced thousands of agricultural workers
 - Gasoline tractors in 1893 produced massive productivity gains.

Crisis in the countryside (2):

- Separation between Market and Farmer
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 - International market increasingly important to American farmers
 - Competition and markets - Corn in 1881 was \$.63 a bushel but in 1890 was \$.28
- Panic of 1893
 - Overproduction
 - Bank failures foreclosed delinquent farm mortgages
 - Banks based on rural loans fail
 - Productivity gains led to massive rural un and under-employment
 - Failed farmers retreated to cities
 - Corporate farms' lower cost basis became increasingly successful and swallowed failing "family" farms

Agrarian Discontent & Political Revolt:

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- Alliances:
 - South 1875 / 1880 Northwestern (Midwest & West)
 - Confederated throughout South by 1887
 - 1889 South and Northwestern merge for national action
 - Local organizations for formation and operation of cooperatives & joint marketing firms
 - Stores, banks, processing plants, etc. to free themselves from “outside” firms
 - Western Journal – radical magazine
 - Remake rural society:
 - Women in many leadership posts gave it a strong moral & anti-alcohol tone
 - Social view from competition to cooperation
 - 1890 National Convention in Ocala FL
 - Failure of legislation on State level to alleviate rural problems

Populism is born:

- Ocala Demands:
 - Both economic and philosophical planks:
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 - Special financing based on Crop banks
 - Legislation against stock market manipulation
 - Graduated income tax
 - RR regulation if not Gov't ownership
 - Direct election of US Senate
 - 1890 by-elections won state legislatures, Governors, 3 Senate, 50 Representatives
 - Rural "political revolt" resisted by both traditional parties
- People's Party 1892 "Populism"
 - Rural based organization from Northwestern Alliance
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 - Other "moral" issue parties joined - WCTU
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 - "Jim Crow" South was split about participation
 - "Colored" Alliances
 - Poor White & Black farmers together? Tom Watson of Georgia
 - Distrust of cities, intellectuals, Easterners, Catholics and non-Christians

Populism:

- 1892 National election over 1 million votes
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- Crisis of 1893
 - Railroad failures led to bank failures led to stock market crash and restriction of credit
 - Interconnected economy caused urban recession and rural depression
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 - Silver salvation but the 1890 Silver Purchase Act was not enough
- - William Jennings Bryan “Cross of Gold” speech for Democrats in 1896
 - Young “upstanding” family candidate
 - Stumped country – an unseemly campaign
 - Populist theme did not carry well in Democratic cities or Democratic themes in Midwest
 - People’s party decision to support Bryan and his loss, destroys People’s Party
 - McKinley wins – Democrats couldn’t hold their groups
- 1898 prosperity returns
 - Foreign crop failures bring economy up
 - Alaska gold came in inflated currency
 - America’s attention goes elsewhere