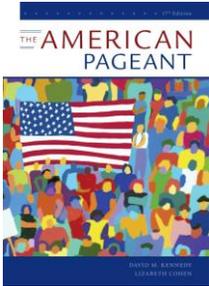


The American Pageant
Seventeenth edition



CHAPTER 26
Rumbles of Discontent,
1865–1900

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The Last Stand
of the
Agrarians



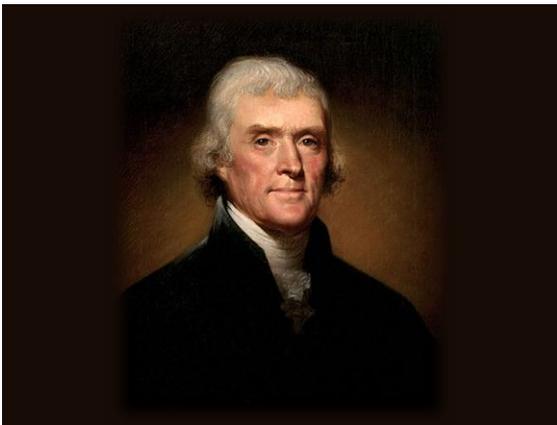
Agrarian Politics, Populism,
and the 1896 Presidential Election

Urban / Rural Shifts

Table 4 Population: 1790 to 1990
(For information concerning historical counts, see "Data Notes." For definitions of terms and meanings of symbols, see last page.)

United States Urban and Rural	United States				Urban				Rural				Percent of total population		
	Total population	Change from preceding census		Number of cities of 50,000 or more	Population	Change from preceding census		Population	Change from preceding census		Population	Urban	Rural		
		Population	Percent			Population	Percent		Population	Percent					
Current urban definition:															
1990	248,809,893	100.0	100.0	113	121,212,122	48.7	48.7	127,597,771	51.3	51.3	121,212,122	48.7	48.7	127,597,771	51.3
1980	226,545,891	91.0	91.0	103	108,812,122	48.0	48.0	117,733,769	52.0	52.0	108,812,122	48.0	48.0	117,733,769	52.0
1970	203,212,122	81.0	81.0	93	98,121,212	48.3	48.3	105,090,910	51.7	51.7	98,121,212	48.3	48.3	105,090,910	51.7
1960	179,876,543	70.0	70.0	83	86,121,212	48.0	48.0	93,755,331	52.0	52.0	86,121,212	48.0	48.0	93,755,331	52.0
1950	156,540,122	60.0	60.0	73	73,121,212	46.7	46.7	83,418,910	53.3	53.3	73,121,212	46.7	46.7	83,418,910	53.3
1940	133,204,543	50.0	50.0	63	63,121,212	47.4	47.4	70,083,331	52.6	52.6	63,121,212	47.4	47.4	70,083,331	52.6
1930	109,868,964	41.0	41.0	53	53,121,212	48.4	48.4	56,747,752	51.6	51.6	53,121,212	48.4	48.4	56,747,752	51.6
1920	86,533,385	31.0	31.0	43	43,121,212	49.9	49.9	43,412,173	50.1	50.1	43,121,212	49.9	49.9	43,412,173	50.1
1910	63,197,806	23.0	23.0	33	33,121,212	52.4	52.4	30,076,594	47.6	47.6	33,121,212	52.4	52.4	30,076,594	47.6
1900	39,862,227	15.0	15.0	23	23,121,212	58.0	58.0	16,741,015	42.0	42.0	23,121,212	58.0	58.0	16,741,015	42.0
1890	26,526,648	10.0	10.0	13	13,121,212	49.5	49.5	13,405,436	50.5	50.5	13,121,212	49.5	49.5	13,405,436	50.5
1880	13,191,069	5.0	5.0	7	7,121,212	53.3	53.3	6,070,000	46.7	46.7	7,121,212	53.3	53.3	6,070,000	46.7
1870	9,855,490	3.7	3.7	5	5,121,212	51.8	51.8	4,734,278	48.2	48.2	5,121,212	51.8	51.8	4,734,278	48.2
1860	3,959,831	1.5	1.5	3	3,121,212	78.3	78.3	838,619	21.7	21.7	3,121,212	78.3	78.3	838,619	21.7
1850	2,323,741	0.9	0.9	2	2,121,212	90.9	90.9	212,529	9.1	9.1	2,121,212	90.9	90.9	212,529	9.1
1840	1,292,641	0.5	0.5	1	1,121,212	86.7	86.7	171,429	13.3	13.3	1,121,212	86.7	86.7	171,429	13.3
1830	707,994	0.3	0.3	1	707,994	100.0	100.0	0	0.0	0.0	707,994	100.0	0.0	0	0.0
1820	408,731	0.2	0.2	1	408,731	100.0	100.0	0	0.0	0.0	408,731	100.0	0.0	0	0.0
1810	238,924	0.1	0.1	1	238,924	100.0	100.0	0	0.0	0.0	238,924	100.0	0.0	0	0.0
1800	3,929,217	1.5	1.5	1	3,929,217	100.0	100.0	0	0.0	0.0	3,929,217	100.0	0.0	0	0.0

Source: <http://www.census.gov/population/censusdata/table-4.pdf>

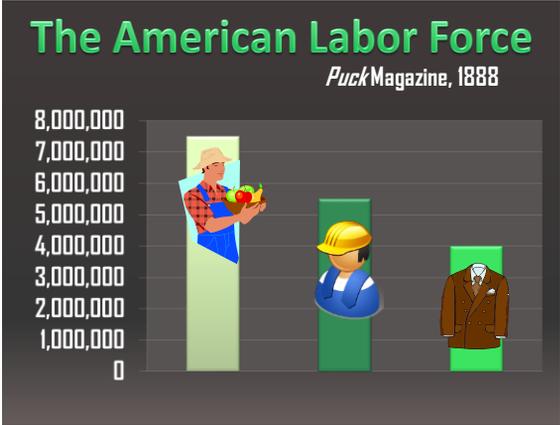


THE FORGOTTEN FARMER.

THERE are more than seventeen million working people, of all classes, in the United States. Among these there are over seven-and-a-half-millions who, in one way or another, are engaged in agricultural occupations. What are the other nine-and-a-half-millions? According to the census reports we must deduct four million people who are doing "professional" work, or the like—lawyers, doctors, clergymen, clerks, inventors, commercial travelers, musicians, teachers, and capitalists generally. Trade, transportation, mining, manufactures and mechanics employ the other five-and-one-half millions.

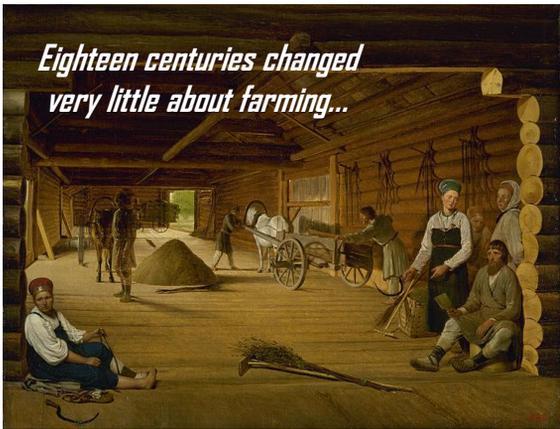
These few statistics, which the reader may easily verify for himself, are set down here merely as an illustration in simple proportion. It requires no profound study to learn from them that the farmers—that is, the people engaged in agricultural employments of all sorts, are, numerically, the greatest body of workmen in this country—that they have an enormous plurality over any one other class of laborers. There are seven-and-a-half-million persons doing work on the farm lands in the United States. These things are undeniably true—yet it is equally true that there is no large class of men in the country whose interests receive less intelligent and sincere attention from either state or national legislators.

This may explain why, for a quarter of a century, the American farmer has had to pay a burdensome tax levied for the protection—that



“After me comes one who is more powerful than I, whose sandals I am not worthy to carry. He will baptize you with the Holy Spirit and fire. His winnowing fork is in his hand, and he will clear his threshing floor, gathering his wheat into the barn and burning up the chaff with unquenchable fire.”

-- John the Baptist (Matthew 3)





THE POPULISTS

An Agrarian and People's Revolt



THE POPULISTS

What were some of the major problems facing farmers during the Gilded Age ??



THE POPULISTS

Causes

- New inventions & efficient techniques introduced
- Lack of competition among railroads
- Machinery is needed; shipping costs higher
 - Money is in short supply

Effects

- Prices of farm products decline
- Farmers' earnings decrease
- Farmers are unable to pay back loans
- Banks lend money to fewer farmer

26-1 THE FARM BECOMES A FACTORY (SLIDE 1 OF 3)

- Farming changed with growing single "cash" crops, such as wheat or corn:
 - Used profits to buy foodstuffs at general store
 - And manufactured goods in town or by mail order
 - Chicago firm of Aaron Montgomery Ward sent out its first catalogue—a single sheet—in 1872
- Farmers becoming consumers and producers
- Large-scale farmers now specialists and businesspeople
 - Intimately tied to banking, railroading, and manufacturing
 - Had to buy expensive machinery to plant and harvest crops
 - A powerful steam engine could drag behind it simultaneously the plow, seeder, and harrow



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26-1 THE FARM BECOMES A FACTORY (SLIDE 2 OF 3)

- Speed of harvesting dramatically increased in 1880s by "combine"—combined reaper-thresher
- Widespread use of such equipment required first-class management
- **Mechanization of agriculture:**
 - Drove many farmers off land
 - **Miracles of production, made America world's breadbasket and butcher shop**
 - **Farm attained status of factory**—an outdoor grain factory
 - Bonanza wheat farms of Minnesota-North Dakota enormous
 - Foreshadowed gigantic agribusinesses of 1900s



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Mechanical Threshing Machine

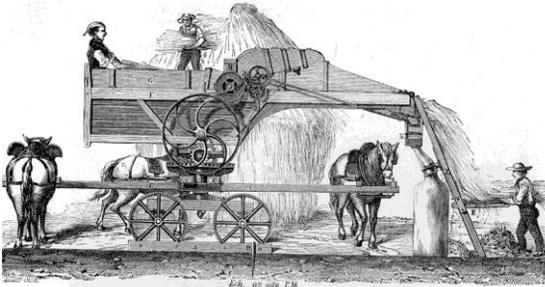
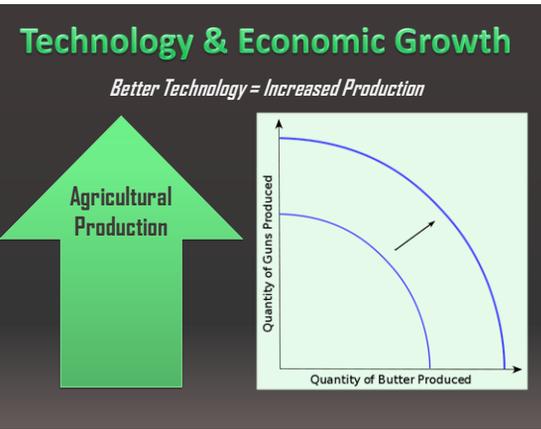
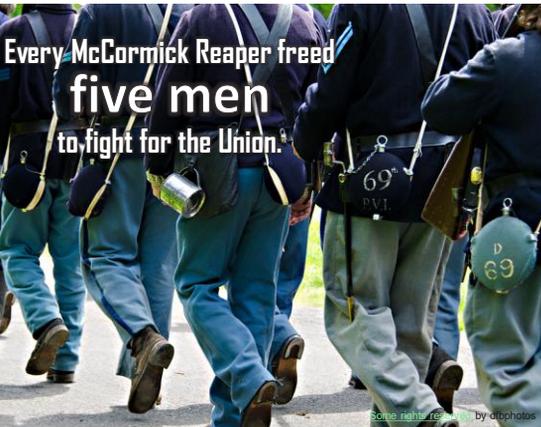
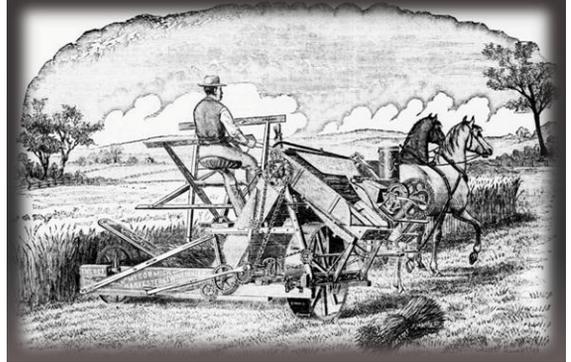


Fig. 319. — *Batteuse Daney à manège direct placé sous la batteuse.*

The McCormick Reaper

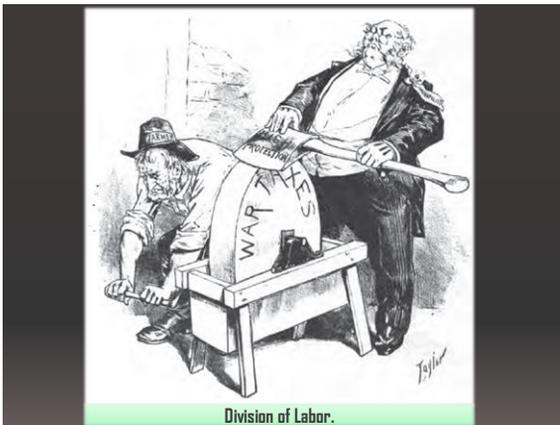
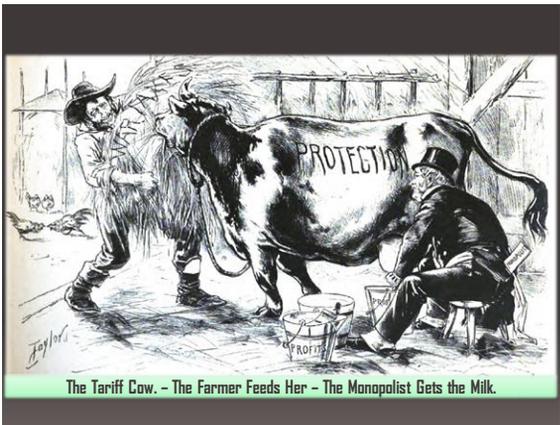
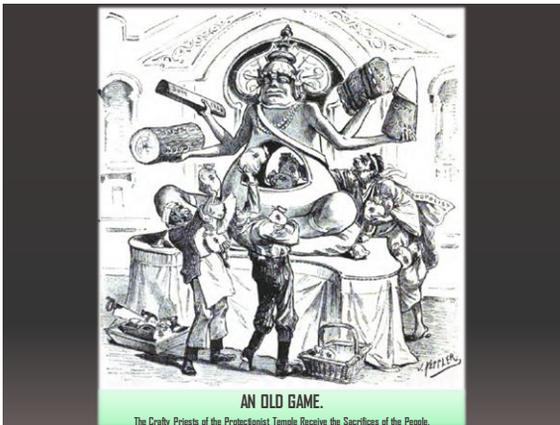
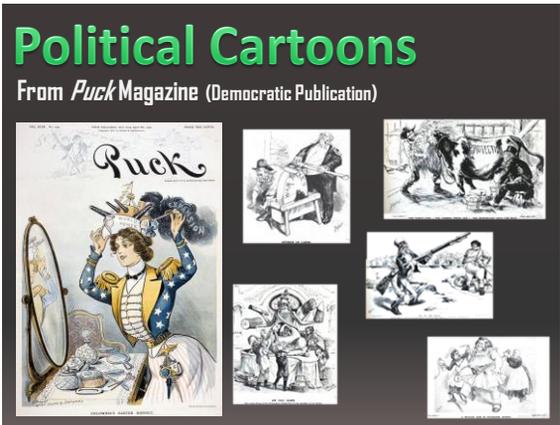


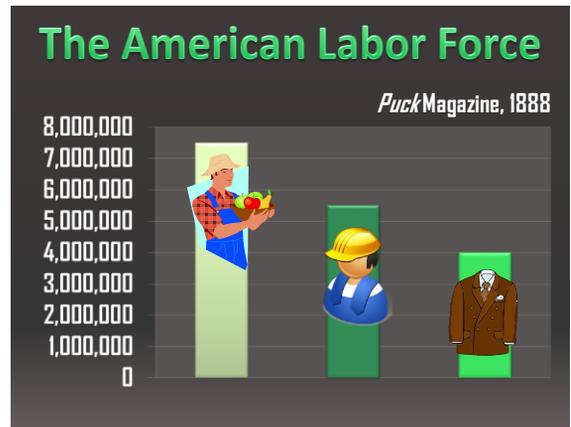
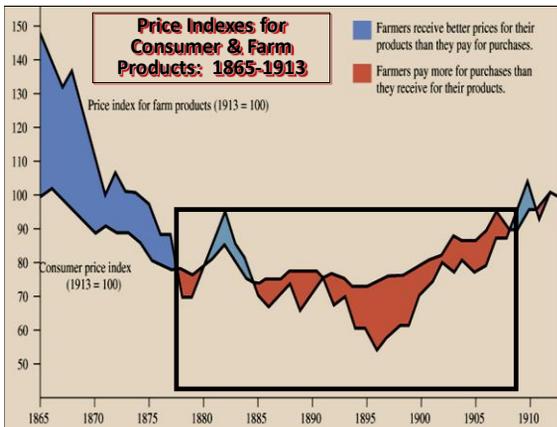
26-1 THE FARM BECOMES A FACTORY
(SLIDE 3 OF 3)

- Agriculture big business in California:
 - Phenomenally productive Central Valley
 - California's farms three times larger than national average
 - With advent of railroad refrigerator car in 1880s, California fruits and vegetable, raised on sprawling tracts by ill-paid migrant Mexican and Chinese farmhands, sold at handsome profit in urban markets of East

26-2 DEFLATION DOOMS THE DEBTOR
(SLIDE 1 OF 2)

- Farmers' financial situations:
 - As long as prices stayed high all went well
 - Grain framers no longer masters of their destinies:
 - Price of product determined in world market by world output
 - Low prices and a deflated currency were chief worries of frustrated farmers
 - Deflationary pinch on debtor flowed partly from static money supply:
 - Simply not enough dollars to go around, and as a result, prices forced down





26-2 DEFLATION DOOMS THE DEBTOR (SLIDE 2 OF 2)

- Farmers caught on a treadmill:
 - **Operated year after year at a loss and lived off their fat as best they could**
 - **Farm machinery increased output of grain, lowered the price, and drove them deeper into debt**
 - **Mortgages engulfed homesteads at an alarming rate**
 - **Ruinous rates of interest, running from 8 to 40%, charged on mortgages**
- Sons and daughters cried out in despair against **loan sharks** and Wall Street octopus
- Farm tenancy, rather than farm ownership, spread

26-3 UNHAPPY FARMERS (SLIDE 1 OF 2)

- Even Mother nature conspired against farmers:
 - Mile-wide clouds of **grasshoppers** left "nothing but the mortgage"
 - **Cotton-boll weevil** wreaked havoc in South by 1890s
- Good earth going sour:
 - Floods added to erosion
 - Expensive fertilizers urgently needed
 - Long successions of drought seared land
- Farmers gouged by governments:
 - Local, state and national over-assessed their land, causing them to pay painful local taxes, high protective tariffs

26-3 UNHAPPY FARMERS (SLIDE 2 OF 2)

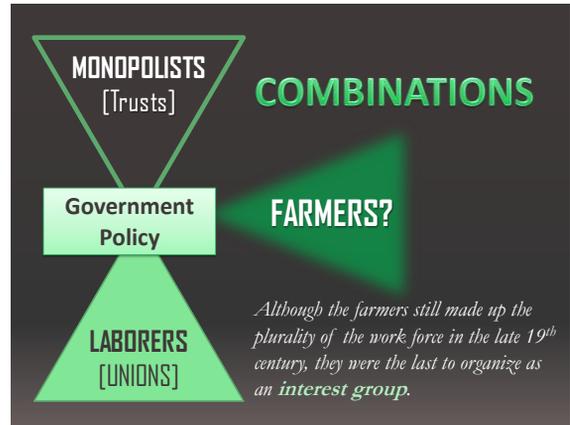


p603

- Farmers “farmed” by corporations and processors
- At mercy of harvester trust, barbed-wire trust and fertilizer trust—all who controlled output and raised prices to extortionate levels
- Middlemen took juicy “cut”
- Railroad octopus had grain growers in their grip
- **Farmers still made up 1/4 of population in 1890:**
 - Hopelessly disorganized
 - Farmers by nature independent and individualistic
 - Never organized successfully to restrict production until forced to do so by Roosevelt’s New Deal
 - What they did manage to organize was a monumental political uprising

26-4 THE FARMERS TAKE THEIR STAND (SLIDE 1 OF 3)

- Agrarian unrest:
 - First flared with Greenback movement:
 - Farmers unsuccessfully demanded in 1868 relief from high prices and high indebtedness by calling for inflation of currency with paper
 - National Grange of the Patrons of Husbandry—better known as the Grange
 - Organized in 1876 , with help of Oliver. H. Kelley
 - First objective was to enhance lives of isolated farmers through social, educational, and fraternal activities
 - Grange’s picnics, concerts, and lectures a god-send to isolated farmers
 - Claimed 800,000 members, chiefly in Midwest and South



Farmers Unite!

Social	The Grange
Economic	Farmers' Alliances
Political	Populist Party

THE POPULISTS: Grassroots Movement

Local and state level

The Grange	<ul style="list-style-type: none"> •Organized in 1867 in response to farmers' isolation. •Helped farmers form cooperatives which bought goods in large quantities at lower prices. • The Grange also pressured government to regulate businesses on which farmers depended.
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People's Movement Spreads

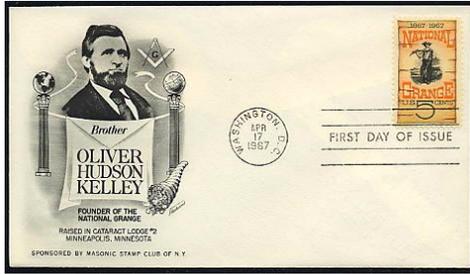
Farmers' Alliance	<ul style="list-style-type: none"> •The Farmers' Alliance called for political actions that many farmers could support. •The alliances won support for women's rights. •Blacks allowed but parallel "Colored Farmers' Alliance."
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Becomes a national movement

Populists	<ul style="list-style-type: none"> •Farmers' Alliances formed a new political party, The People's Party or the <u>Populists</u>. •A national movement that was supported by farmers, the West and parts of the South.... •Populists would elect a presidential candidate in the 1892 and 1896 presidential elections.
-----------	--



Founder of the National Grange of the Patrons of Husbandry (1867)



The Grange Movement



- First organized in the 1870s in the Midwest, the south, and Texas.
- Set up cooperative associations.
- Social and educational components.
- Succeeded in lobbying for "Granger Laws."
- Rapidly declined by the late 1870s.

Patrons of Husbandry

AKA The "Grangers"



Grange movement, a coalition of U.S. farmers, of the 1870s. Successful at the local and state level with the Granger laws. Gift for the Grangers: The Farmer Pays for All!



Written by a Farmer at the End of the 19c



*When the banker says he's broke
And the merchant's up in smoke,
They forget that it's the farmer
who feeds them all.
It would put them to the test
If the farmer took a rest;
Then they'd know that it's the farmer
feeds them all.*





26-4 THE FARMERS TAKE THEIR STAND (SLIDE 2 OF 3)

- Grangers raised their goals:
 - From individual self-improvement to improvement of farmers' collective plight
 - Established cooperatively owned stores for consumers
 - Cooperatively owned grain elevators and warehouses for producers
 - Attempted to manufacture harvesting machinery
- **Embittered Grangers went into politics:**
 - Chiefly in Illinois, Wisconsin, Iowa, and Minnesota
 - Through legislation they strove to:
 - Regulate railway rates and storage fees
 - Some Granger Laws badly written

1st LAWS TO REGULATE BIG BUSINESS

Granger State Laws	State representatives voted into office by members of the Grange who in turn represented the interests of farmers and passed state laws regulating railroad prices in 18 states.
Munn v. Illinois (1876)	Supreme Court decision stating that states had the ability to regulate private property if it affected public interest.
Wabash Case (1886)	Declared that it was unconstitutional for states to regulate interstate commerce. Showed need for Federal regulation of interstate commerce.
Interstate Commerce Commission (1887)	In 1887, Congress passed the Interstate Commerce Act that setup the ICC. The federal government has the ability to regulate all aspects of interstate commerce. Rebates and drawbacks were illegal.
Sherman Antitrust Act (1890)	In 1890, Congress passed this act which prohibited monopolies or any business that prevented fair competition.

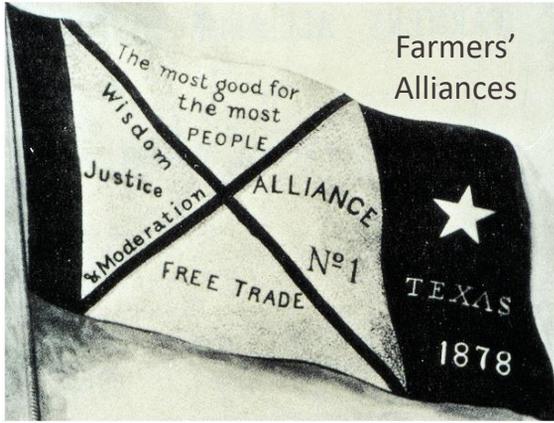
26-4 THE FARMERS TAKE THEIR STAND (SLIDE 3 OF 3)

- Following judicial reverses, chiefly by Supreme Court in **Wabash case of 1886**, Granger influence faded
- Organization lived on as vocal champion of farm interests, while brightening rural life with social activities
- Farmers' grievances found vent in Greenback Labor party:
 - Combined inflationary appeal with program for improving lot of labor
 - High-water mark of movement in 1878:
 - Polled over a million votes and elected fourteen members of Congress
 - Presidential election of 1880, Greenbackers ran James Weaver, but only polled 3% of total popular vote

26-5 PRELUDE TO POPULISM (SLIDE 1 OF 3)

- **Farmers' Alliance:**
 - Founded in Texas in late 1870s
 - A striking manifestation of rural discontent
 - Farmers came together to break grip of railroads and manufacturers through cooperative buying and selling
 - By 1890 members numbered more than a million
 - Movement weakened itself by ignoring plight of landless tenant farmers, sharecroppers and farmworkers
 - Even more debilitating was exclusion of blacks, who were nearly half the agricultural population of South





Farmers' Alliances

26-5 PRELUDE TO POPULISM (SLIDE 2 OF 3)

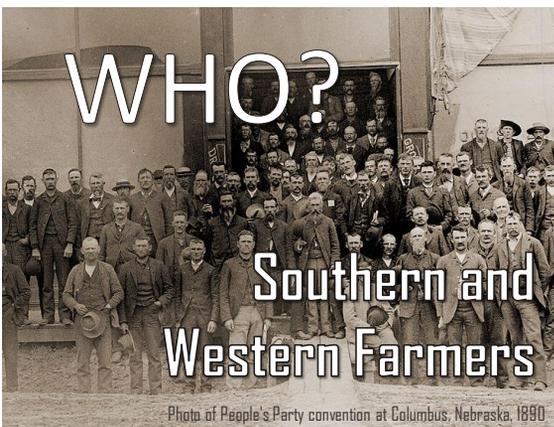
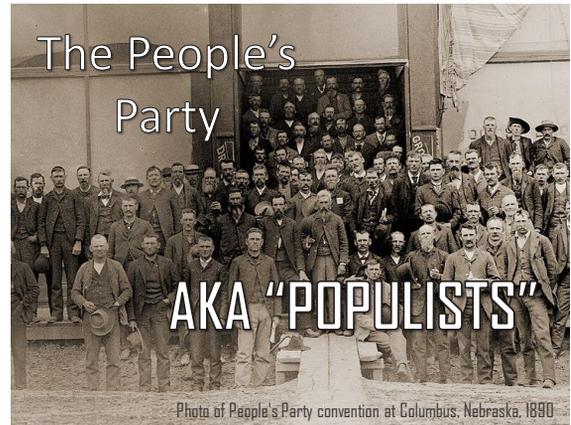
- In 1880s separate Colored Farmers' National Alliance:
 - Emerged to attract black farmers
 - By 1890 had membership of 250,000
 - Long history of racial division in South made it difficult for white and black farmers to work together
- **Populists:** the People's party
 - Frustrated farmers attacked "money trust;" called for:
 - Nationalizing railroads, telephone, and telegraph
 - A graduated income tax
 - A new federal "subtreasury" to provide loans to farmers
 - Wanted free and unlimited coinage of silver

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FARMER'S REVOLT

- A group of poor Midwestern and Southern farmers who suffered economically due to low prices for their crops, which they blamed on Northeastern business interests.
- Would form into an independent political party and threaten the Democrats and Republicans.
- Also called the "**People's Party**", and would become a national political party called the **Populists**.





**United We Stand,
Divided We Fall**

> In 1889 both the Northern and Southern Alliances merged into on—the **Farmers' Alliance**.



26-5 PRELUDE TO POPULISM (SLIDE 3 OF 3)

- Many fiery prophets for Populist cause:
 - Free coinage of silver struck many Populists as cure-all
 - *Coin's Financial School* (1894) by William Hope Harvey:
 - Enormously popular pamphlet for free silver
 - Ignatius Donnelly of Minnesota, elected three times to Congress
 - **Mary Elizabeth Lease**—queen of Populist "calamity howlers"
- Populists leading deadly earnest and impassioned campaign to relieve farmers' many miseries
- **Earned more than a million votes in 1892 presidential election for their candidate, James Weaver**



26.4 Mary E. Lease (1853–1933) She was so eloquent as to be called "Patrick Henry in Petticoats."



The Populist (Peoples') Party

- > Founded by James B. Weaver and Tom Watson.
- > Omaha, NE Convention in July, 1892.
- > Got almost 1 million popular votes.
- > Several Congressional seats won.



James B. Weaver, Presidential Candidate & James G. Field, VP



The Populist (Peoples') Party

- > 1890 Bi-Election:
 - So. Alliance → wanted to gain control of the Democratic Party.
 - No. Alliance → ran 3rd Party candidates.
- > 1892 → 800 met in St. Louis, MO
 - majority were Alliance members.
 - over 100 were African Americans.
 - reps. of labor organizations & other reformers (Grange, Greenback Party).



FARMER'S COMPLAINT

Farmers and Tariffs

- Tariffs helped farmers by protecting them against competition from farm imports.
- Also hurt farmers because they raised the prices of manufactured goods, such as farm machinery.
- Kept foreigners from earning U.S. money with which to buy American crops.

FARMER'S COMPLAINT

The Money Issue

- Farmers wanted an increase in the **money supply**, the amount of money in the national economy.
- **WHY?** Value of every dollar drops, leads to a widespread rise in prices, or **inflation**.
- This trend would benefit people who borrow money (**farmers**), but it would not be good for money lenders (**banks**).
- A decrease in the money supply would cause **deflation**.
- **Monetary policy**, the federal government's plan for the makeup and quantity of the nation's money supply, thus emerged as a major political issue.

FARMER'S COMPLAINT

Gold Bugs

- Before 1873 U.S. currency was on a **bimetallic standard**, consisting of gold and silver.
- Then Congress put the currency on a gold standard which decreased the money supply.
- “Gold bugs” (big lenders) were pleased.



The Silver Issue

- “Crime of '73” → demonetization of silver (govt. stopped coining silver).
- **Bland-Allison Act (1878)** → limited silver coinage to \$2-\$4 mil. per mo. (based on the 16:1 ratio of silver to gold).
- **Sherman Silver Purchase Act (1890)**
 - The US Treasury must purchase \$4.5 mil. oz. of silver a month.
 - Govt. deposited most silver in the US Treasury rather than circulation.



Bi-Metallism Issue



SILVERITES VS GOLD BUGS

Sherman Silver Purchase Act of 1890

- Increased the amount of silver that the government was required to purchase every month
- The law required the Treasury to buy the silver with notes that could be redeemed for either silver or gold.
- Many people turned in their silver Treasury notes for gold dollars, thus depleting the gold reserves.
 - In 1893, President Cleveland repealed the Silver Purchase Act.
- New gold mines allowed for the US to go back on the gold standard.

SILVERITES VS GOLD BUGS

- ❖ **Gold bugs** were against this because with a smaller money supply prices would drop and each dollar buys more.
- ❖ This would take the US off the gold standard and hurt our credibility in the International trade markets who were on the gold standard.
Good for people who lent money
- ❖ Before 1873 U.S. currency was on a **bimetallic standard**, consisting of gold and silver.
 - ❖ Then Congress put the currency on a gold standard which decreased the money supply.
“Gold bugs” (big lenders) were pleased.

SILVERITES VS GOLD BUGS

The Bland-Allison Act of 1878

- ❖ Gold standard enraged the “**silverites**,” mostly silver-mining interest and western farmers.
- ❖ **Silverites** called for free silver (precious white metal), the unlimited coining of silver dollars to increase the money supply.
- ❖ Federal government was to purchase and coin more silver, thereby increasing the money supply and causing inflation.
- ❖ Vetoed by President Hayes because he opposed the inflation.
 - ❖ Congress overrode the veto.
- ❖ Treasury Department refused to buy more than the minimum amount of silver required by the act.
 - ❖ The act had limited effect.

SILVERITES VS GOLD BUGS

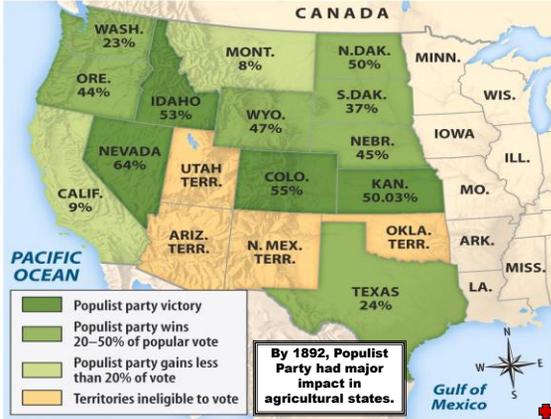
- ❖ **Silverites** or farmers wanted an increase in the **money supply**, the amount of money in the national economy. As a result, the value of every dollar drops, leading to a widespread rise in prices, or **inflation**.
- ❖ This trend would benefit people who borrow money (farmers), but it would not be good for money lenders (banks). A decrease in the money supply would cause **deflation**.
- ❖ **Monetary policy**, the federal government’s plan for the makeup and quantity of the nation’s money supply, thus emerged as a major political issue.

FARMER'S COMPLAINT

The Rail-roads

Problems with the Railroads

- Lack of competition lets railroads overcharge to transport grain
- Farms mortgaged to buy supplies; suppliers charge high interest



26.5 The Homestead Strike, 1892 Three hundred armed Pinkerton detectives floated on barges down the Monongahela River to the site of the Carnegie steel plant at Homestead, Pennsylvania. Met by a defiant and disciplined force of strikers, they were compelled to surrender. Here the Pinkerton men are shown disembarking from their barges after their capitulation, while the jeering strikers ashore exult in their victory.



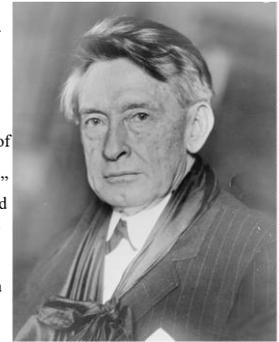
p606



26.6 The Kansas Legislature, 1893 Rifle-bearing Populists seized the Kansas capitol after the election of 1892 to make good their claim that they had won at the polls. Republicans dis-agreed and eventually prevailed when sergeants at arms, shown here, restored order.

p607

26.7 Thomas Edward Watson (1865–1922) Populist leader Tom Watson of Georgia began his public career promoting interracial political cooperation, though he sometimes despaired that many poor white farmers preferred to “hug the chains of . . . wretchedness rather than do any experimenting on [the race] question.” Watson himself eventually succumbed to racism. In 1913 he proclaimed that “the Negro has no comprehension of virtue, honesty, truth, gratitude, and principle. The South has to lynch him occasionally, and flog him, now and then, to keep him from blaspheming the Almighty by his conduct . . . and color.”



p608

26-6 CLEVELAND AND DEPRESSION (SLIDE 1 OF 7)

- Cleveland in office again (1893):
 - Only president ever reelected after defeat
 - Same Cleveland, but not same country:
 - Debtors up in arms
 - Workers restless
 - Devastating depression of 1893 burst:
 - Lasted for four years
 - Most punishing economic downturn of nineteenth century



The Panic of 1893

26-6 CLEVELAND AND DEPRESSION (SLIDE 2 OF 7)

- **Economic depression of 1893**—causes:
 - Splurge of overbuilding and speculation
 - Labor disorders; ongoing agricultural depression
 - Free-silver agitation damaged American credit abroad
 - U.S. finances pinched when European banks began to call in loans
- Depression ran deep and far:
 - 8,000 businesses collapsed in six months
 - Dozens of railroads lines went into receivers' hands



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Causes of the 1893 Panic



- **Begun 10 days after Cleveland took office.**
 1. **Several major corps. went bankrupt.**
 - Over 16,000 businesses disappeared.
 - Triggered a stock market crash.
 - Over-extended investments.
 2. **Bank failures followed causing a contraction of credit [nearly 500 banks closed].**
 3. **By 1895, unemployment reached 3 million.**
- **Americans cried out for relief, but the Govt. continued its laissez faire policies!!**



Here Lies Prosperity



Written by a Farmer at the End of the 19c



*When the banker says he's broke
And the merchant's up in smoke,
They forget that it's the farmer
who feeds them all.
It would put them to the test
If the farmer took a rest;
Then they'd know that it's the farmer
feeds them all.*



Result of Election Returns



- **Populist vote increased by 40% in the bi-election year, 1894.**
- **Democratic party losses in the West were catastrophic!**
- **But, Republicans won control of the House.**

26-6 CLEVELAND AND DEPRESSION (SLIDE 3 OF 7)

- Soup kitchens fed unemployed
- Gangs of hoboes ("tramps") wandered country
- Local charities did their feeble best
- U.S. government (bound by let-nature-take-its course philosophy) saw no legitimate way to relieve suffering
- Cleveland, who had earlier been bothered by a surplus, now burdened with deepening deficit:
 - Treasury required to issue legal tender notes for silver bullion it bought



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26-6 CLEVELAND AND DEPRESSION (SLIDE 4 OF 7)

- Owners of paper currency would present it for gold
- By law, notes had to be reissued
- New holders would repeat process
- Drained gold in “endless-chain” operation
- Gold reserve in Treasury dropped below \$100 million
 - Cleveland sought repeal of Sherman Silver Purchase Act of 1890
 - To do so, he summoned Congress into special session
- **Cleveland developed malignant growth in his mouth:**
 - **Removed with extreme secrecy**



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26-6 CLEVELAND AND DEPRESSION (SLIDE 5 OF 7)

- If he had died, Vice President Adlai Stevenson, a “soft-money” person, would be president—
 - Would have deepened crisis
- In Congress, debate over repeal of silver act ran its heated course:
 - William Jennings Bryan championed free silver
 - Friends of silver announced “hell would freeze over” before Congress would pass repeal
 - Cleveland broke filibuster
 - Alienated Democratic silverites like Bryan
 - Disrupted his party at start of his term



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26-6 CLEVELAND AND DEPRESSION (SLIDE 6 OF 7)

- Repeal of Sherman Silver Purchase Act:
 - Only partially stopped drain of gold from Treasury
 - February 1894, gold reserve sank to \$41 million
 - United States in danger of going off gold standard
 - Cleveland floated two Treasury bond issues in 1894 totaling over \$100 million
 - “Endless-chain” operations continued
 - Early 1895 Cleveland turned in desperation to J. P. Morgan, “the bankers’ banker,” and head of a Wall Street syndicate



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26-6 CLEVELAND AND DEPRESSION (SLIDE 7 OF 7)

- After tense negotiations at White House, the bankers agreed to lend government \$65 million in gold
- Charged commission of \$7 million
- Did make significant concession when bankers agreed to obtain one-half of gold abroad
- Loan, at least temporarily, helped restore confidence in nation's finances



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26-7 CLEVELAND BREEDS A BACKLASH (SLIDE 1 OF 3)

- Gold deal stirred up nation:
 - Symbolized all that was wicked in politics:
 - Cleveland’s secretive dealings with Morgan savagely condemned as “sellout” of national government
 - Cleveland certain he had done no wrong
- Cleveland suffered further embarrassment with Wilson-Gorman tariff in 1894.



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26-7 CLEVELAND BREEDS A BACKLASH (SLIDE 2 OF 3)

- Wilson-Gorman tariff:
 - Democrats pledged to lower tariff
 - But bill that made it through Congress loaded with special-interest protection
 - Outraged, Cleveland allowed bill to become law without his signature:
 - Contained 2% tax on incomes over \$4,000
 - When Supreme Court struck down income-tax provision in 1894, Populist and disaffected saw proof courts were tools of plutocrats



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26-7 CLEVELAND BREEDS A BACKLASH (SLIDE 3 OF 3)

- Democrats' political fortunes:
 - Suffered several setbacks:
 - House Democrats dislodged in 1884
 - Republicans won congressional election in landslide
 - 244 seats to 105 for Democrats
 - Republicans looked forward to presidential race of 1896
 - Cleveland failed to cope with economic crisis of 1893:
 - Became one of "forgettable presidents" along with Grant, Hayes, Garfield, Arthur, and Harrison



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26-8 COXEY'S ARMY AND THE PULLMAN STRIKE (SLIDE 1 OF 3)

- Populists saw potential political allies:
 - **Coxey's Army:**
 - Most famous marcher was "General" Jacob S. Coxey:
 - Set out for Washington, D.C. in 1894
 - Platform demanded government relieve unemployment by an inflationary public works program
 - Supported by \$500 million in legal tender notes to be issued by Treasury
 - Coxey and his marches arrested as they entered Washington



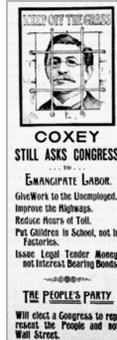
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Coxey's Army, 1894



- Jacob Coxey & his "Army of the Commonwealth of Christ."
- March on Washington → "hayseed socialists!"



THE POPULIST REVOLT



• In 1893, Jacob Coxey, (**leader of Coxey's Army**) of Massillon, Ohio, and some 20,000 men and women began a march to Washington, DC.

• Demanded US Govt. public works programs, mainly railroads for the nation's unemployed.

THE POPULIST REVOLT



• 600 protesters persisted through the length of the journey and on May 1, 1894.

• "**Coxey's Army**" reached Washington and marched along Pennsylvania Avenue.

• Before "**General**" Coxey could deliver a historic speech, however, he was arrested by District police - for walking on the grass. 

26-8 COXEY'S ARMY AND THE PULLMAN STRIKE (SLIDE 2 OF 3)

- Violent flare-ups accompanied labor protests, notably in Chicago—**Pullman strike** of 1894:
 - Eugene V. Debs organized American Railway Union of 150,000 members:
 - Pullman Palace Car Company, hit hard by depression, cut wages by about 1/3, but kept rents same:
 - Workers finally struck
 - American Federation of Labor declined to support strike
 - Governor John Peter Altgeld of Illinois:
 - A friend of the downtrodden (had pardoned Haymarket Square anarchists the year before) didn't see strike as out of hand



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26-8 COXEY'S ARMY AND THE PULLMAN STRIKE (SLIDE 3 OF 3)

- Attorney General Richard Olney:
 - Archconservative and an ex-railroad attorney urged dispatch of federal troops
 - His legal grounds were strike interfered with U.S. mail
 - President Cleveland supported Olney
 - To delight of conservatives, federal troops, bayonets fixed, crushed Pullman strike
 - Debs sentenced to six months' imprisonment for contempt of court because he defied a federal injunction to cease striking
- Embittered cries of "government by injunction" burst from organized labor
 - First time this legal weapon used to break a strike



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The 1896 Election

26-9 GOLDEN MCKINLEY AND SILVER BRYAN (SLIDE 1 OF 5)

- Election of 1896:
 - Leading Republican candidate William McKinley:
 - Sponsored tariff bill of 1890
 - Creditable Civil War record
 - Hailed from potent state of Ohio
 - Long years of honorable service in Congress
 - As a presidential candidate, McKinley the creature of fellow Ohioan, businessman Marcus Alonzo Hanna:
 - Coveted role of president maker
 - Wholehearted Hamiltonian, Hanna believed prime function of government was to aid business
 - Became personification of big industry in politics
 - Believed prosperity "trickled down" to laborer



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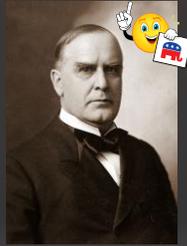
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Election of 1896



William Jennings Bryan
(D-NE)

VS.



William McKinley
(R-OH)



Gold / Silver Bug Campaign Pins



William Jennings Bryan (1860-1925)



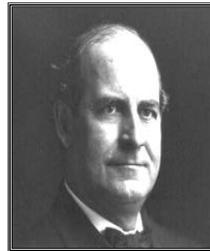
The "Great



POPULIST'S REVOLT



1860 to 1925



- William Jennings Bryan was a gifted speaker, lawyer, three-time presidential candidate, and devout Protestant.
- Bryan made his career in Nebraska politics.
- Served in the U.S. House of Representatives in 1890.

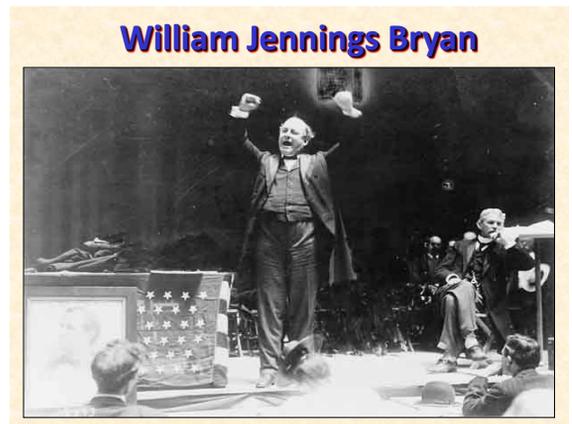
•Defender of the small farmer and laborer, Bryan worked closely with the Populist Party.



POPULIST'S REVOLT



- Bryan's efforts on behalf of farmers and laborers (the so-called "common" people) earned him the title the "Great Commoner".
- Ran for the presidency unsuccessfully in 3 elections as a Democrat.
- Known for the "Cross of Gold Speech"

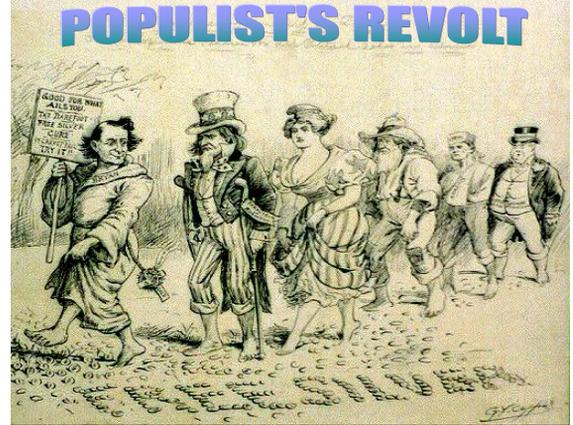


 **William Jennings Bryan** 

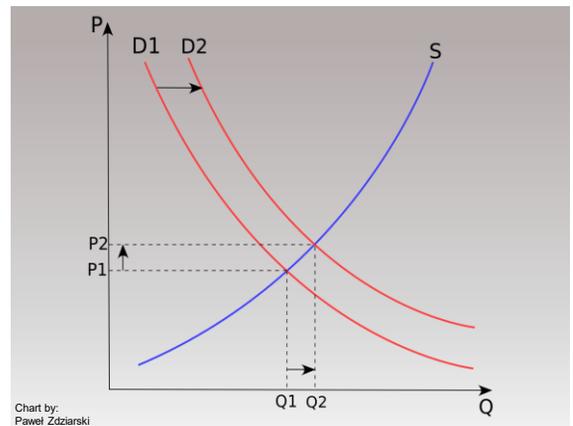


*Prairie avenger,
mountain lion,
Bryan, Bryan, Bryan,
Bryan,
Gigantic troubadour,
speaking like a siege
gun,
Smashing Plymouth Rock
with his boulders
from the West.*

➤ Revivalist style of oratory.



The Populist Platform	
Political Reform Proposals	Economic Reform Proposals
Direct Election of Senators	Graduated Income Tax
Ballot Initiatives	Unlimited Coinage of Silver
Secret Ballot	Nationalization of Railroads



CROSS OF GOLD SPEECH

- William Jennings Bryan's most well-known political speech delivered before the Democratic Convention in 1896.
- Highlighted the Populist stance and his strong position on the issue of the "Gold-Standard."
- Attacked the concept that gold was the only sound backing for currency.

CROSS OF GOLD SPEECH

- Argued the "real business men" were farmers, agricultural workers, miners and small town merchants.
- Demonstrated the true "pioneer spirit" of America
- These workers were all but ignored by a government that served the interests of big cities and large corporate enterprise.

CROSS OF GOLD SPEECH

"They tell us that the great cities are in favor of the gold standard. We reply that our great cities rest upon our broad and great prairies".

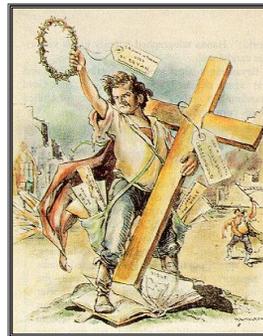
CROSS OF GOLD SPEECH

"Burn down your cities and leave our farms, and your cities will spring up again as if by magic; but destroy our farms, and the grass will grow in the streets of every city of the country".

CROSS OF GOLD SPEECH

"You shall not press down upon the brow of labor this crown of thorns; you shall not crucify mankind upon a cross of gold"

POPULIST'S REVOLT



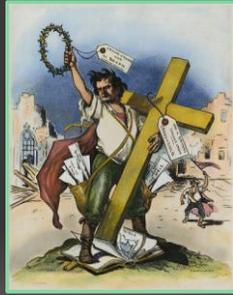
- Using images from the Bible, he stood with his head bowed and arms outstretched.
- So impressive was his speech that both Democrats and Populists nominated him for President.

"Cross of Gold Speech"

1896 Democratic National Convention

"If protection has slain its thousands the gold standard has slain its tens of thousands."

-- W.J. Bryan



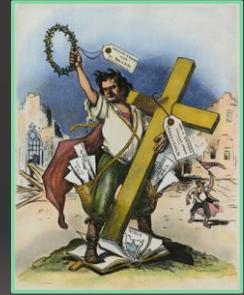
Cartoon from Judge Magazine, 1896

"Cross of Gold Speech"

1896 Democratic National Convention

"You shall not press down upon the brow of labor this crown of thorns! You shall not crucify mankind upon a cross of gold!"

-- W.J. Bryan



Cartoon from Judge Magazine, 1896



Bryan: The Farmer's Friend (The Mint Ratio)



18,000 miles of campaign "whistle stops."

The Train vs. the Porch



Bryan's Campaign Tour

FIRST TRIP 850 MILES
SECOND " 3598 "

MAP
SHOWING ROUTE TRAVELED
IN FIRST & SECOND TRIPS.

Copyright, 1911, by W. B. Easley Company
http://www.ushistory.org/1896/progressive/including/WJB_Campaign_Maps_From_The_First_Battle.html

Bryan's Campaign Tour

THIRD TRIP 12,837 MILES
FOURTH " 344 "

MAP
SHOWING ROUTE TRAVELED
IN THIRD & FOURTH TRIPS.

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http://www.ushistory.org/1896/progressive/including/WJB_Campaign_Maps_From_The_First_Battle.html

McKinley's "Front Porch" Campaign

Mark Hanna
Monopolist turned campaign manager

Democratic Party Taken Over by the Agrarian Left

Platform → tariff reductions; income tax; stricter control of the trusts (esp. RRs); free silver.

William McKinley (1843-1901)

- Born in Ohio on January 29, 1843.
- Private during the Civil War and earned the rank of major in 1865.
- Served in Congress from 1876 to 1890 and became a supporter of protective tariffs.
- Elected governor of Ohio in 1891, serving a second term in 1893.
- 1896, the Republican Party nominated him for president.
 - stressed protective tariffs
 - supported the gold standard.

Mark Hanna to Candidate McKinley

Hanna: That man Clay was an ass. It's better to be President than to be right!

**"A Giant Straddle":
Suggestion for a
McKinley Political Poster**



**The
Seasoned
Politician
vs.
The "Young"
Newcomer**



**Into
Which
Box
Will
the
Voter
of '96
Place**

26-9 GOLDEN MCKINLEY AND SILVER BRYAN (SLIDE 2 OF 5)

- Republican convention:
 - Hanna organized pre-convention campaign for McKinley with consummate skill and liberal outpouring of his own money
 - **McKinley nominated on first ballot in St. Louis**
- Convention:
 - Declared for gold standard
 - Condemned hard times and Democratic incapacity
 - Praised protective tariff
- Democratic camp in dissension:
 - Cleveland no longer led his party:
 - Depression drove last nail into his political coffin
 - "The Stuffed Prophet" most unpopular man in country



26.10 McKinley Campaign Headquarters, Chicago, 1896
Those few black Americans who could exercise their right to vote in the 1890s still remained faithful to "the party of Lincoln."

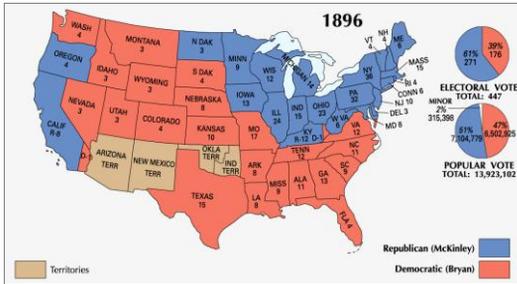
p611

26-9 GOLDEN MCKINLEY AND SILVER BRYAN (SLIDE 3 OF 5)

- Cleveland remembered by labor-debtor groups for:
 - His intervention in Pullman strike
 - His intervention in backstairs Morgan bond deal
 - His stubborn hard-money policies
- Ultraconservative in finance, Cleveland looked more Republican than Democrat on money issue
- **Democratic convention met in Chicago, July 1896:**
 - Delegates by vote of 564 to 357 refused to endorse their own administration
 - Had enthusiasm and numbers; all they lacked was a leader
 - **New Moses appeared in person of William Jennings Bryan of Nebraska, known as "Boy Orator of the Platte"**



1896 Election Results



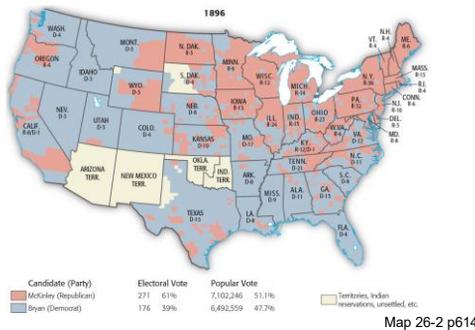
26-10 CLASS CONFLICT: PLOWHOLDERS VERSUS BONDHOLDERS (SLIDE 2 OF 5)

- Bryanites accused Hanna of buying election and of floating McKinley to White House on tidal wave of mud, money, and "dirty tricks" (use of strong-arm fear tactics by employers)
- Election returns—McKinley triumphed decisively:
 - 271 to 176 in Electoral College
 - 7,102,246 to 6,492,559 in popular vote
 - Driven by fear and excitement, an unprecedented outpouring of voters flocked to polls
 - McKinley ran strong in populous East, carrying every county of New England and in upper Mississippi Valley
 - Bryan's states concentrated in debt-burdened South and trans-Mississippi West (see Map 26.2)



26-10 CLASS CONFLICT: PLOWHOLDERS VERSUS BONDHOLDERS (SLIDE 3 OF 5)

- Free-silver election of 1896 perhaps most significant political turning point since Lincoln's victories in 1860 and 1864:
 - Despite Bryan's strength in South and West:
 - Results vividly demonstrated his lack of appeal to the unmortgaged farmer and the eastern urban laborer
 - Many wage earners in East voted for their jobs and full dinner pails—
 - threatened by free silver, free trade, fireless factories
 - Living on a fixed wage, factory workers had no reason to favor inflation, which was heart of Bryanites's program



Map 26-2 p614



Gold Triumphs Over Silver



- McKinley defeats Bryan in the 1896 election.
- 1900 → Gold Standard Act
- Confirmed the nation's commitment to the gold standard.
- A victory for the forces of conservatism.



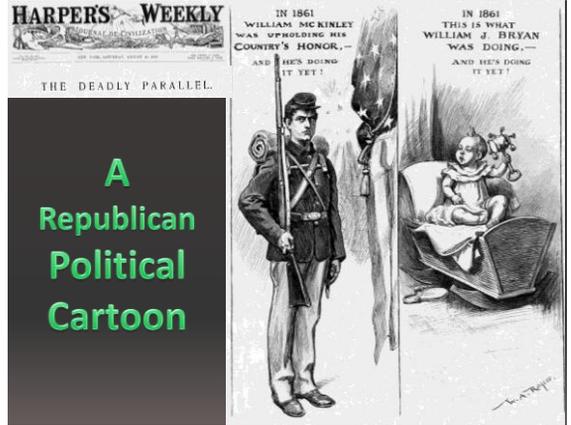
Why Did Bryan Lose?



- His focus on silver undermined efforts to build bridges to urban voters.
- He did not form alliances with other groups.
- McKinley's campaign was well-organized and highly funded.



The Keys to Political Victory



A Republican Political Cartoon



Money

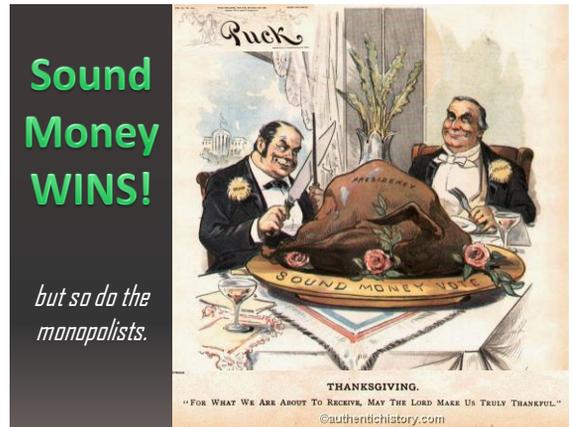
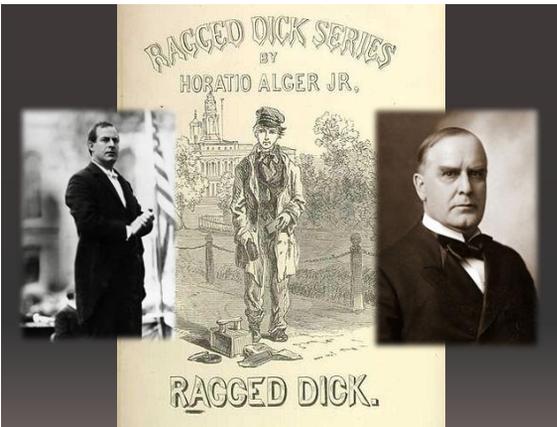
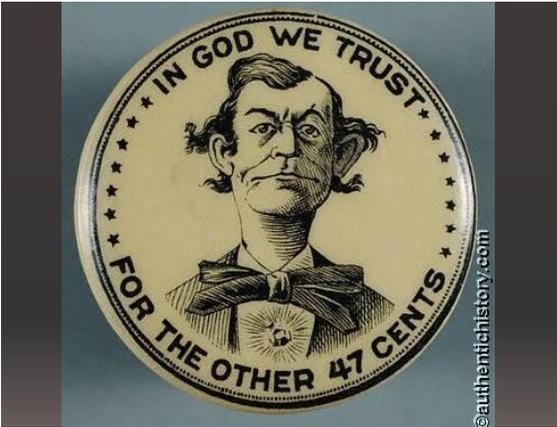
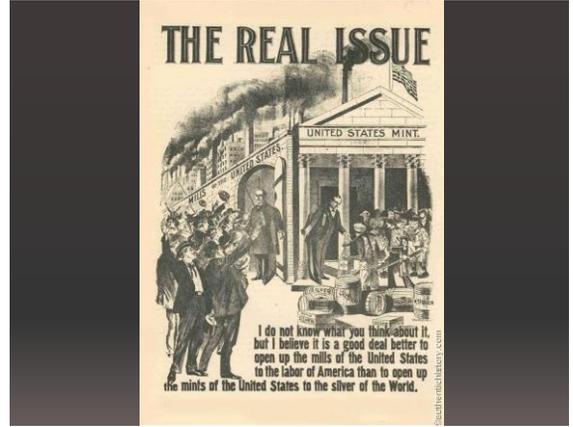


Fear

The Sound Money Scare

BOTTOM LINE:
We all want more money, but we also want our money to be worth something.

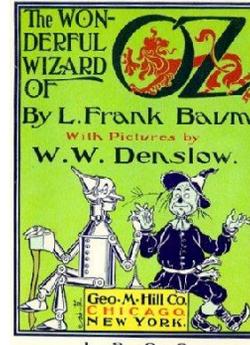




26-10 CLASS CONFLICT: PLOWHOLDERS VERSUS BONDHOLDERS (SLIDE 4 OF 5)

- Bryan-McKinley battle heralded advent of new era in American politics:
 - Underprivileged many against privileged few,
 - Of indebted backcountry against city,
 - Of agrarians against industrialists,
 - Of Main Street against Wall Street,
 - Of the nobodies against the somebodies
- Outcome a resounding win for big business, big cities, middle-class values, and financial conservatism
- 1896 = last effort to win entirely by farming vote

The Wizard of Oz by L. Frank Baum



1964: Henry Littlefield's Thesis?



- The Cowardly Lion = William Jennings Bryan
- The Tin Woodsman = eastern industrial worker
- The Scarecrow = farmer
- Wicked Witch of the East = Bankers
- Wicked Witch of the West =
- Dorothy and her "silver slippers" = the proposed silver standard
- The Yellow-Brick Road = the gold standard supported by financiers
- The Wizard of Oz = President William McKinley
- Toto = a small, black dog

26-10 CLASS CONFLICT: PLOWHOLDERS VERSUS BONDHOLDERS (SLIDE 5 OF 5)

- Grand Old Party's smashing victory of 1896:
 - Heralded a Republican grip on White House for next 16 years
- McKinley's election imparted new character to political system with **fourth party system**:
 - Diminishing voter participation in elections
 - Weakening of party organizations
 - Money question and civil-service reform faded as issues
 - Replaced by concern for industrial regulation and welfare of labor
 - Contrast with "third party system" (1860-1896) of high voter turnouts and close contests between Democrats and Republicans

26-11 REPUBLICAN STAND-PATTISM ENTHRONED (SLIDE 1 OF 4)

- Grand Old Party's smashing victory of 1896:
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26-11 REPUBLICAN STAND-PATTISM ENTHRONED (SLIDE 2 OF 4)

- Dingley Tariff Bill jammed through House in 1897 under "Czar" Reed
 - Proposed rates high, but not enough to satisfy lobbyists who descended upon Senate
- Over 850 amendments tacked onto overburdened bill
- Resulting patchwork established average rates at 46.5%:
 - Substantially higher than Democratic Wilson-Gorman Act of 1894
 - In some categories even higher than McKinley Act of 1890 (See chart in Appendix)



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26-11 REPUBLICAN STAND-PATTISM ENTHRONED (SLIDE 3 OF 4)

- Prosperity began to return in 1897, first year of McKinley's term:
 - Depression (1893) had run its course
 - Farm prices rose; wheels of industry resumed
 - Republicans claimed credit for prosperity
 - **Gold Standard Act 1900**, passed over last-ditch silverite opposition:
 - Provided paper currency be redeemed freely in gold
 - Discoveries brought huge quantities of gold onto world markets
 - As did perfected cheap cyanide process for extracting gold from low-grade ore



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26-11 REPUBLICAN STAND-PATTISM ENTHRONED (SLIDE 4 OF 4)

- Moderate inflation took care of currency needs of expanding nation as its circulatory system greatly improved
- Tide of "silver heresy" rapidly receded
- "Popocratic" fish left gasping high and dry on golden-sanded beach



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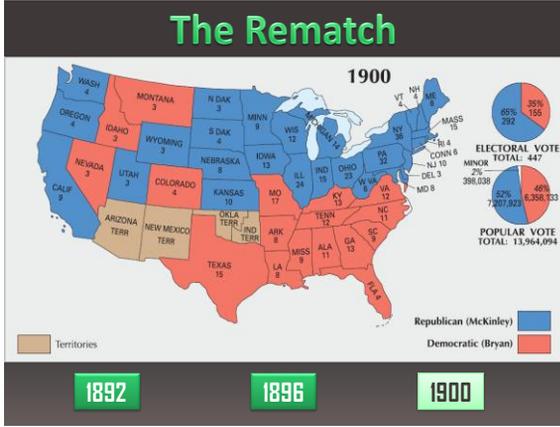


Why Did Populism Decline?

1. The economy experienced rapid change.
2. The era of small producers and farmers was fading away.
3. Race divided the Populist Party, especially in the South.
4. The Populists were not able to break existing party loyalties.
5. Most of their agenda was co-opted by the Democratic Party.

POPULIST PARTY





CHRONOLOGY

<p>1867 Oliver H. Kelley founds the Grange</p> <p>1892 Homestead steel strike Coeur d'Alene (Idaho) silver miners' strike People's party candidate James B. Weaver wins twenty-two electoral votes Cleveland defeats Harrison and Weaver to regain presidency</p> <p>1893 Depression of 1890s begins</p> <p>1894 "Coney's Army" marches on Washington Pullman strike</p>	<p>1895 J. P. Morgan's banking syndicate loans \$65 million in gold to federal government</p> <p>1896 Utah admitted to Union McKinley defeats Bryan for presidency</p> <p>1897 Dingley Tariff Act</p> <p>1900 Gold Standard Act</p>
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