

## THE POLITICS OF THE GILDED AGE, 1877–1900

*My country, 'is of thee, Once land of liberty, Of thee I sing.  
Land of the Millionaire; Farmers with pockets bare;  
Caused by the cursed snare—The Money Ring.*

*Alliance Songster, 1890*

Congress had enacted an ambitious reform program during the 1860s and 1870s—the era of Civil War and Reconstruction. After the election of President Rutherford B. Hayes and the Compromise of 1877, the national government settled into an era of stalemate and comparative inactivity. However, the causes of limited achievements and failure of politicians to address the growing problems related to industrialization and urbanization are often as instructive as periods of political achievements.

### Politics in the Gilded Age

The expression “Gilded Age,” first used by Mark Twain in 1873 as the title of a book, referred to the superficial glitter of the new wealth so prominently displayed in the late 19th century. Historians often criticize the politics of the era as more show than substance. It was the era of “forgettable” presidents, none of whom served two consecutive terms, and of politicians who largely ignored problems arising from the growth of industry and cities. The two major parties in these years often avoided taking stands on controversial issues.

### Causes of Stalemate

Factors accounting for the complacency and conservatism of the era included (1) the prevailing political ideology of the time, (2) campaign tactics of the two parties, and (3) party patronage.

**Belief in Limited Government** The idea of “do-little” government was in tune with two other popular ideas of the time: laissez-faire economics and Social Darwinism. Furthermore, the federal courts narrowly interpreted the government’s powers to regulate business, and this limited the impact of the few regulatory laws that Congress did pass.

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**Campaign Strategy** The closeness of elections between 1876 and 1892 was one reason that Republicans and Democrats alike avoided taking strong positions on the issues. The Democrats won only two presidential contests in the electoral college (but four in the popular vote). They nevertheless controlled the House of Representatives after eight of the ten general elections. The result was divided government in Washington (except for two years of the Harrison administration, 1889–1891, when the Republicans were in control of both the presidency and the two houses of Congress). With elections so evenly matched, the objective was to get out the vote and not alienate voters on the issues.

Election campaigns of the time were characterized by brass bands, flags, campaign buttons, picnics, free beer, and crowd-pleasing oratory. Both parties had strong organizations, the Republicans usually on the state level and the Democrats in the cities. The irony is that the issue-free campaigns brought out nearly 80 percent of the eligible voters for presidential elections, much higher than elections in later periods. The high turnout was a function of strong party identification and loyalty, often connected with the regional, religious, and ethnic ties of voters.

**Republicans** In the North, Republican politicians kept memories of the Civil War alive during the Gilded Age by figuratively waving the “bloody shirt” in every campaign and reminding the millions of veterans of the Union army that their wounds had been caused by (southern) Democrats and that Abraham Lincoln had been murdered by a Democrat. The party of Lincoln, because of its antislavery past, kept the votes of reformers and African Americans. The core of Republican strength came from men in business and from middle-class, Anglo-Saxon Protestants, many of whom supported temperance or prohibition. Republicans followed the tradition of Hamilton and the Whigs, supporting a pro-business economic program of high protective tariffs.

**Democrats** After 1877, Democrats could count upon winning every election in the former states of the Confederacy. The solid South was indeed solidly Democratic until the mid-20th century. In the North, Democratic strength came from big-city political machines and the immigrant vote. Democrats were often Catholics, Lutherans, and Jews who objected to temperance and prohibition crusades conducted by Protestant (and largely Republican) groups. Democrats of the Gilded Age argued for states’ rights and limiting powers for the federal government, following in the Jeffersonian tradition.

**Party Patronage** Since neither party had an active legislative agenda, politics in this era was chiefly a game of winning elections, holding office, and providing government jobs to the party faithful. In New York, for example, Republican Senator Roscoe Conkling became a powerful leader of his party by dictating who in the Republican ranks would be appointed to lucrative jobs in the New York Customs House. Conkling and his supporters were known as the Stalwarts, while their rivals for patronage were the Halfbreeds, led by James G. Blaine. Who got the patronage jobs within the party became a more important issue than any policy. Republicans who did not play the patronage

game were ridiculed as the Mugwumps for sitting on the fence—their “mugs” on one side of the fence and “wumps” on the other. Historians generally consider this era a low point in American politics.

Political Party Affiliations in Congress, 1881–1901				
Year	House		Senate	
	Major Parties	Minor Parties	Major Parties	Minor Parties
1881–1883	R-147, D-135	11	R-37, D-37	1
1883–1885	D-197, R-118	10	R-38, D-36	2
1885–1887	D-183, R-140	2	R-43, D-34	0
1887–1889	D-169, R-152	4	R-39, D-37	0
1889–1891	R-166, D-159	0	R-39, D-37	0
1891–1893	D-235, R-88	9	R-47, D-39	2
1893–1895	D-218, R-127	11	D-44, R-38	3
1895–1897	R-244, D-105	7	R-43, D-39	6
1897–1899	R-204, D-113	40	R-47, D-34	7
1899–1901	R-185, D-163	9	R-53, D-26	8

R: Republican D: Democrat

Source: U.S. Bureau of the Census. *Historical Statistics of the United States, Colonial Times to 1970*

### Presidential Politics

The administrations of presidents Hayes, Garfield, and Arthur reflected the political stalemate and patronage problems of the Gilded Age.

**Rutherford B. Hayes** After being declared the winner of the disputed election of 1876, Rutherford B. Hayes’s most significant act was to end Reconstruction by withdrawing the last federal troops from the South. President Hayes also attempted to re-establish honest government after the corrupt Grant administration. As temperance reformers, Hayes and his wife, “Lemonade Lucy,” cut off the flow of liquor in the White House. Hayes vetoed efforts to restrict Chinese immigration.

**James Garfield** Republican politicians, more interested in spoils and patronage than reform, were happy to honor President Hayes’s pledge in 1877 to serve only one term. In the election of 1880, the Republicans compromised on the nomination of “Halfbreed” James A. Garfield of Ohio (a key swing state of the times), and “Stalwart” Chester A. Arthur of New York as vice president. The Democrats nominated Winfield S. Hancock, a former Union general who had been wounded at Gettysburg. The Garfield-Arthur ticket defeated the Democratic war hero in a very close popular vote.

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Year	Senate		
	Minor Parties	Major Parties	Minor Parties
1855	11	R-37, D-37	1
1858	10	R-38, D-36	2
1861	2	R-43, D-34	0
1864	4	R-39, D-37	0
1867	0	R-39, D-37	0
1870	9	R-47, D-39	2
1873	11	D-44, R-38	3
1876	7	R-43, D-39	6
1879	40	R-47, D-34	7
1882	9	R-53, D-26	8

*Historical Statistics of the United States,*

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In his first weeks in office, Garfield was besieged in the White House by  
 hordes of Republicans seeking some 100,000 federal jobs. Garfield’s choice  
 of Halfbreeds for most offices provoked a bitter contest with Senator Conk-  
 ling and his Stalwarts. While the president was preparing to board a train for  
 a summer vacation in 1881, a deranged office seeker who identified with the  
 Stalwarts shot Garfield in the back. After an 11-week struggle, the gunshot  
 wound proved fatal. Chester A. Arthur then became president.

**Chester A. Arthur** Arthur proved a much better president than people  
 expected. He distanced himself from the Stalwarts, supported a bill reform-  
 ing the civil service. This bill expanded the number of government employees  
 hired based on their qualifications rather than their political connections. In  
 addition, he approved the development of a modern American navy and began  
 to question the high protective tariff. His reward was denial of renomination by  
 the Republican party in 1884.

### **Congressional Leaders**

Weak presidents do not necessarily mean strong Congresses. Lawmakers of  
 the Gilded Age typically had long but undistinguished careers. John Sherman,  
 brother of the famous Civil War general, was in Congress from 1855 to 1898 but  
 did little other than allow his name to be attached to a number of bills, includ-  
 ing the Sherman Antitrust Act of 1890. Thomas “Czar” Reed from Maine,  
 a sharp-tongued bully, became Speaker of the House in 1890 and instituted  
 an autocratic rule over the House that took years to break. Senator James G.  
 Blaine, also from Maine, had the potential of being a great political leader and  
 largely succeeded in reshaping the Republicans from an antislavery party into  
 a well-organized, business-oriented party. However, Blaine’s reputation was  
 tarnished by links with railroad scandals and other corrupt dealings.

### **The Election of 1884**

In 1884 the Republicans nominated Blaine for president, but suspicions about  
 Blaine’s honesty were enough for the reform-minded Mugwumps to switch alle-  
 giance and campaign for the Democratic nominee, Grover Cleveland. Unlike  
 most Gilded Age politicians, Cleveland was honest, frugal, conscientious, and  
 uncompromising. He had been an honest mayor of Buffalo and incorruptible  
 governor of New York State. Republicans raised questions, however, about the  
 New Yorker’s private life, making much of the fact that Cleveland had fathered  
 the child of a woman not his wife. In a notably dirty campaign, the Democrats  
 were labeled the party of “Rum, Romanism, and Rebellion.” Catholic voters  
 were offended by the phrase, and their votes in key states such as New York  
 may have been enough to ensure Cleveland’s victory as the first Democrat to  
 be elected president since Buchanan in 1856.

### **Cleveland’s First Term**

The Democratic president believed in frugal and limited government in the tra-  
 dition of Jefferson. He implemented the new civil service system (see below)  
 and vetoed hundreds of private pension bills for those falsely claiming to have

served or been injured in the Civil War. He signed into law both (1) the Interstate Commerce Act of 1887, the federal government's first effort to regulate business, and (2) the Dawes Act, which reformers hoped would benefit American Indians. Cleveland's administration also retrieved some 81 million acres of government land from cattle ranchers and the railroads.

### **Issues: Civil Service, Currency, and Tariffs**

During the 1870s and 1880s, the Congresses in Washington were chiefly concerned with such issues as patronage, the money supply, and the tariff issue. They left the states and local governments to deal with the growing problems of the cities and industrialization.

**Civil Service Reform** Public outrage over the assassination of President Garfield in 1881 pushed Congress to remove certain government jobs from the control of party patronage. The Pendleton Act of 1881 set up the Civil Service Commission and created a system by which applicants for classified federal jobs would be selected on the basis of their scores on a competitive examination. The law also prohibited civil servants from making political contributions. At first, the law applied to only 10 percent of federal employees, but in later decades, the system was expanded until most federal jobs were classified (that is, taken out of the hands of politicians).

Politicians adapted to the reform by depending less on their armies of party workers and more on the rich to fund their campaigns. People still debate which approach is more harmful to democratic government.

**Money Question** The most hotly debated issues of the Gilded Age was how much to expand the money supply. For the economy to grow soundly, it needed more money in circulation. However, the money question reflected the growing tension in the era between the "haves" and the "have-nots."

Debtors, farmers, and start-up businesses wanted more "easy" or "soft" money in circulation, since this would enable them to (1) borrow money at lower interest rates and (2) pay off their loans more easily with inflated dollars. After the Panic of 1873, many Americans blamed the gold standard for restricting the money supply and causing the depression. To expand the supply of U.S. currency, easy-money advocates campaigned first for more paper money (greenbacks) and then for the unlimited minting of silver coins.

On the opposite side of the question, bankers, creditors, investors, and established businesses stood firm for "sound" or "hard" money—meaning currency backed by gold stored in government vaults. Supporters of hard money argued that dollars backed by gold would hold their value against inflation. Holders of money understood that as the U.S. economy and population grew faster than the number of gold-backed dollars, each dollar would gain in value. As predicted, the dollar did increase in value by as much as 300 percent between 1865 and 1895.

**Greenback Party** Paper money not backed by specie (gold or silver) had been issued by the federal government in the 1860s as an emergency measure for financing the Civil War. Northern farmers, who received high

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Northern farmers, who received high

prices during the war, prospered from the use of "greenbacks." On the other  
hand, creditors and investors attacked the use of unbacked paper money as a  
violation of natural law. In 1875, Congress sided with the creditors, and passed  
the Specie Resumption Act, which withdrew all greenbacks from circulation.

Supporters of paper money formed a new political party, the Greenback  
party. In the congressional election of 1878, Greenback candidates received  
nearly 1 million votes, and 14 members were elected to Congress, including  
James B. Weaver of Iowa (a future leader of the Populist party). When the hard  
times of the 1870s ended, the Greenback party died out, but the goal of increas-  
ing the amount of money in circulation did not.

**Demands for Silver Money** In addition to removing greenbacks, Con-  
gress in the 1870s also stopped the coining of silver. Critics call this action "the  
Crime of 1873." Then silver discoveries in Nevada revived demands for the use  
of silver to expand the money supply. A compromise law, the Bland-Allison  
Act, was passed over Hayes's veto in 1878. It allowed only a limited coinage of  
between \$2 million and \$4 million in silver each month at the standard silver-  
to-gold ratio of 16 to 1. Not satisfied, farmers, debtors, and western miners  
continued to press for the unlimited coinage of silver.

**Tariff Issue** In the 1890s, tariffs provided more than half of federal rev-  
enue. Western farmers and eastern capitalists disagreed on the question of  
whether tariff rates on foreign imports should be high or low. During the Civil  
War, the Republican Congress had raised tariffs to protect U.S. industry and  
also fund the Union government. After the war, southern Democrats as well  
as some northern Democrats objected to high tariffs because these taxes raised  
the prices on consumer goods. Another result of the protective tariff was that  
other nations retaliated by placing taxes of their own on U.S. farm products.  
American farmers lost some overseas sales, contributing to surpluses of corn  
and wheat and resulting in lower farm prices and profits. From a farmer's point  
of view, industry seemed to be growing rich at the expense of rural America.

### **The Growth of Discontent, 1888–1896**

The politics of stalemate and complacency would begin to lose their hold on  
the voters by the late 1880s. Discontent over government corruption, the money  
issue, tariffs, railroads, and trusts was growing. In response, politicians began  
to take small steps to respond to public concerns, but it would take a third party  
(the Populists) and a major depression in 1893 to shake the Democrats and the  
Republicans from their lethargy.

### **Harrison and the Billion-Dollar Congress**

Toward the end of his first term, President Cleveland created a political storm  
by challenging the high protective tariff. He proposed that Congress set lower  
tariff rates, since there was a growing surplus in the federal treasury and the  
government did not need the added tax revenue.

**The Election of 1888** With the tariff question, Cleveland introduced a  
real issue, the first in years that truly divided Democrats and Republicans. In

the election of 1888, Democrats campaigned for Cleveland and a lower tariff; Republicans campaigned for Benjamin Harrison (grandson of the former president, William Henry Harrison) and a high tariff. The Republicans argued that a lower tariff would wreck business prosperity. They played upon this fear to raise campaign funds from big business and to rally workers in the North, whose jobs depended on the success of U.S. industry. The Republicans also attacked Cleveland's vetoes of pension bills to bring out the veteran vote. The election was extremely close. Cleveland received more popular votes than Harrison, but ended up losing the election because Harrison's sweep of the North gained the Republican ticket a majority of votes in the electoral college.

**Billion-dollar Congress** For the next two years, Republicans controlled the presidency and both houses of Congress—unusual for this era of close elections. The new Congress was the most active in years, passing the first billion-dollar budget in U.S. history. It enacted the following:

- The McKinley Tariff of 1890, which raised the tax on foreign products to a peacetime high of more than 48 percent
- Increases in the monthly pensions to Civil War veterans, widows, and children
- The Sherman Antitrust Act, outlawing “combinations in restraint of trade” (see Chapter 16)
- The Sherman Silver Purchase Act of 1890, which increased the coinage of silver, but too little to satisfy farmers and miners
- A bill to protect the voting rights of African Americans, passed by the House but defeated in the Senate

**Return of the Democrats** In the congressional elections of 1890, the voters, especially in the Midwest, replaced many Republicans with Democrats. They were reacting in part to unpopular measures passed by Republican state legislatures: prohibition of alcohol and laws requiring business to close on Sundays. Voters who were neither Anglo-Saxon nor Protestant rushed back to the Democrats, who had not tried to legislate public morality.

### ***Rise of the Populists***

Another factor in the Republican setbacks of 1890 was growing agrarian discontent in the South and West. Members of the Farmers' Alliances elected U.S. senators and representatives, the governors of several states, and majorities in four state legislatures in the West.

**Omaha Platform** The Alliance movement provided the foundation of a new political party—the People's, or Populist, party. Delegates from different states met in Omaha, Nebraska, in 1892 to draft a political platform and nominate candidates for president and vice president for the new party. Populists

aigned for Cleveland and a lower tariff. William Harrison (grandson of the former president) argued for a high tariff. The Republicans argued for prosperity. They played upon this fear of economic depression and to rally workers in the North, and farmers in the South, of U.S. industry. The Republicans also passed bills to bring out the veteran vote. The Populist ticket received more popular votes than Harrison, but lost because Harrison's sweep of the North won him a majority of votes in the electoral college.

In the next two years, Republicans controlled Congress—unusual for this era of close party competition—most active in years, passing the first major laws enacted the following:

which raised the tax on foreign products from 15 to 48 percent

and provided pensions to Civil War veterans, widows, and orphans

and outlawing "combinations in restraint of trade"

the Sherman Act of 1890, which increased the coinage and regulated farmers and miners

and the Civil Rights Act of 1875, which protected the rights of African Americans, passed by the 41st Congress

In the congressional elections of 1890, the voters elected many Republicans with Democrats. The Populist measures passed by Republican state legislatures, laws requiring business to close on Sundays, and the Anglo-Saxon nor Protestant rushed back to slate public morality.

The Populist movement of 1890 was growing agrarian discontent. The Farmers' Alliances elected U.S. representatives in several states, and majorities in many states.

The Populist movement provided the foundation of a new political party. Delegates from different states met to draft a political platform and nominate a president for the new party. Populists

were determined to do something about the concentration of economic power in the hands of trusts and bankers. Their Omaha platform called for both political and economic reforms. Politically, it demanded an increase in the power of common voters through (1) direct popular election of U.S. senators (instead of indirect election by state legislatures) and (2) the use of initiatives and referendums, procedures that allowed citizens to vote directly on proposed laws. Economically, the Populist platform was even more ambitious. Populists advocated: (1) unlimited coinage of silver to increase the money supply, (2) a graduated income tax (the greater a person's income, the higher the percentage of the tax on his or her income), (3) public ownership of railroads by the U.S. government, (4) telegraph and telephone systems owned and operated by the government, (5) loans and federal warehouses for farmers to enable them to stabilize prices for their crops, and (6) an eight-hour day for industrial workers.

At the time, the Populist movement seemed revolutionary not only for its attack on laissez-faire capitalism but also for its attempt to form a political alliance between poor whites and poor blacks. In the South, Thomas Watson of Georgia appealed to poor farmers of both races to unite on their common economic grievances by joining the People's party.

**The Election of 1892** In 1892, James Weaver of Iowa, the Populist candidate for president, won more than 1 million votes and 22 electoral votes, making him one of the few third-party candidates in U.S. history to win votes in the electoral college. Nevertheless, the Populist ticket lost badly in the South and failed to attract urban workers in the North. The fear of Populists uniting poor blacks and whites drove conservative southern Democrats to use every technique to disfranchise African Americans (see Chapter 17).

The two major parties provided a rematch between President Harrison and former president Cleveland. This time, Cleveland won a solid victory in both the popular and electoral vote. He won in part because of the unpopularity of the high-tax McKinley Tariff. Cleveland became the first and only former president thus far to return to the White House after having left it.

### **Depression Politics**

No sooner did Cleveland take office than the country entered into one of its worst and longest depressions.

**Panic of 1893** In the spring and summer of 1893, the stock market crashed as a result of overspeculation, and dozens of railroads went into bankruptcy as a result of overbuilding. The depression continued for almost four years. Farm foreclosures reached new highs, and the unemployed reached 20 percent of the workforce. Many people ended up relying on soup kitchens and riding the rails as hoboes. President Cleveland, more conservative than he had been in the 1880s, dealt with the crisis by championing the gold standard and otherwise adopting a hands-off policy toward the economy.

**Gold Reserve and Tariff** A decline in silver prices encouraged investors to trade their silver dollars for gold dollars. The gold reserve (bars of gold bullion stored by the U.S. Treasury) fell to a dangerously low level, and President



Cleveland saw no alternative but to repeal the Sherman Silver Purchase Act of 1890. This action, however, failed to stop the gold drain. The president then turned to the Wall Street banker J. P. Morgan to borrow \$65 million in gold to support the dollar and the gold standard. This deal convinced many Americans that the government in Washington was only a tool of rich eastern bankers. Workers became further disenchanted with Cleveland when he used court injunctions and federal troops to crush the Pullman strike in 1894 (see Chapter 16).

The Democrats did enact one measure that was somewhat more popular. Congress passed the Wilson-Gorman Tariff in 1894, which (1) provided a moderate reduction in tariff rates and (2) included a 2 percent income tax on incomes of more than \$2,000. Since the average American income at this time was less than \$1,000, only those with higher incomes would be subject to the income tax. Within a year after the passage of the law, however, the conservative Supreme Court declared an income tax unconstitutional.

**Jobless on the March** As the depression worsened and the numbers of jobless people grew, conservatives feared class war between capital and labor. They were especially alarmed by a march to Washington in 1894 by thousands of the unemployed led by Populist Jacob A. Coxey of Ohio. "Coxey's Army" demanded that the federal government spend \$500 million on public works programs to create jobs. Coxey and other protest leaders were arrested for trespassing, and the dejected marchers returned home.

Also in 1894, a little book by William H. Harvey presenting lessons in economics seemed to offer easy answers for ending the depression. Illustrated with cartoons, *Coin's Financial School* taught millions of discontented Americans that their troubles were caused by a conspiracy of rich bankers, and that prosperity would return if the government coined silver in unlimited quantities.

## Turning Point in American Politics: 1896

National politics was in transition. The repeal of the Silver Purchase Act and Cleveland's handling of the depression thoroughly discredited the conservative leadership of the Democratic party. The Democrats were buried in the congressional elections of 1894 by the Republicans. At the same time, the Populists continued to gain both votes and legislative seats. The stage was set for a major reshaping of party politics in 1896.

### **The Election of 1896**

The election of 1896 was one of the most emotional in U.S. history. It also would mark of the beginning of a new era in American politics.

**Bryan, Democrats, and Populists** Democrats were divided in 1896 between "gold" Democrats loyal to Cleveland and prosilver Democrats looking for a leader. Their national convention in Chicago in the summer of 1896 was dominated by the prosilver forces. Addressing the convention, William Jennings Bryan of Nebraska captured the hearts of the delegates with a speech that ended with these words: "We will answer their demands for a gold standard by saying to them: 'You shall not press down upon the brow of labor this crown

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depression worsened and the numbers of unemployed increased. Cleveland called for an end to class war between capital and labor. He sent a message to Washington in 1894 by thousands of unemployed men led by John A. Coxey of Ohio. "Coxey's Army" demanded that the government spend \$500 million on public works. Many of the protest leaders were arrested for trespassing on the grounds of the White House.

William H. Harvey presenting lessons in silver mining for ending the depression. Illustrated in the book *The Silver Conspiracy*, which taught millions of discontented Americans that the gold standard was a conspiracy of rich bankers, and that silver should be mined in unlimited quantities.

## Politics: 1896

The repeal of the Silver Purchase Act and the fact that Cleveland had thoroughly discredited the conservative Democrats were buried in the congressional elections. At the same time, the Populists won many congressional seats. The stage was set for a major

election, the most emotional in U.S. history. It also marked a turning point in American politics.

The Democrats were divided in 1896 between Cleveland and prosilver Democrats looking for a victory in Chicago in the summer of 1896 was the focus of the convention. William Jennings Bryan impressed the delegates with a speech that called for their demands for a gold standard by which the government should be won upon the brow of labor this crown

of thorns, you shall not crucify mankind upon a cross of gold.' " So powerful was Bryan's "Cross of Gold" speech that it made him instantly the Democratic nominee for president. Bryan was only 36 years old.

The Democratic platform favored the unlimited coinage of silver at the traditional, but inflationary, ratio of 16 ounces of silver to one ounce of gold. (The market price then was about 32 to 1.) Thus, the Democrats had taken over the leading issue of the Populist platform. Given little choice, the Populist convention in 1896 also nominated Bryan and conducted a "fused" campaign for "free silver."

Unhappy with Bryan and free silver, the conservative faction of "Gold Bug" Democrats, including Cleveland, either formed the separate National Democratic party or voted Republican.

**McKinley, Hanna, and Republicans** For their presidential nominee, the Republicans nominated William McKinley of Ohio, best known for his support of a high protective tariff but also considered a friend of labor. Marcus (Mark) Hanna, who had made a fortune in business, was the financial power behind McKinley's nomination as well as the subsequent campaign for president. After blaming the Democrats for the Panic of 1893, the Republicans offered the American people the promise of a strong and prosperous industrial nation. The Republican platform proposed a high tariff to protect industry and upheld the gold standard against unlimited coinage of silver.

**The Campaign** The defection of "Gold Bug" Democrats over the silver issue gave the Republicans an early advantage. Bryan countered by turning the Democratic-Populist campaign into a nationwide crusade. Traveling by train from one end of the country to the other, the young candidate covered 18,000 miles and gave more than 600 speeches. His energy, positive attitude, and rousing oratory convinced millions of farmers and debtors that the unlimited coinage of silver was their salvation.

Mark Hanna meanwhile did most of the work of campaigning for McKinley. He raised millions of dollars for the Republican ticket from business leaders who feared that "silver lunacy" would lead to runaway inflation. Hanna used the money to sell McKinley through the mass media (newspapers, magazines), while the Republican candidate stayed home and conducted a safe, front-porch campaign, greeting delegations of supporters.

In the last weeks of the campaign, Bryan was hurt by (1) a rise in wheat prices, which made farmers less desperate, and (2) employers telling their workers that factories would shut down if Bryan was elected. On election day, McKinley carried all of the Northeast and the upper Midwest in a decisive victory over Bryan in both the popular vote (7.1 million to 6.5 million) and the electoral vote (271 to 176).

## McKinley's Presidency

McKinley was lucky to take office just as the economy began to revive. Gold discoveries in Alaska in 1897 increased the money supply under the gold standard, which resulted in the inflation that the silverites had wanted. Farm

prices rose, factory production increased, and the stock market climbed. The Republicans honored their platform by enacting the Dingley Tariff of 1897 that increased the tariff to more than 46 percent, and, in 1900, making gold the official standard of the U.S. currency. McKinley was a well-liked, well-traveled president who tried to bring conflicting interests together. As leader during the war with Spain in 1898, he helped to make the United States a world power.

### **Significance of the Election of 1896**

The election of 1896 had significant short-term and long-term consequences on American politics. It marked the end of the stalemate and stagnation that had characterized politics in the Gilded Age. In addition, the defeat of Bryan and the Populist free-silver movement initiated an era of Republican dominance of the presidency (seven of the next nine elections) and of both houses of Congress (17 of the next 20 sessions). Once the party of “free soil, free labor, and free men,” the Republicans had become the party of business and industry, though it continued to advocate for a strong national government. The Democrats carried on in defeat as the sectional party of the South and host of whatever Populist sentiment remained.

**Populist Demise** The Populist party declined after 1896 and soon ceased to be a national party. In the South, Thomas Watson and other Populist leaders gave up trying to unite poor whites and blacks, having discovered the hard lesson that racism was stronger than common economic interests. Ironically, in defeat, much of the Populist reform agenda, such as the graduated income tax and popular election of senators, was adopted by both the Democrats and Republicans during the reform-minded Progressive era (1900–1917).

**Urban Dominance** The election of 1896 was a clear victory for big business, urban centers, conservative economics, and moderate, middle-class values. It proved to be the last hope of rural America to reclaim its former dominance in American politics. Some historians see the election marking the triumph of the values of modern industrial and urban America over the rural ideals of the America of Jefferson and Jackson.

**Beginning of Modern Politics** McKinley emerged as the first modern president, an active leader who took the United States from being relatively isolated to becoming a major player in international affairs. Mark Hanna, the master of high-finance politics, created a model for organizing and financing a successful campaign. McKinley’s model focused on winning favorable publicity in the dominant mass media of his day: newspapers.

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of 1896 was a clear victory for big business and moderate, middle-class farmers of rural America to reclaim its former status. Historians see the election marking the triumph of industrial and urban America over the rural South.

McKinley emerged as the first modern president of the United States from being relatively unknown in international affairs. Mark Hanna, the Republican boss, was a model for organizing and financing a presidential campaign focused on winning favorable public opinion through newspapers.

## HISTORICAL PERSPECTIVES: WHO WERE THE POPULISTS?

Historians debate whether the Populist crusade was realistic or romantic. Was it a practical, liberal response to problems or an idealistic, reactionary effort to bring back a farmer-dominated society?

Early histories of the Populists depicted them as farmers and small producers who challenged the abuses of industrial America and the corruption of the political system. As reformers, they were seeking only economic fairness and an honest democratic process. The reforms that they advocated in the Omaha platform of 1892 had long-term significance in preparing the way for similar reforms in the Progressive era (1900–1917) and the New Deal (1933–1939).

An alternative view of the Populists sees them largely as reactionaries who dreamed up conspiracies by eastern bankers instead of seriously trying to understand the complex causes of the decline of farm income. Critics argue that Populists—rather than dealing with the world as it was—isolated themselves from the new urban and industrial age and were often racists, nativists, anti-Semites, and anti-Catholics. Richard Hofstadter in *The Age of Reform* (1955) saw both positive and negative aspects in the Populist movement. He credited the Populists for insisting on the federal government's responsibility to promote the common good and deal with problems of industrialization. At the same time, Hofstadter criticized the Populists' backward-looking and nostalgic ideology and their hopeless quest to restore an agrarian golden age that existed only in myth.

Since Hofstadter, historians have returned to the view that the farmers' grievances were real and that American democracy was endangered by powerful economic groups. Members of the National Farmers' Alliance and the Populist movement were not ignorant of complex economic changes; instead, they worked to educate themselves about economics and politics. Nor were most of them bigoted. Walter Nugent in *The Tolerant Populists* (1963) depicts them as democratic humanists who welcomed into their ranks people of all races, creeds, and ethnic backgrounds.

As a style of politics, populism remains powerful. Michael Kazin in *The Populist Persuasion* (1995) analyzed populism as a political attitude and posture that combines anti-elitism with advocacy for the common people. According to Kazin, populism shifted to the right in the 1960s with the emergence of George Wallace and the presidency of Richard Nixon. The populist movements of the late 20th century were primarily conservative reactions against the increased role of government. Populist movements of the 2010s, such as the Tea Party, proved again the appeal of the outsiders and anti-establishment voices, and that the populist tradition remains a potent part of American politics.

## KEY TERMS BY THEME

### Political Stalemate (POL)

laissez-faire economics and politics  
divided electorate  
Identity politics  
"Rum, Romanism, and Rebellion"  
close elections  
divided government  
weak presidents  
patronage politics  
corrupt politicians

### Republican Party (POL)

Union veterans, "bloody shirt"  
Whig past, pro-business  
Hamiltonian tradition  
Social reformers, temperance  
Anglo-Saxon heritage  
Protestant religion  
African Americans

### Democratic Party (POL)

former Confederacy, "Solid South"  
states' rights, limited government  
Jeffersonian tradition  
big-city political machines  
immigrant vote  
against prohibition  
Catholics, Lutherans, Jews

### Patronage Issue (POL)

federal government jobs  
Stalwarts, Halfbreeds, and Mugwumps  
Election of 1880

assassination of James Garfield  
Chester Arthur  
Pendleton Act of 1881  
civil service reform  
election of 1884  
Grover Cleveland

### Tariff Issue (POL, WXT)

high tariff  
business vs. consumers  
Cleveland threatens lower tariff  
McKinley Tariff of 1890  
Wilson-Gorman Tariff of 1894  
Dingley Tariff of 1897-46.5 percent

### Money Supply (WXT, POL)

"hard" money vs. "soft" money  
banks, creditors vs. debtors  
Panic of 1873, "Crime of 73"  
Specie Resumption Act of 1875  
Greenback party  
James B. Weaver  
Bland-Allison Act of 1878  
Sherman Silver Purchase Act of 1890  
run on gold reserves, J. P. Morgan bail out  
repeal of Sherman Silver Purchase Act

### Rise of Discontent (POL)

election of 1888, Harrison  
"Billion Dollar Congress"  
rise of the Populist Party  
Farmers' Alliances in South and West  
Alliance of whites and blacks in South  
Thomas Watson  
reformers vs. racism in South  
Omaha Platform  
government regulation and ownership  
election of 1892, Cleveland returns  
Panic of 1893  
Coxey's Army, March on Washington  
*Coin's Financial School*

### Election of 1896 (POL)

William Jennings Bryan  
"Cross of Gold" Speech  
fusion of Democrats and Populists  
unlimited coinage of silver at 16 to 1  
"Gold Bug" Democrats  
Mark Hanna, money and mass media  
McKinley victory  
gold standard and higher tariff  
rise of modern urban-industrial society  
decline of traditional rural-agricultural  
start of the modern presidency  
era of Republican dominance

## MULTIPLE-CHOICE QUESTIONS

Questions 1–3 refer to the excerpt below.

“My Dear Nephew,  
 “Never allow yourself to lose sight of that fact that politics, and not poker, is our great American game. If this could be beaten into the heads of some presumably well-meaning but glaringly unpractical people, we should hear less idiotic talk about reform in connection with politics. Nobody ever dreams of organizing a reform movement in poker. . . .

“Mr. Lincoln, a very estimable and justly popular, but in some respects an impracticable man, formulated widely different error regard to politics. He held that ours is a government of the people, by the people, for the people. I maintain, on the contrary, that it is government of politicians, by politicians, for politicians. If your political career is to be a success, you must understand and respect this distinction with a difference.”

—William McElroy, journalist, “An Old War Horse to a Young Politician,” published anonymously in the *Atlantic Monthly*, 1880

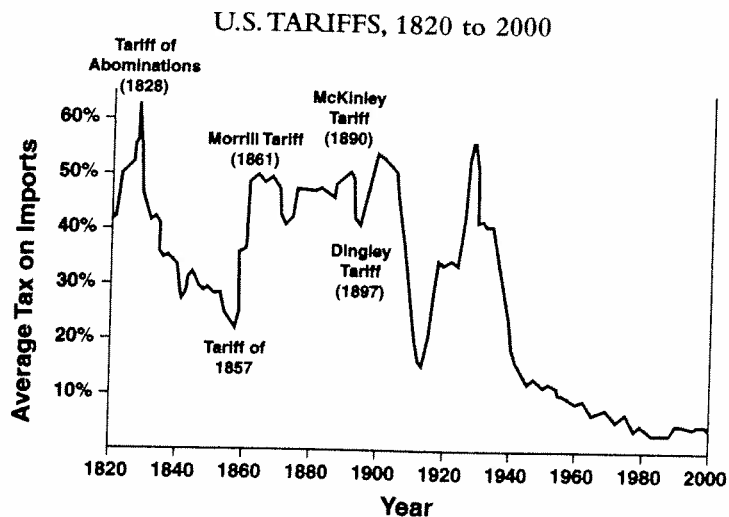
- McElroy’s letter uses humor to make a point. Which of the following statements reflects McElroy’s true criticism?
  - Americans pay too much attention to politics
  - Elections were so close that for candidates it was similar to gambling
  - Lincoln was admired more than he deserved to be
  - Politics was primarily about holding office for personal gain
- Voters demanded patronage reform in politics after
  - President James Garfield was assassinated
  - the Mugwumps sided with the opposing party
  - the Greenback Party won mid-year elections in 1878
  - Grover Cleveland threatened Republican dominance
- Based on this excerpt, which of the following groups or pieces of legislation would McElroy most likely support?
  - Bland-Allison Act of 1878
  - Coxey’s Army
  - Pendleton Act of 1881
  - The Stalwarts

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**Rise of Discontent (POL)**  
 election of 1888, Harrison  
 “Billion Dollar Congress”  
 rise of the Populist Party  
 Farmers’ Alliances in  
 South and West  
 Alliance of whites and  
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 rise of modern urban-  
 industrial society  
 decline of traditional  
 rural-agricultural  
 start of the modern  
 presidency  
 era of Republican  
 dominance

Questions 4–5 refer to the graph below.

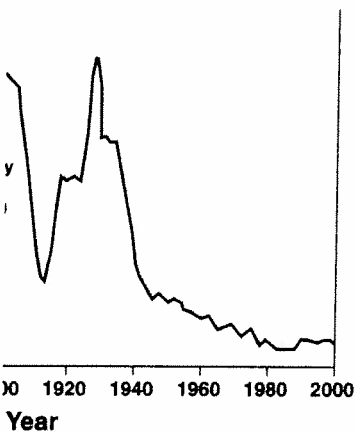


Source: U.S. Bureau of the Census. *Historical Statistics of the United States, Colonial Times to 1970*

4. Which of the following best explains the tariff rates during the period from 1865 to 1900?
- (A) American farmers believed that high tariffs would result in high farm prices
  - (B) Republicans believed that high tariffs would protect American business from foreign competition
  - (C) Democrats believed that high tariffs would create jobs for American workers
  - (D) Consumers believed that high tariffs would result in high-quality manufactured goods made in the United States
5. Which statement best describes the level of tariffs in the United States in the 19th century?
- (A) Tariffs were generally highest during Democratic administrations
  - (B) The election of Lincoln ushered in a period of high tariffs
  - (C) The election of McKinley resulted in a period of lower tariffs
  - (D) Tariffs were closely linked to the value of the U.S. dollar

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Questions 6–8 refer to the table below.

Money in Circulation in the United States, 1865–1895		
Year	Total Currency (in thousands of dollars)	Population (in thousands)
1865	1,180,197	35,701
1870	899,876	39,905
1875	925,702	45,073
1880	1,185,550	50,262
1885	1,537,434	56,658
1890	1,685,123	63,056
1895	1,819,360	69,580

Source: U.S. Bureau of the Census. *Historical Statistics of the United States, Colonial Times to 1970*

- Which of the following most likely explains the change in the amount of currency in circulation between 1865 and 1870?
  - The decline of gold mining in the United States
  - The withdrawal of “greenbacks” from circulation
  - The refusal of Congress to purchase silver for coinage
  - The increasing poverty of most Americans
- Which of the following groups during the period from 1865 to 1895 most actively campaigned to increase the money supply?
  - Farmers and debtors
  - Bankers and lenders
  - Merchants and consumers
  - The federal and state governments
- A decline in the amount of money in circulation in proportion to the population would most likely result in a(n)
  - increase in prices and a decline in wages
  - increase in the value of the dollar along with decrease in purchasing power
  - increase in interest rates and a decline in prices
  - decrease the value of the dollar and increase in prices



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1, *The Story of American Freedom*, 1998.

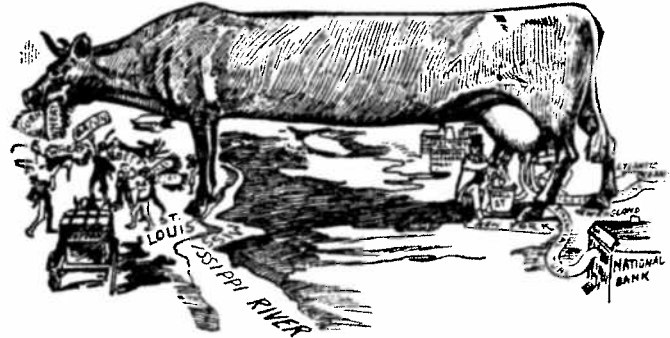
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Question 4 is based on the following cartoon.



Source: 1896, The Granger Collection, NYC

4. Using the cartoon, answer a, b, and c.
- a) Briefly explain the point of view of the artist about ONE of the following:
    - Western Farmers
    - New York's Wall Street
  - b) Briefly explain ONE development in the period from 1865 to 1900 that supported the point of view of the artist.
  - c) Briefly explain ONE development in the period from 1865 to 1900 that challenged the point of view expressed by the artist.

**THINK AS A HISTORIAN: STATING A THESIS ABOUT CAUSATION**

The thesis statement is the organizing idea for an essay. It should express a clear idea that can be supported with evidence. Which THREE of the following statements would make the best thesis statements?

- 1. The Gilded Age shows that Hamilton, Clay, and Lincoln were correct in advocating for a strong role of the federal government in the economy.
- 2. Racial conflict slowed the growth and development of the U.S. economy in the 19th century.
- 3. The energy and goals of the 19th-century populists make them my favorite movement in U.S. history.
- 4. James Garfield was the second president to be assassinated in less than two decades.
- 5. The McKinley campaign of 1896 run by Mark Hanna set the pattern that most later candidates and presidents would follow.