

AP United States History
Unit 6: The Nation Expands
Topic- Politics in the Gilded Age

Explain the similarities and differences between the political parties during the Gilded Age.

The major political parties appealed to lingering divisions from the Civil War and contended over tariffs and currency issues, even as reformers argued that economic greed and self-interest had corrupted all levels of government.

Politics in the Gilded Age

From 1865-1890, American politics appeared to be in a stalemate between the two major political parties. During the period, every election, whether it be a congressional mid-term, or a presidential election, was extremely close. In fact, twice during the period, in 1876 and 1888, the presidential candidate who won the popular vote lost in the Electoral College and therefore did not become the President of the United States. The turnout for elections during the period was the highest it has ever been— even dwarfing the turnout of elections in the modern era. (Today, we are fortunate to have a turnout of 65% or better, while during the Gilded Age, the voting turnout was often above 80%.)

Throughout this era, the Republican Party, as mentioned earlier, remained the dominant party. With the exception of Grover Cleveland and Woodrow Wilson, no Democrat became President of the United States during the period from 1861 to 1932. Also, as mentioned earlier, the parties still clung to regional interests, for the most part. The Democratic Party remained the party of the South, and as such was tied to the horrors of the Civil War. Republicans— accused by Democrats of “waving the bloody shirt,” featured six former Union veterans in the Presidency during this period: Grant, Hayes, Garfield, Arthur, Harrison, and McKinley. As an outgrowth of the Civil War experience, the Republican Party became increasingly tied to the large-scale corporations which dominated the economic growth of the period, offering them generous land grants, subsidies (financial perks), and fought against the regulation of these early corporations by the states. While Congress did pass the Interstate Commerce Act in 1887, and the Sherman Antitrust Act in 1890, this was so that the federal government could protect their own power over the interests of big businesses, not necessarily regulate them. But, the spirit which produced both of these acts did indicate that the winds of Gilded Age politics were shifting, and as a major financial meltdown hit the United States in 1893, it would produce a political revolution— but, that revolution had actually been brewing for quite some time.

Throughout the Gilded Age, two major issues dominated American politics: tariffs and currency. As Republicans remained tied to the interests of big business during the period, the party naturally favored a high protective tariff. A high protective tariff would protect American industries from foreign competition (it is a tax levied on imported goods) and as such, would continue to stimulate domestic economic growth. But, while tariffs may have benefitted American industries, it hurt American farmers. Unlike American industries, which sold their products primarily in the United States, farmers sold their goods in an increasingly global marketplace. With most of the party having its support in the agrarian South and parts of the West, the Democratic Party had always opposed protective tariffs. In 1890, the McKinley Tariff Act was passed, which raised tariff rates on a number of products, but it also was highly unpopular, especially with American farmers. Currency was the other major political issue. Farmers who often depended upon banks for both loans and credit, wanted to enlarge the money supply, so that there would be more cash on hand (or, money in circulation). While it may seem counterintuitive, farmers have to wait until a crop is harvested to make money. In other words, a farmer only

makes money a few times a year, so it is natural for them to want to have cash on hand, money in a bank that is accessible, or access to short-term credit or loans. Therefore, farmers supported an idea that is often referred to as bimetallism— which simply meant enlarging the money supply by allowing the money in circulation to be backed, not just by gold, but by silver, as well. Silver had been removed from the money supply in 1873 with the passage of the Coinage Act, which was one of the triggering causes for the Panic of 1873. Though the act had diminished the supply of currency, it also made interest rates rise, which made it difficult for banks to pay off their debts. It also hurt the mining industry, as well. Most of you should be thinking what investors at the time were, which was that enlarging the money supply would lead to a devaluation of the dollar, or even inflation. It did. What ensued was the Panic of 1893, the greatest ecommerce crisis prior to the Great Depression. *(Republicans favored the gold standard and when the nation was put on it in 1900, the currency issue was stabilized and so was the economy as America stepped into the twentieth century. But, farmers wanted more than just an enlarged money supply, they also wanted to bring an end to the corrupting influence of political machines.)*

In an urban atmosphere where the access to power was unequally distributed, political machines thrived, in part by providing immigrants and the poor with social services.

One of the defining features of the political landscape of the Gilded Age were political machines. The power that these operations wielded during the Gilded Age is extremely important to understand. Political machines were a feature of urban politics. As cities grew, with the development of industries and the influx of immigrants who came into the country during this period, so did the power and influence of political machines. A political machine was led by a political boss. Their operations depended upon precinct (voting area) captains who would promise immigrants favors (housing, jobs, schools, and other services) in exchange for votes for their preferred candidates, who, once elected, would see that the wishes of the political boss would be enacted at either the local or even the state level. As cities grew in population, so did their representation in both the state legislatures and in Congress. This phenomenon of the city (or, urban) growth during the period meant that the cities became much more important politically than they had ever been before. With this new power, political machines could easily influence elections for city councils, mayoral offices, state legislatures, governorships, and even seats in Congress. In particular, because political machines could influence state legislatures they could easily get one of their own elected to the powerful U.S. Senate— because, at the time, senators were elected by the state legislatures and this would not change until the 17th Amendment to the Constitution was ratified in 1913. Of course, political machines could be corrupt. Some political bosses would accept bribes or launder money. Often they would take kickbacks for overseeing the work on city projects. Perhaps the worst, or most corrupt political machine was Tammany Hall in New York City, where its political boss, William Marcy Tweed, defrauded the city out of millions of dollars, while overcharging for the creation of public buildings and pocketing the money for himself. (For example, it cost the entire county almost as much money to purchase the future state of Alaska as it did to build the New York County Courthouse, due to the corruption of Tweed and his ring of nefarious commissioners.)

During this period there were powerful political machines in New York City, Philadelphia, Boston, and Chicago. While the political machines could certainly be corrupt, they could also provide the services that they promised, as well. In other words, political machines were responsible for building schools, libraries, hospitals, public buildings and parks for the cities that they served. But, their influence led to one aspect of Gilded Age politics that is undeniable— they kept their own politicians in office for long periods of time, which made it feel like for some observers of Gilded Age politics— that nothing ever changed. For the farmers of America who were a long way from the major cities that were under the thumb of the political machines and their bosses, the corruption that came from them and the fact that the politicians under their control wielded enormous power over their very existence led to a political revolution— Populism.

Economic instability inspired agrarian activists to create the People's (Populist) Party, which called for a stronger governmental role in regulating the American economic system.

One of the most intriguing and revolutionary movements in American political history came from the American heartland. Since the Civil War had come to a conclusion, farming families by the thousands had moved onto the Great Plains seeking to start their own large-scale farming operation thanks to the Homestead Act of 1862 and the development of the Transcontinental Railroad system. New farming technologies however, made farming easier and led to higher crop yields. The development of commercial farming and ranching also led to highly productive farms and ranches which produced an overabundance of food. As a consequence, farm prices consistently fell during this period from 1865-1900, making it harder and harder for small family farms to stay in business. While some farmers migrated to the East to live and work in the growing industrial cities of the period, others joined organizations such as the Grange and later, the Farmers Alliance and formed cooperatives to try to control the prices for their agricultural products. By 1890, these organizations were beginning to become more and more politically active on behalf of the farming families who were members of their organizations. Though they had fought for the creation of the Interstate Commerce Commission to regulate the railroads upon which their livelihoods depended and favored the Sherman Antitrust Act to harness the rise of big business monopolies— even in the food industries which also impacted their livelihoods, in the 1892 election cycle they formed their own political party (even going so far as to win a number of elections), the Populist Party— dedicated to bimetallism, and to a core set of very radical, in some respects, progressive ideals.

In 1892, the Populist Party released its initial platform. It called for the following sweeping reforms: the free and unlimited coinage of gold and silver, a graduated income tax, and the government ownership of railroads, telephones, telegraphs, and banks. Though they had some success in the 1892 election cycle and again in 1894, the Populists by 1896 had even added that they wanted to have the direct election of Senators, the Vice-President, and the President of the United States. They favored the ideas of initiative and referendum— in other words, that people should be able to start the process of creating legislation themselves and have their state legislatures vote on their proposals, or that their proposals be put up for a popular vote. The Populists also believed in a secret ballot for voting which was a novel concept for the time. The Populists also wanted an 8-hour workday, term-limits for members of Congress, the President, and the Vice-President (to a single term), and pensions for Union soldiers. In short, the Populists wanted the federal government to assume much more responsibility than it ever had before.

In 1896, the Populist Party— not strong enough to elect a national candidate to the Presidency on its own, sided with the Democratic Party and backed its candidate, William Jennings Bryan after his famed “Cross of Gold Speech,” in which he denounced those who wanted to back the gold standard (Bryan also attacked big business interests throughout his campaign.). But, those who backed the gold standard were the Republicans under William McKinley. McKinley was well-financed and even though Bryan developed the first truly modern presidential campaign (traveling over 18,000 miles by train and giving more than 600 electrifying speeches) and at the age of 36, was the youngest Presidential candidate to be nominated by a major party up to that time, it was not enough. Bryan and his Populist supporters lost the popular vote 51% to 47% and in the Electoral College by a margin of 271 to 176, despite carrying the states of the South and the Midwest. McKinley was supported by big business interests who donated substantial sums of money for the time to his campaign and never left his front porch during his bid for the presidency. In 1900, after the popularity of the Spanish-American War, a growing American economy (thanks in part to the Klondike Gold Rush), and with an extremely popular running-mate, none other than Theodore Roosevelt at his side, McKinley defeated William Jennings Bryan for a second time. With Bryan's defeat in 1900, it might have appeared that Populism had come to an end, but many of their ideals would come to fruition during the first two decades of the twentieth century, a time which is often referred to by historians as the Progressive Era.

