

The Gilded Age Module Notes:

- During the late 19th century, the US experienced a tremendous amount of growth in immigration, urbanization, and industrialization. This produced changes across the nation that were both positive and negative.
 - So while the US looked great on the surface, the underbelly of American politics and daily life was not as pretty. Mark Twain was the one to apply the name “Gilded Age” to this era.
 - North dominates both industrially and politically during this time era.
- Second Industrial Revolution determined social conditions, economic change, and political decisions.
 - Five critical factors to allow for Second Industrial Revolution
 - Expansion of railroad network created a national market and encourage larger industrial and business operations. Goods could be sold across the country, and rivalries began because things could be manufactured and shipped anywhere. Mom and pop shops were forced out of business. Monopolies arouse. Railroad companies also become huge consumers of steel, coal, glass, timber, etc.
 - Technological developments. Between 1800 and 1860, 36,000 patents were issued. Between 1860 and 1890, 440,000 patents were issued. Steel industry was modernized. Two of the most significant technological advances: Use of Bessemer process for steel industry, and growing use of electricity. Beginnings of sky scrapers.
 - Greater availability of capital for investment. Helped spur business and industrial development. Takes money to make money. Foreign investment, especially from GB, exploded in this era. Joint stock became wide spread. More willing to invest because Union war bonds had succeeded.
 - Greater availability of labor. Provided a labor force. First surge came from abroad, as immigrants grew larger and larger in number (arrival of immigrants from southern and eastern Europe massively increased, while northern and western stayed constant). Many congregated in major urban

- areas. Also, large number of farm boys and girls were drawn to big cities. Fueled by farm mechanization, and fewer workers needed in the country.
- Favorable government. During Gilded Age, all levels of government were overwhelmingly pro-business and pro-industry. Federal legislation and economic policy tended to favor big business over laborers and farmers.
- Those who ended up at the top of the Gilded Age society took advantage of the competition and technological changes, and then took advantage of the lack of regulations to create massive monopolies. At the height of the Gilded Age, the men who owned these monopolies were more powerful than the US government.
 - John Rockefeller (Born into modest means, took opportunity to study accounting and bookkeeping, ruthless in pursuit of controlling oil monopoly, horizontal integration), Andrew Carnegie (steel industry, rags to riches story, worked his way up, born in Scotland and immigrated), Cornelius Vanderbilt (railroad industry, cared about success and positive impact on economy), and J.P. Morgan (Born into wealth, investment banker, financial firm, bought out Carnegie in 1901).
 - During Gilded Age, there were basically no regulation on corporate business practices. No income taxes or estate taxes.
 - Government believed business didn't need to be regulated, either because of laissez-faire economics or political corruption.
 - Social belief of social Darwinism also fueled this. Justified bad treatment by saying that lower individuals were unfit, and thus at the bottom of society.
 - Lower class lived in troubling and dangerous conditions.
 - Working wages were awful. No minimum wage laws. Laborers were paid \$10/week or \$520/year. The poverty line in the 19th century was less than \$533/year. Working hours weren't regulated. No overtime and no breaks required.
 - Living conditions were equally as bad. No heating or cooling mechanisms in factories. No ventilation. No safety regulations. Lived mostly in low rent districts, which didn't have indoor plumbing or running water. Usually 9+ people in one room. Child labor was prominent.

- Used only thing available, strength in numbers. Labor unions came into existence. Two most known were Knight of Labor and American Federation of Labor. Knights was established by Terence Powderly in 1869, and anyone that worked could join the union. Organized by localities. American Federation was founded in 1886 by Samuel Gompers. Geared for skilled workers with a specific trade. Chapters broken down by skill. Merged with Congress of Industrial Organization in the 1950s, and still exists as the AFL-CIO.
- Rally scheduled to take place in Haymarket Square in Chicago in support of striking workers. Many Knights members were there. Became a riot when someone threw a bomb at police officers when they tried to break up the rally. Resulted in deaths of several civilians and 8 police officers. American public turned against Knights, and Knights all but faded away after this.
 - Homestead Strike: Occurred when factory manager changed, workers were locked out, workers engaged in gunfight, 3 Pinkertons and 6 workers died.
 - Pullman Strike: Two years later, 1894, 3k/6k workers were fired. Remaining workers had wages cut by 25%. Rail workers ordered to stop handling trains with Pullman card (practically all trains), attorney general ordered a mail car to be sent with all trains and sent guards to ensure mail delivery. No labor gains and lost public opinion.
- Public associated labor unions with anarchists and communists.
- Politically, South was solidly Democratic and North was Republican.
 - Politics ran by political machines. Favor systems for voting “correctly”. Positions like high ranking cabinet positions to working at local post office. Nothing was fixed until Garfield’s assassination.
 - Two major political machines. Democrats, led by William Tweed, ran from headquarters in Tammany Hall in NYC. Republicans, ran out of NYC customs house. NYC was hub because of booming population and immigrants coming from Ellis Island. Political leaders were usually involved. Couldn’t hold office without a political machine.
 - Three attempted reforms. Ultimately unsuccessful.