

- Politics of the Gilded Age
  - The Parties
    - Parties aroused excitement
    - Difference between majors = slight
      - Both = loose coalitions
      - Both – worked w/ industries
      - NOTE: Politicians not necessarily corrupt
      - Both parties contained reform-minded faction
      - Both avoided class issues
      - NOTE: Contentious issues left to 3<sup>rd</sup> Party Movements
    - Two primary issues separated parties – tariffs & monetary policy
    - Party loyalists remain true
    - Both parties needed to attract voters
      - Most voters = shrewd
      - Close elections made party unity important
    - Greatest challenge = spoils system
    - Efforts to blur differences didn't discourage voters
    - Voters focus more on state & local issues
- Republican Years
  - Hayes = POTUS after Compromise of 1877
  - Depression of 1870s = nearing its lowest point.
  - Traditional steps taken
  - Challenge = "greenbacks"
    - Created by Legal Tender Act of (1862)
    - Issued from 1862-1863 to fund Civil War
    - Problem = nothing in Constitution expressly allows paper money
    - Even SCOTUS unsure how to address
      - *Hepburn v. Griswold* (1869)
      - *Legal Tender Cases* (1871)
    - Hard money advocates wanted greenbacks out of circulation
    - Soft money advocates didn't want contraction
  - 1870s = deflation
    - Farmers hit hard
    - Congress Acts – passes Resumption Act (1875)

- Unintended consequences of Act
- Issue surface in 1877 – after Hayes takes office
  - Sec of Treasury John Sherman began building up gold reserves
  - Effect = greenbacks steadily rise in value
  - 3<sup>rd</sup> Party emerges – Greenback Labor Party
  - Jan 1, 1879 - few bothered to redeem
  - “Can” kicked down the road
- Greenback movement = short lived
- Triggers demand for silver
  - Drive for unlimited coinage of silver
    - Promoters in both parties
    - Battle lines drawn early
    - Problems appear early as 1834
    - Gold Rush deflates gold value
    - Congress passed Coinage Act of 1873
    - “Crime of ’73”
    - Silver prices dip vs. Gold
    - 1<sup>st</sup> test = Bland Bill of 1877
      - Rep. Richard “Silver Bill” Bland (D-MO)
    - Bland Bill sabotaged in Senate
      - Sen. William Allison (R-Iowa)
    - Bland-Allison Bill passes Congress
- Civil Service Reform
  - 1880 - POTUS Election
    - For the GOP
      - Hayes refused to run for a 2<sup>nd</sup> term
      - Stalwarts tried draft Grant again
      - Turns Rep. James Garfield of OH
      - Chester A Arthur of NY for VP
        - » NOTE: Roscoe Conkling
      - Party platform
    - Dems united behind Winfield Scott Hancock of PA
      - Rep. William Hayden English of IN as VP
      - Dem platform

- Election = uneventful but close
- Garfield as POTUS had two major accomplishments:
  - 1) Divides GOP
  - 2) July 2, 1881 – gets shot by Charles Guiteau
- Impact of Assassination = Civil Service Reform
  - Pendleton Civil Service Act of 1883
    - Sen. George H. Pendleton (D-OH)
    - Act had four primary parts:
    - Act hit parties hard
- Campaign of 1884
  - As POTUS, Arthur pleased no one
    - 1<sup>st</sup> = waited on deck
    - 2<sup>nd</sup> = almost entire Garfield Cabinet resigned
    - 3<sup>rd</sup> = He pushed for some Half-Breed reforms
    - Didn't push for nomination
  - RNC selected James G Blaine (R-ME)
    - Blaine = Half-Breed leader
    - John A. Logan (R-IL) for VPOTUS
    - Blaine nomination splits GOP
      - *Mugwumps*
  - DNC selected Gov Grover Cleveland (D-NY)
    - Cleveland = reform-minded
    - Thomas A. Hendricks (D-IN) for VPOTUS
  - Also three 3<sup>rd</sup> Parties ran candidates
  - Campaign = sensationalist; not substantive
    - Focus on private lives & personal morals of candidates
    - No differences politically
    - Result = one of closets races
- Cleveland as POTUS – take 1
  - Follower of “Gospel of Success”
    - Most views on government = entirely negative
    - Disliked federal “paternalism”
  - Gave into cries for RR regulation
    - NOTE: RR rates steadily decline

- States move first
- SCOTUS opens door-*Wabash, St. Louis & Pacific RR Co. v. Illinois* (1886)
- Congress walks in - Interstate Commerce Act (1887)
  - Focus of Act = reasonable RR rat
  - Failed to get tariff reform
- Election of 1888
  - 1888 = good year
    - Result = boring election
    - Tariff policy = principal issue in election
  - DNC = tranquil & joyous
    - Unanimously selected Cleveland w/out formal ballot
    - Only issue = VPOTUS
    - Senator Allen G. Thurman (D-OH) VPOTUS
  - RNC
    - James G Blaine withdrew name
    - RNC nominated Sen Benjamin Harrison (R-IN) 8<sup>th</sup> ballot
    - Levi P Morton nominated for VPOTUS
  - Tariff = principal issue
  - Harrison loses pop vote but wins
- Harrison Years
  - GOP back in control
    - Short-lived
  - 1<sup>st</sup> = McKinley Tariff of 1890
    - Rep William McKinley (R-OH)
  - To pass, needed Western support
    - 1st = Sherman Silver Purchase Act (1890)
      - Sen John Sherman (R-OH)
    - 2nd = Sherman Anti-Trust Act (1890)
    - FYI: consequence of act = new trust arrangements
- Populism
  - Roots of movement lay in series of farmers' alliances
  - Two regional groups
  - Alliances = social groups
  - Morphed into political & cultural movement

- Radical farmers form 3<sup>rd</sup> Party – People’s Party
- Southern Alliance breaks from Dems; joins
- Result = formation of National Peoples’ Party
  - Rep James B. Weaver (Iowa)
  - James G. Field (VA) as VPOTUS
  - Attack Gospel of Success
  - People’s Party set aggressive platform
  - Crash of 1893 destroys People’s Party
  - Used “election fusion”
  - Result = ideas survive in Progressive Movement
- Election of 1892
  - Was redo if 1888
    - Dems re-nominated Cleveland
      - Adlai Stevenson I (D-IL) selected as VPOTUS
    - GOP re-nominated Harrison
      - Whitelaw Reid of NY as VPOTUS
    - Issues = tariff & currency
  - Difference = National People’s Party
    - Drained more GOP voters than Dems
- Cleveland – take two
  - Crash destroys Cleveland’s 2<sup>nd</sup> term
    - NOTE: began 13 days before Cleveland took oath
    - Blamed Silver Purchase Act of 1890; Congress repeals
    - Doesn’t stop run on Treasury
    - Reserves drop below \$50 million
    - Cleveland “borrows” from JP Morgan
  - Case Study - JP Morgan
    - Panic gave rise to investment bankers
    - Initial focus = control of RR financing
    - Morgan organizes massive super monopoly = *conglomerate*
    - Morgan’s influence spreads via “Morganization”
    - Impacts almost entire US population
    - Rivals Rockefeller
    - Feb 1895 – Cleveland “borrows” \$62mil in gold

- Result: Cleveland = tool of Wall Street
- Cleveland also attempts to tariff reform
  - Wilson-Gorman Tariff of 1894
  - FYI: act contained Populist provision – Income Tax
  - Cleveland = disgusted at own party
  - Dems suffer consequences in 1894 mid-terms
  - NOTE: *Pollock v. Farmers' Loan & Trust Co.* (1895)
- Silver vs. Gold debate began to rip Dem party apart
  - Farmers = appalled @ Cleveland
  - Worse w/ Southern Dems
    - Ex. Gov “Pitchfork Ben” Tillman of SC
- Dem trouble encouraged GOP
  - Select Gov. William McKinley (OH) on 1<sup>st</sup> ballot
  - SGarret Hobart (R-NJ) as VPOTUS
  - Both = favored business by interests & powerful party boss – Mark Hanna
  - McKinley yields to sound-money plank
- Dems rebuke Cleveland
  - Selected 36yr old William Jennings Bryan (Neb)
  - NOTE: Dem Platform repudiates Cleveland’s policies
    - PLUS: unlimited coinage of silver @ ratio 16:1
  - Populists also nominated Bryan
- BUT: Bryan, handicapped
  - Dems & Pops nominated separate VP candidates
    - Dems = Arthur Sewall; Populists = Thomas Watson
  - National Democrats bolt from Party
  - PLUS: 4 other 3<sup>rd</sup> parties ran candidates
- Campaign = sows seeds of modern elections
  - McKinley ran front porch campaign
    - Campaign develops modern campaign financing
    - Monopolized friendly press
  - Bryan ran 1<sup>st</sup> “modern” campaign
  - Results = McKinley & GOP win
  - NOTE: most sectional since 1860