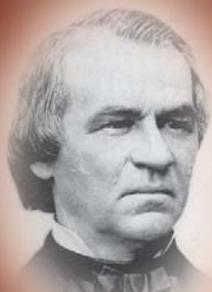


1877

THE GRAND OL' PARTY

CHRONOGRAPH

“Now the great problem is to rid our country of the conflict between wealth and poverty without destroying either society or civilization, or liberty and free government.”



Johnson



Arthur



Grant



Cleveland



Garfield

Hayes



Harrison



Presidential Series

THE PRESIDENCY AT LOW TIDE

4:10 A.M. March 2, 1877

President of the Senate Thomas W. Ferry entered the House chamber to announce the decision the country had been awaiting during four long months. The new president of the United States would be ...

... Both parties finished in a dead heat on election day 1876. The next morning the Democratic nominee Samuel J. Tilden had 184 electoral votes to the Republican nominee Rutherford B. Hayes' 165 with 20 in question. Tilden had won the popular vote by a quarter million votes, but he was one electoral vote short of victory.

Round 1

The Republicans quickly disputed the returns of three states, Florida, South Carolina and Louisiana. Indeed, voting fraud in those years was notorious. If all three states plus one disputed vote in Oregon went Republican, then Hayes would win. It just so happened that the three states were still under Republican-controlled, military rule from Reconstruction.

Round 2

By December 6 the recounts produced two sets of ballots, one from the Republican Reconstruction governments giving the votes to Hayes and one from the Democratic legislatures giving the votes to Tilden. Now Congress would have to decide who would get the votes. But there was no specified constitutional method to do so.

Round 3

By January 25 the two parties decided to form a special Electoral Commission composed of 5 senators, 5 representatives and 5 Supreme Court justices. Seven members were Democrats, eight were Republicans. The 15th was Justice Joseph P. Bradley, a Republican who was considered to be impartial. He was the key vote.

Round 4

The Senate began counting the electoral ballots on February 1. When the count came to Florida, its ballots were sent to the Electoral Commission. At issue was whether or not to "go behind the returns" certified by the Republican governor of Florida to look for fraud. Everyone waited anxiously for Bradley. In a 20 minute speech he concluded that he would not listen to extra evidence against the returns. It was 8 to 7 against going behind the returns and 8 to 7 to give Florida to Hayes. Louisiana, Oregon and South Carolina went the same way.

Decision

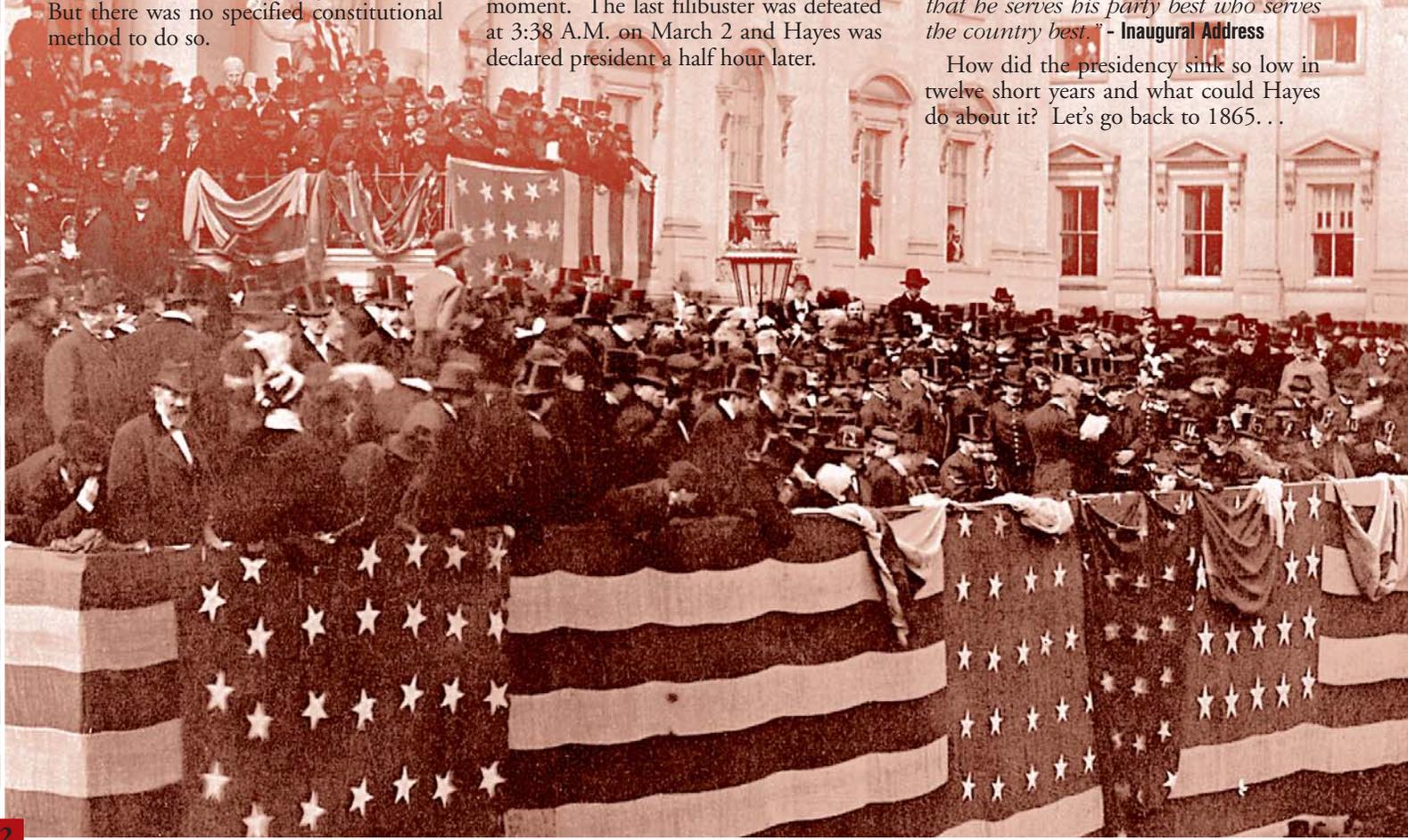
The Democratic senators began to filibuster and call for recesses to delay the Commission voting. Now the real bargaining began, all of it behind closed doors. Even today, no one really knows what was actually promised. The southern senators dragged it out till the last possible moment. The last filibuster was defeated at 3:38 A.M. on March 2 and Hayes was declared president a half hour later.

Was a deal made? Well... Hayes remained aloof from the bargaining, but shortly after the inauguration, he announced the end of military law in the South. He then nominated a southerner (and a Democrat!) to a cabinet post for the first time since the Civil War. Significantly it was as Postmaster General in charge of thousands of public jobs. He even rode to Washington in the personal railcar of Thomas Scott, president of the Texas & Pacific Railroad. Thomas wanted a subsidy for a southern transcontinental rail route. But Hayes later vetoed a subsidy for the Texas & Pacific Railroad.

It was the most flagrantly manipulated election ever. But the people of Ohio knew that Hayes held to high principles and gentlemanly behavior. He acted like a public servant and not a politician. He would be a president first and a Republican second. He meant it when he said,

"The President of the United States of necessity owes his election to office to the suffrage and zealous labors of a political party, the members of which cherish with ardor and regard as of essential importance the principles of their party organization; but he should strive to be always mindful of the fact that he serves his party best who serves the country best." - Inaugural Address

How did the presidency sink so low in twelve short years and what could Hayes do about it? Let's go back to 1865...



Reconstruction

Reconstruction began in 1862 with the Confiscation Act that freed all slaves captured by the Union army. The Radical Republicans pushed hard for abolition, but Lincoln believed the Constitution permitted slavery where it already existed. Neither his Emancipation Proclamation in 1863 nor his Proclamation of Amnesty in 1864 required Confederate states to accept abolition to return to the Union. The Radicals passed the Wade-Davis Act which *did* require abolition. Lincoln pocket-vetoed it. It was the 13th Amendment in 1865 that concretely amended the Constitution to abolish slavery. Even then the freedmen did not have full rights of citizenship.

Lincoln's last speech promised he would soon announce a plan of restoration. But it was his successor, Andrew Johnson, who had to carry out his unknown intentions. As so often happens, Andrew Johnson, the loyal pro-Union Tennessee Democrat, had been selected as vice-president for the votes he would attract. No one thought that he might some day have to be president.

Reconstruction brought on the greatest threat to the office of the president. Perhaps Lincoln might have avoided it, but Andrew Johnson could not.

Amnesty or Amnesia?

Lincoln's nature preferred a ready forgiveness with little punishment. That was what Johnson understood. But he did not have Lincoln's ability to deal with disagreeable politicians. He and Congress quickly came into conflict over the conditions the southern states must meet to be readmitted to the Union. It led to the only presidential impeachment trial in U.S. history.

Johnson had six months to act before Congress reconvened in November 1865. On May 29, 1865 he offered a general amnesty to nearly all Confederates in exchange for a simple oath of allegiance. He urged the southern states to ratify the 13th amendment to gain quick readmission. This they did, but they also passed "black codes" that restricted the rights of the newly freed blacks.

Congress refused to seat the new southern representatives. When Congress passed the Civil Rights Act in 1866, Johnson vetoed it on the basis of his states rights view of the Constitution. Congress overrode his veto. When the Ku Klux Klan and other groups began intimidating anyone who favored black equality, Congress passed the Reconstruction Act in 1867. Johnson vetoed it—too much federal interference. Congress overrode it.

Congress Ascendant

Congress then passed the Tenure of Office Act which forbid the president to remove a cabinet member without Congressional approval. This was blatant interference with the president's constitutional right to select his own cabinet. Johnson defied it and replaced the biggest critic in his cabinet, Secretary of War Edward Stanton, with Gen. Ulysses Grant.

In February 1868 the House of Representatives voted to impeach Johnson for violating the Tenure Act. The Senate trial began in March. By May it came time to vote on his guilt. After intensive lobbying both for and against Johnson, the vote came down to Senator Edmund Ross who remained undecided until he had to cast his vote, the deciding vote, for or against conviction. And he voted . . .

. . . against conviction. Ross did not agree with or even like Johnson, but he did not think he had committed any crime worthy of impeachment. A week later the Senate voted on two more charges. Both failed to convict Johnson and the trial was ended. The trial had failed, but Congress now dominated the Executive branch. Had this impeachment succeeded, it would have destroyed the separation of powers between the two branches.

Reconstruction

New Laws Don't Make New People

Confiscation Act 1862

This was a precursor to the Emancipation Proclamation passed by the Radical Republicans. It allowed the federal government to seize the property of people supporting the southern insurrection. It also freed any of their slaves and allowed those former slaves to be in the military.

Emancipation Proclamation 1863

An executive order that freed all slaves in the rebellious states. It did not cover the areas under Union military control or the loyal slave states. It did not abolish slavery. Only a constitutional amendment could override the states authority and abolish slavery.

Thirteenth Amendment ratified 1865

The constitutional amendment that finally abolished slavery within the United States and its territories. The amendment was passed by the House in 1864 and the Senate in 1865.

Freedmen's Bureau Acts 1865 & 1866

These established a federal agency to provide relief and education to former slaves and to register them for voting. It acted like a welfare agency. This was the first time that the government believed it had an obligation to actively protect the rights and to care for the citizens. The laws had expired by 1877.

Civil Rights Act 1866

This law forbade states to discriminate by race. It guaranteed the rights of citizenship and equality under the law to all people born in the United States, except Indians. It was written to overturn the laws passed by the reconstructed southern legislatures called "black codes." It was made unnecessary by the Fourteenth Amendment.

Reconstruction Acts 1867

Three acts that placed ten southern states into five districts under military rule. The military protected and enrolled all eligible voters. The states then must write a new constitution guaranteeing Negro suffrage. Congress had to approve it before the states could be seated in Congress. All ten states were seated by 1871.

Fourteenth Amendment ratified 1868

This guaranteed the civil rights of citizens by defining citizenship. Any state that denied the right to vote to its citizens would have its own representation in Congress reduced proportionally (the "reduction clause.") Former rebels could not hold political office until Congress pardoned all Confederates in 1872.

Fifteenth Amendment ratified 1870

This amendment made it explicitly clear that the right to vote by a citizen could not be limited or removed by any state or the federal government. It was good that this was passed because the Supreme Court interpreted the 14th amendment to protect corporation property rights instead of Negro civil rights during the 1880s.

Enforcement Acts 1870 & 1871

This outlawed the use of force, intimidation and bribery to deny or hinder the citizen's right to vote. It was aimed specifically at the violence by such groups as the Ku Klux Klan. It was nicknamed, "the Force Acts," but their enforcement ended when federal troops were withdrawn. The Supreme Court invalidated the Acts in the 1882 *U.S. v. Harris* decision

Civil Rights Act 1875

This guaranteed equal rights to all citizens in public places. It tried to overturn "Jim Crow" laws that created segregated public areas. It was overturned by the Supreme Court in 1883. The Court thought such laws interfered with the activities of private individuals and were therefore outside of federal jurisdiction.

The Final Push

The Republican Radicals could abolish slavery, but could not create a new southern society. Between 1868 and 1870 all the southern states returned to Congress, and were voting solidly Democratic. Even northern voters were returning to the Democratic Party. If the Republicans lost the freedmen's vote in the South, they could lose control of Congress.

The Republicans had to bring about the change they wanted *SOON* before the freedmen vote was silenced. They passed the 14th Amendment in 1868, the 15th Amendment in 1869, the "Force Acts" in 1870, the General Amnesty Act in 1871 and the Civil Rights Act of 1875. These guaranteed the full rights of citizenship to all blacks. But they were nullified in practice by the state legislatures as soon as the federal troops left. It was like Stephen Douglas' "Freeport Heresy" in reverse.

By 1877 Reconstruction was dead. The Radicals had retired and the new leaders were more interested in promoting the party of Lincoln instead of the policies of Lincoln. Reconstruction ended when Hayes ordered troops withdrawn from the Louisiana Statehouse on April 24, 1877. The South was free from carpetbaggers and scalawags.

Deconstruction

But the Negro was not free from racism. Over the next 25 years, every civil rights law was legally nullified. The Supreme Court ruled the Civil Rights Act of 1875 unconstitutional in 1883 as well as the 1866 Act in 1888. Meanwhile the 14th Amendment had been reinterpreted to protect the property rights of corporations. Then in 1892 the Court approved a policy known as "separate but equal" in the case of *Plessy v. Ferguson* which led to legal segregation. The Court's strict construction interpretation left civil rights implementation up to the states.

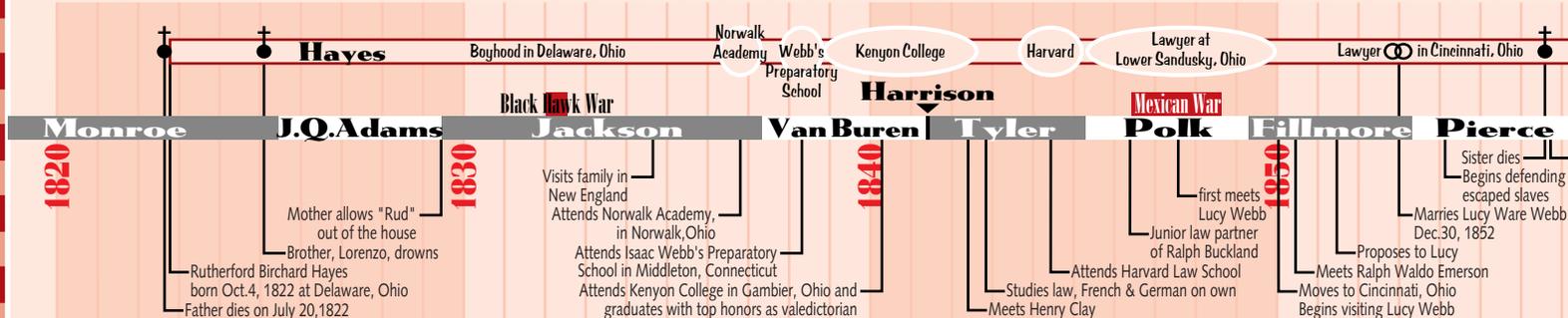
In 1899 Louisiana passed the first laws containing the "grandfather clause." It stated that one's right to vote was based on the eligibility of one's grandfather. Since no blacks could vote then, they were still unable to do so. They were as powerless as if they were still slaves. Federal enforcement of federal laws was fifty years away.

The self-made Negro educator, Booker T. Washington, voiced the only course he felt was left to the black man. In his 1895 "Atlanta Speech" he advocated education and economic advancement leaving the fight for legal and social equality for the future Whites in both the North and the South cheered with approval.

Scandals

President Grant was hugely popular in 1868. He was shrewd in war, but inexperienced in politics and easily deceived. By this time the president was thought of mainly as an administrative officer much like a chairman of the board, instead of a policy initiator. Despite his own high integrity, his two administrations were marked by one scandal after another. Grant was not involved in any of the scandals, but the public was sickened by it all. The most famous ones were Jay Gould's gold conspiracy and the Whiskey Ring.

Perhaps the shrewdest of all the railroad builders was Jay Gould. He treated railroads as a means to build a fortune rather than an empire. In 1869 he and a partner, James Fisk, came up with a plan to corner the gold market. They arranged to meet President Grant through Grant's son-in-law and persuaded the president to prevent the U.S. Treasury from intervening in the gold market. Gould and Fisk then bought up all the gold they could which forced up the price of gold. It started a financial panic which was only stopped when Grant realized he had been used and ordered government gold to be sold to bring down its price. Gould and Fisk managed to sell before the price dropped.



Rutherford B. Hayes 1822-1893

Rutherford Birchard Hayes was the youngest child of Rutherford and Sophia Hayes. He was born on October 4, 1822 at Delaware, Ohio. His father had moved his family from Vermont to Ohio in 1817. He worked hard to start a farm and a distillery, but died just six weeks before Rutherford's birth.

For two years Rutherford, or "Rud," was so sickly that his family feared he would not live. Then tragedy struck again when his brother drowned. That left only Rutherford and his sister Fanny.

His mother, sister and uncle, Sardis Birchard, exerted the strongest early influences on his life. His mother cautiously kept him inside and tutored him, even forbidding him to do chores. Rutherford was finally allowed out when he was seven. Both Fanny and his mother encouraged (even pushed) him to become "somebody important."

He was very close to his sister, Fanny. For years they were each others playmate. Fanny was both smart and well educated. She was also a tomboy in her youth. As an adult she followed the women's suffrage movement. The success she desired but could not achieve because she was a woman, she wanted her brother to have. When she died he lamented, "I can recall no happiness in the past which was not brightened either by her participation in it or the thought of her joy when she knew of it."

Uncle Sardis remained a bachelor all his life. He had moved to Ohio with the Hayes family. In 1827 he moved to Lower Sandusky, Ohio and became a wealthy merchant and property owner. His honesty was such that the Seneca Indians would entrust their yearly government payment of gold to him to manage. He supported Sophia's family and treated Rutherford as his own son. He paid for his education, gave him advice and helped him start in politics. Rutherford in kind looked up to his uncle, listened to his advice and even learned his mannerisms.

The close family life did Rutherford no social harm. He excelled in his schooling, was healthy, friendly, outgoing and loved the out-of-doors. With his family's constant encouragement he graduated from Kenyon College in 1842 as class valedictorian with first honors. He decided to become a lawyer and graduated from Harvard in 1845. He settled in Lower Sandusky for five years to assert his independence from his mother and sister. But the town was too small for his interests and so he opened a law office in Cincinnati, Ohio in 1850.

He also began courting Lucy Webb, the daughter of his mother's friend in Delaware. Lucy was described as bright eyed, full of natural gaiety and wit, and was a good student. His mother had decided years before that Lucy would make a good wife for Rutherford. He was aware of her desire, but visited Lucy anyway. They soon became engaged and married. By all accounts they enjoyed a happy marriage all their life which included raising seven children. Sadly three died in early childhood.

Reform

The Best Man for the Job

The Whiskey Ring scandal involved several whiskey distillers who had bribed Internal Revenue agents in order to avoid paying excise taxes. The Treasury secretary suspected the fraud and began a secret investigation. He had Grant's support until Grant's personal secretary was found to be involved. Grant steadfastly defended his secretary, even submitting a deposition in his favor for the trial. The secretary was found not guilty. Over 350 others were indicted.

Then came the election of 1876.

The Bosses

By 1876 the top political bosses had become senators in Congress. Nearly all had too many enemies to run for president. What was needed were nominees who could appeal to the public and represent the best values of the party - in other words, they should not be machine politicians. This led to a string of independent presidents who worked to remove the presidency from control of the bosses.

President Hayes asserted his presidential authority in March 1877 by naming his own cabinet members without consulting with the Senate bosses. He even managed to include two known reformers.

May 26, 1877 President Hayes ordered civil service appointments in the New York Customs House be made based on a merit system of competency and not on a party affiliation. The problem was patronage, known as the "spoils system." Newly elected public officials would replace as many of the civil servants under them as possible with people from their own party. These people were also expected to make a small contribution (a kick-back) to the party from each paycheck.

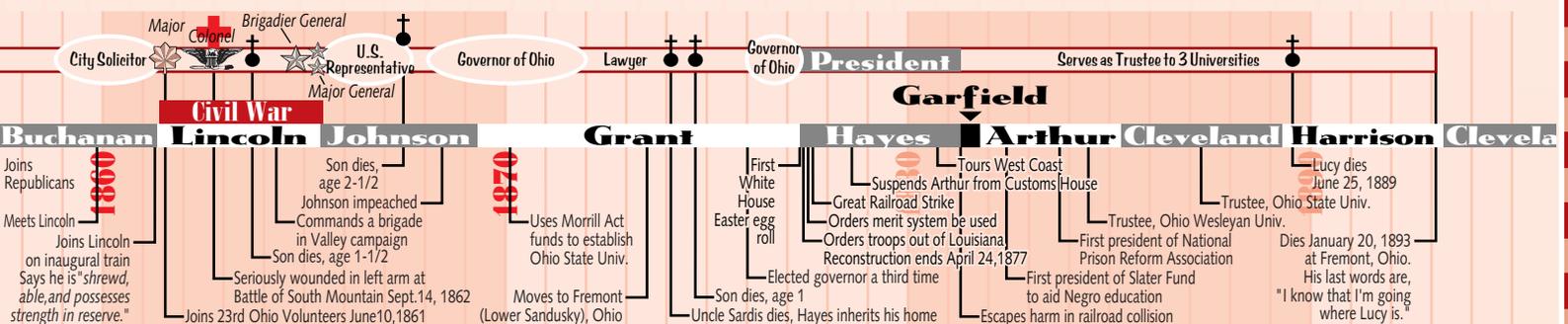
Patronage is as old as political parties. It was the power behind the political machines such as Van Buren's Albany Regency. The slogan "to the victor belong the spoils!" was coined in 1832 to defend Jackson's appointments. The reasoning was that the people had voted in one party so the government should be from that party.

Hayes quickly came up against the New York boss Roscoe Conkling. Hayes ordered Conkling's man, Chester Arthur, to resign his post as collector of the New York Customs House. Arthur (and Conkling) refused. It took Hayes a year to get his appointments into the Customs House. It was a good beginning.

The next president, James Garfield, was in office only four months when he was assassinated by a civil service job seeker who had been rejected. Reformers feared for the worst because the vice-president was none other than Chester Arthur. Arthur had been nominated to pacify Conkling whose presidential candidate (Grant) was not nominated. But amazingly once Arthur became president, he acted responsibly and independently from Conkling. In 1883 he signed the Pendleton Federal Civil Service Act that made a law out of Hayes' merit system.

In 1885 the demand for reform elected Grover Cleveland, the first Democratic president in 24 years. He had reformed Buffalo as mayor and New York as governor. He is famous for using the veto - more than all previous presidents combined. Its use helped to renew the presidency by asserting that constitutional power.

Cleveland was against paternalism as well as patronage. He believed that no one, not a business nor a private individual, should receive a subsidy from the government. Most of Cleveland's vetoes were against the increasingly extravagant pensions for Civil War veterans. This led to his defeat by Benjamin Harrison in 1888.



Lucy held a traditional Christian belief which Rutherford could not completely embrace. He claimed to be a "non-church member, a non-professor of religion." He considered "the test of Christianity is the state of the heart and affections, not the state of a man's intellectual belief...The half of the orthodox creeds, I don't understand and can't fully believe." He valued the Golden Rule and followed it wholeheartedly. He came to share Lucy's views about temperance and abolition. In court he often defended, free of charge, anyone in the Underground Railroad. When the Hayeses banned all alcoholic drinks in the White House soon after he took office, the press nicknamed her "Lemonade Lucy."

Hayes first became involved in politics in Lower Sandusky. In Cincinnati he was a co-founder of the Ohio Republican Party. His Civil War service completed his credentials for higher office. He proved himself a popular and courageous leader in battle. He rose from major to major general, was wounded five times (once seriously) and served during the entire war.

When he was elected a U.S. representative, he refused to take his seat until the war was over. Military service was a mark of patriotism and manliness. It also gave him political friendships across the country.

His reform nature came out when he served as governor of Ohio. He favored hard money, paying off the war debt, establishing railroad safety codes to protect the workers, prison reform and free universal public education. In 1875 the Republican leaders in Ohio imposed on him to run a third time for governor to reverse Democratic legislative victories. They specifically had Hayes in mind for president in 1876.

He won the presidential nomination, but held little hope of actually winning the election. In his own way he did influence the outcome. He remained apart from the four month battle in Congress, but kept in touch through some Ohio politicians. He would not commit himself to any promises made by others nor make detailed statements about what he would do. As president he continued his reform agenda.

As president he rebuilt the popularity of the office. He toured the country often to build up public support for his policies. He was the first sitting president to see the West Coast. The White House under Lucy was known for its family life, its Sunday afternoon songfests, and the first White House lawn Easter egg roll. She was the first wife to be called "First Lady" and the first college educated First Lady.

In retirement, Hayes promoted education and accepted trusteeships at many colleges. He believed that education was the single greatest solution to the nation's problems. He worked for prison reform and against the death penalty. He believed that crime resulted from the desperation of poverty. He favored inheritance taxes, federal regulation and mandatory industrial education to minimize the huge disparity of wealth between the captains of industry and the laborers. And always he attended the veteran reunions. By the end of his life he could say,

"I am a radical in thought (and principle) and a conservative in method (and conduct)." - RBH, Dec.12, 1890

Rise of Regulation

February 1878 Hayes and Congress collided over the issue of silver, gold and “greenbacks.” It was a debate over “hard money” (gold) and “soft money” (silver and greenbacks). In November 1877 the House had passed a bill to freely mint silver coins. The amended bill passed Congress in February as the Bland-Allison Act. It required the Treasury to mint \$2 to \$4 million of silver coins a month.

Everyone knew that adding so much new money would cause inflation. Hayes believed that it would violate the obligation of contracts. A debtor could pay off his debt with dollars that were more plentiful. But these could not buy as much as when they were borrowed. This was unfair to the lender. It was also unfair to workers on fixed paychecks.

What was worse, the Act also set the exchange ratio of silver to gold at 16 to 1 while the free market exchange ratio was over 20 to 1. People would exchange silver for gold, draining the U.S. gold reserves (which gave the U.S. money its value) and causing people to hoard gold thereby removing it from use as money. Hayes vetoed the Act. Congress overrode his veto. The debt-ridden farmers cheered.

A Mixed Blessing

Farming was considered the basis of wealth as well as the best protection against government corruption. As long as the farmer was free, the country would be free. In 1862 the Republicans had passed the best farm land deal of all time, the Homestead Act. Anyone could claim 160 acres as his very own. All it cost was five years of his sweat and the filing fees.

But it was the railroads that made possible farming on the prairies by giving it access to a world market. They were the first to experience no holds barred competition. The rate wars gave everyone a taste of how big business affected their daily lives, for good and for bad. They made special deals with customers, then raised rates on another route to make up for the losses. Prices changed weekly. Often it cost more to ship something to the next town than all the way to the coast.

The Homestead Act and the railroads produced an abundance of farmers and farm produce. By 1900 the wholesale price of farm products was half its 1865 value. Yes, goods were cheaper to buy, but the farmer had to double his production just to keep up. So he invested in machinery and hard labor and ended up mortgaged to the bank and in debt to the general store.

Steel Plows versus Steel Rails

The 1870s and 1880s brought droughts and the worst locust infestation of the century. One bad year would put the prairie farmer in debt; two or three would cost him everything he owned.

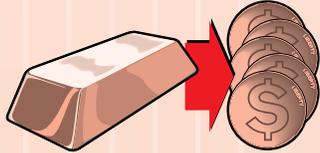
It was worse in the South. After the war, there was no longer any slave labor to work the plantations nor any cash to pay farm hands. So a “crop-lien” system developed in which a landowner rented out his acreage to a tenant farmer. The farmer would pay back the owner with part of the harvest (sharecropping). Both landowners and tenants were in debt to the merchants. For the blacks it was virtual slavery without any cost to the land owner. The end result for the southern farmer was the same as for those in the north and west – debt and poverty.

As early as 1867 the Midwest farmers reacted by forming local associations known as the Patrons of Husbandry. The local chapters were called “granges.” Their official purpose was educational and social. Unofficially they lobbied the statehouses to regulate the railroad rates. In 1871 Illinois did pass a law to set up a state regulatory commission to review and set fair shipping rates. Other states from Massachusetts to Iowa soon followed.

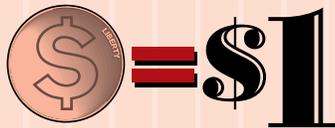
Problems with Gold, Silver and Greenbacks

Gold Standard

Gold has value because there is not much of it...



...and because it stays valuable in hard times.



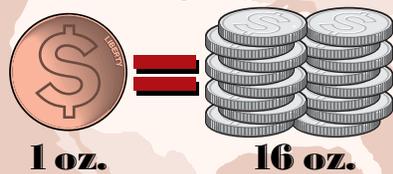
No Growth

The gold standard means that a country's money is only worth the amount of gold it has. Money must be something that cannot be easily made and it must be something everyone wants. Gold has met these tests for centuries. But there is only so much gold in the world. As economies and populations grow, gold becomes scarce just when more money is needed. Why not have two standards in use, silver for example? Silver is more plentiful than gold and valuable as well.

But Gresham's law says “Bad money drives out good.” People would want the more valuable gold and hoard it leaving only silver which would be worth less and less. Rising prices would finally cause a depression.

Bimetallism

By U.S. law



But on the open market.....



No Equivalence

Silver's supporters quote the quantity theory of money that says the price of silver (its value) would change at the same rate as all other goods in the economy. Silver would not be worth less – gold would be worth more! Congress compromised and tied the value of silver to gold when it declared in the Bland-Alison Act that 16 ounces of silver would equal one ounce of gold.

When the silver mines began pouring silver into the world market, it took over 20 ounces to equal one of gold. This meant more silver could be minted into money. But prices did not go up. The pro-gold presidents minted as little silver as the law required to prevent inflation and maintain faith in the U.S. currency.

Non-redeemable Greenbacks

It represents a dollar's worth of buying power...



but it can't buy a dollars worth of gold.



No Value

Greenbacks were paper notes issued during the Civil War. Since they could not be exchanged for gold, their value depended on how people felt about them. If the U.S. Treasury began issuing more and more paper notes, inflation would result (see “1789” pg.3.) Most people did not think that paper notes were real money the same as precious metal coins.

But some saw how it could solve the problem of lack of money during depressions. People would sell their investments for cash thus putting more money into the economy. Then during good times they would buy new investments thus taking paper money out of circulation. That would work if there was no gold standard.

\$\$\$ Billion Dollar Congress \$\$\$

The Supreme Court upheld the legality of the commissions in 1877. But it reversed itself in 1886 by declaring that states had no jurisdiction over interstate transportation. The next year Congress created the Interstate Commerce Commission to review interstate shipping rates for fairness. Its powers were weak, but this was a first and major step into the new territory of federal regulation.

The election of 1888 made Benjamin Harrison president and gave the Republicans control of both houses of Congress, the presidency and the Supreme Court. Their first Congress became known as the "Billion Dollar Congress." It passed the Sherman Silver Act, the Sherman Anti-trust Act, the McKinley Tariff Act and a literal wealth of other pro-business bills.

The Silver Act replaced the Bland-Allison Act. It required the purchase of nearly all the output of U.S. silver mines, but it also loosened the exchange ratio.

The Anti-trust Act would revolutionize the federal government. For the first time, it would have the power to regulate business – to intervene. But that would have to wait a decade for a champion who would use the new power.

Free-for-all Enterprise

The first half of the 19th century dealt with the issue of slavery. The second half had to deal with the effects of industrialization. The economy fundamentally changed. Society had to change with it. Such change would not happen with the passage of any one law or the election of any one man. Like abolition, it happened with toil, heartbreak and suffering.

Business was characterized by what is best called "free-for-all enterprise." Competition was fierce. The government became another resource to be used by business to obtain a tariff break or a market advantage. The free-for-all attitude found its justification in Herbert Spencer's application of Darwin's theory of evolution to human relations. It was now "*the survival of the fittest*" and everyone must fend for himself.

Competition could bankrupt a company leaving whole communities out of work. Employers could cut wages overnight by 30% when business slumped, and then replace anyone who protested. Any business that cornered a market could set prices as it pleased. It was legal, it was even considered fair, but the voices grew louder asking, "*Is it right?*"

Labor Strikes Back

July 1877 The largest strike the country had ever known confronted Hayes. Not surprisingly it was against the railroads.

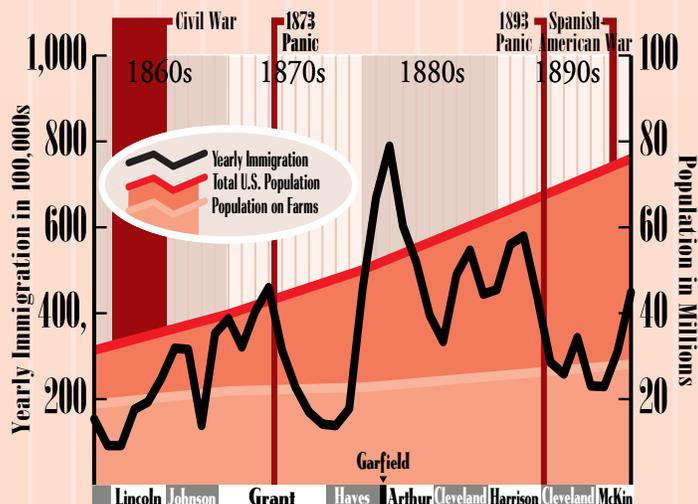
The bankruptcy of a major investment company set off a panic in 1873. It quickly closed thousands of businesses throwing millions out of work and resulting in wage cuts for millions more. It still affected the country in April 1877 when Gould's Erie Railroad and four other lines agreed to end their rate war. Gould then cut the workers' wages.

When Gould cut wages again in July workers blockaded trains in West Virginia. The strikes spread across the country. Workers from other industries joined them. Riots broke out. State militias could not or would not stop the rioters. The governors demanded that President Hayes send federal troops to end the strikes. He agreed to do so, but only to protect property and keep peace – not to end the strikes.

The strikes gained little for the workers, but they were as strong a challenge to the businessmen's property rights as abolition was to the slave-owners. The industrial workplace needed restraints on its abuses. But first, just like with slavery, the abuses had to be thought of as a moral wrong.

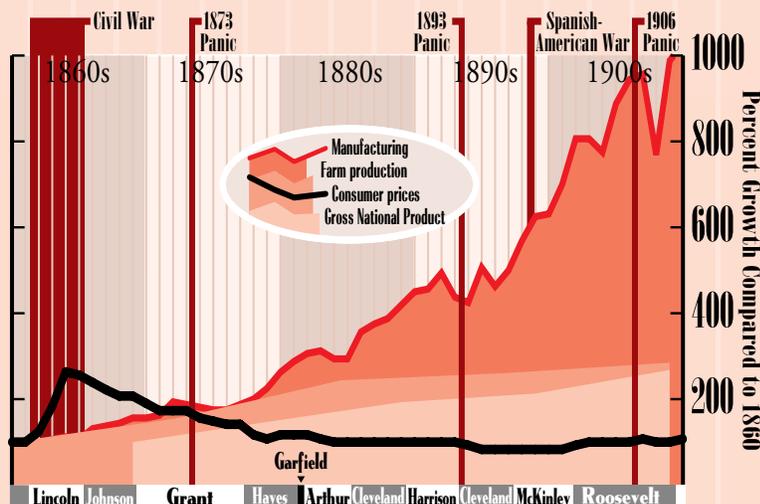
Industrialization

"It had to come...the day of combination is here to stay. Individualism had gone, never to return." – John D. Rockefeller



The Population

The years 1865 to 1900 saw the country change from farms to factories. The population grew from 35 million to 76 million. In 1860 there were 6 million farmers to only 4 million workers in all other jobs. By 1900 there were 9 million farmers to 18 million workers. Towns and cities jumped from 30% to 60% of the total population. Immigrants made up 20% of the population. The immigrant population nearly quadrupled from 2.3 million to 8.8 million. Most settled in the cities increasing the number of workers and lowering the pay scale.



The Economy

After the Civil War the nation's economy grew dramatically because of industrialization. The United States actually outproduced Great Britain in certain industries by the turn of the century. The value of all manufactured goods produced zoomed 450%. Exports increased 600%. Because of machine-produced goods, the average price on all goods and farm products dropped 50%. Railroads were a major stimulus. Rail mileage rose from 35,000 to 250,000. By 1900 the economy was about three times its 1865 size.

Wages did not keep up with prices. The hourly rate varied from 50¢ to \$2.50 a day by the 1880s. The average worker's yearly income rose from about \$350 to \$550. But basic living expenses had also increased so that by year end he had only \$25 saved... if nothing went wrong. Poor families had to put everyone to work just to eat. Small children often cared for themselves during the 12 to 14 hour work day. Older children would earn as little as 11¢ for a full day's work. In contrast Rockefeller was worth over \$500 million in 1900.

1810 Johnson: Boyhood in Raleigh, N.C. (Apprentice, Tailor)

1820 Grant: Boyhood in Georgetown, Ohio (West Point, Army, Mexican War, Army, Stationed in California)

1830 Garfield: Works on Family Farm (Works on Canalboat, Geauga Seminary, Teacher)

1840 Arthur: Boyhood in New York State (Union College, Teach & Study Law)

1850 Cleveland: Boyhood in New York State (Apprentice, Teacher)

1860 Harrison: Raised on Family Farm (Farmer's College, Miami University)

World Leaders: United States: Madison, Monroe, J.O. Adams, Jackson, Van Buren, Tyler, Polk, Fillmore, Pierce; Great Britain: George III, George IV, William IV; France: Emperor Napoleon, Louis XVIII, Louis Philippe; Germany: Frederick William III; Russia: Czar Alexander I; Japan: Tokugawa Shogunates; 2nd Republic: Frederick William VI

Major Events: The Napoleonic Wars, War of 1812, Barbary Pirates, Panic of 1819, Missouri Compromise, Greek revolution, Ulysses S. Grant born, April 27, 1822 at Point Pleasant, Ohio, Joseph Smith founds Mormonism, William Miller founds Adventism, Alexis de Toqueville tours the U.S., Johnson marries Eliza McCordle, "Last of the Mohicans" published, Texas Republic established, Benjamin Harrison born, Aug. 20, 1833 at Pt. Pleasant, Oh., Britain outlaws slavery, Garfield's father dies, Nullification Crisis, James A. Garfield born, Nov. 19, 1831 at Orange, Ohio, Trail of Tears, Marx & Engels write the "Communist Manifesto", Panic of 1837, Emerson develops Transcendentalism, Pierre Proudhon propounds anarchism, Irish potato famine, Rotary press makes possible daily papers, Revolutions of 1848, Grant marries Julia Boggs Dent, California Gold Rush, Compromise of 1850, "Moby Dick" published, "Bleeding, K... Dred, Sco...", "Origin of Spe...", Garfield marries L..., Lincoln, Arthur marries Ell...

Andrew Johnson 1808-1869

Andrew was born December 8, 1808, the youngest of two sons born to Jacob and Polly Johnson in Raleigh, N.C. His family was poverty-stricken after his father died while saving a drowning man. Andrew apprenticed as a tailor at 14, moved to Greenville, Tennessee at 18, met and married Eliza McCordle at 19, and became mayor at 21. He was ambitious, strong-willed, an able public speaker and a staunch Jacksonian Democrat all his life. He opposed an active powerful government at both the state and federal level. He strongly defended states rights from federal encroachments.

Although he owned 8 slaves and supported slavery along with states rights, he opposed the rich and powerful plantation owners. He proposed a home-steading act which finally passed in 1862. He did not favor western expansion of slavery. In 1860 he supported Stephen Douglas hoping that in a convention battle he himself might become the compromise Democratic nominee. He fought Tennessee's secession and became the only southern U.S. senator to remain loyal to the Union. Lincoln appointed him military governor of Tennessee in 1862. He joined the war time Union party of Republicans and pro-war Democrats which led to his vice-presidency in 1864.

Andrew and Eliza had a happy marriage. She taught him how to write and improved his education in general. They had three sons and two daughters. Eliza was an invalid when they entered the White House, so their two daughters acted as hostesses.

Ulysses S. Grant 1822-1885

Hiram Ulysses was born on April 27, 1822, the oldest son of Jesse and Hannah Grant at Point Pleasant, Ohio. He was average at best in his studies, but proved to be self-reliant and an excellent horseman. At West Point he found himself enrolled as Ulysses Simpson Grant and kept it that way. He graduated middle of his class. He met Julia Dent at his first post near St. Louis. During the Mexican War he served under both Gen. Taylor and Gen. Scott. He thought the War was unjust. He remained in the army until he was posted in California away from his family. There he began drinking heavily and finally resigned in 1854. He tried farming in Missouri, then selling real estate in St. Louis, and ended up in his father's Illinois tanning business in 1860.

When the Civil War came he organized volunteer regiments for Illinois. He fought guerrillas in Missouri and was appointed brigadier general in August 1861. At Ft. Donolson he earned his nickname, "Unconditional Surrender" Grant. He earned the command of all the Union armies after his victory at Vicksburg. At Appomattox he earned the fame that gave him the presidency. He nearly became the first three-term president in 1880. After he retired, he went bankrupt as a broker. He wrote his memoirs to support his family and died just days after their completion.

Grant was very close to his family and found great happiness with his wife and four children. Julia was famous as a delightful White House hostess.

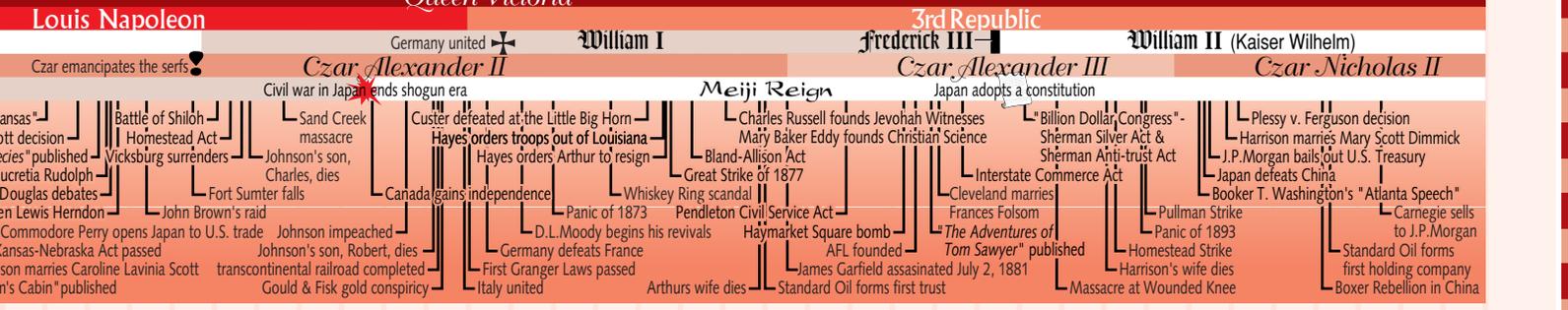
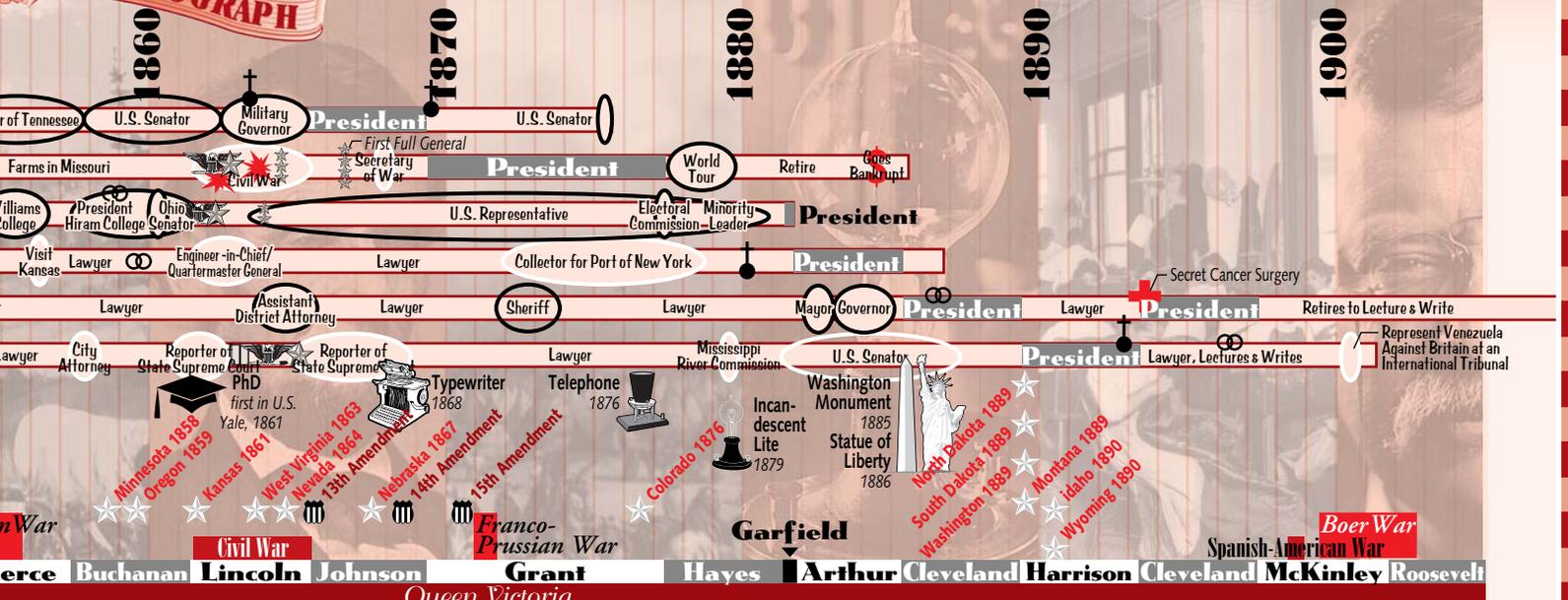
James A. Garfield 1831-1881

James Abram Garfield was born in a log cabin on November 19, 1831, the youngest of Abram and Eliza Garfield's five children. He was raised in poverty. At 17 he tried working canalboats, returned home ill, then decided to get an education. He graduated in 1856 from Hiram College, a Disciples of Christ school, and was a teacher and principal there in 1858. He also preached and performed weddings and funerals. He was an active believer and follower of the Disciple's doctrines. During this time he took up the cause of emancipation. He married a former classmate, Lucretia Rudolph in 1858.

During the Civil War he fought from Shiloh to Chickamauga. He rose in rank to major general. He excelled at tactics, strategy and leadership. He resigned to serve in the House of Representatives where he stayed until his presidency. He started as a Radical Republican, but came to believe that only education, economic success and time would change the South. His leadership established the Dept. of Education. He served on the Electoral Commission of 1877 and was a liaison for Hayes to Congress. His popularity and leadership abilities in Congress and the Republican Party led to his nomination at the Republican Convention of 1880 on the 36th ballot.

He was assassinated only four months after taking office. His murderer, Charles Guiteau, had pestered Garfield to be appointed U.S. counsel for Paris, France. Garfield died 80 days later.

CHRONOGRAPH



Chester A. Arthur 1829-1886

Chester Alan Arthur was born to William and Malvina Arthur on October 5, 1829 at North Fairfield, Vermont. His father was a Baptist minister who moved often. Arthur graduated Phi Beta Kappa from Union College in 1848. He was the principal at Cohoes, N.Y. while studying law. He became engaged to Ellen Lewis Herndon in 1856. He left to set up a law practice in Kansas, but soon returned and formed his own firm in New York City. There he joined the Republican Party. He and Ellen were married in 1859.

Arthur received his political training under the New York boss Thurlow Weed. Arthur was appointed state engineer-in-chief in 1861. During the Civil War he proved himself an especially able organizer by supplying 300,000 militiamen. The Democratic governor replaced him in 1863, but Roscoe Conkling had him appointed head of the New York Customs House. Hayes removed him in 1878. When Arthur was nominated for vice-president Conkling told him to turn it down, but Arthur declared he would accept.

After Garfield died, Arthur proved his administrative competency again. He appointed capable men to federal office, although all were from Conkling's machine. He was a political moderate whose vetoes were mostly overridden.

He enjoyed a happy marriage and three children. He and his wife loved the social life of New York society and he was a likeable host. Historians have voted Arthur to be the best dressed president.

Grover Cleveland 1837-1908

Stephen Grover Cleveland was born in Caldwell, New Jersey on March 18, 1837. He was the fifth of nine children born to Richard and Anne Cleveland. His father was a Presbyterian minister who trained his children in family worship and Bible passages and values. Grover apprenticed to a general store at 14. After his father's death in 1853, he tried teaching to help out his family but wanted to go West.

Instead an uncle in Buffalo, N.Y. found him a place as a law clerk. Grover became a lawyer and a Democratic ward worker. During the Civil War, he and his brothers agreed that Grover would stay home to support the family while the others joined the army. He served as sheriff from 1871 to 1873. His success in eliminating fraud in jailhouse contracts led to a call to run for mayor in 1881. He won easily and ran the city honestly and economically. That led to the governorship the next year. He earned the nickname, "Grover the Good," and the Democratic presidential nomination in 1884.

Historians consider him the strongest president between Lincoln and Roosevelt. This is based more on his character, it seems, than his accomplishments. He was not politically original, but was strong-willed, impartial, conservative and absolutely honest.

Cleveland was the second bachelor president elected, but the first to be married at the White House. He married Frances Folsom, his 21 year old ward who was the daughter of his deceased law partner. They had five children.

Benjamin Harrison 1833-1901

Benjamin Harrison was president 100 years after Washington. He was also the grandson of William Henry Harrison. He was born to John and Elizabeth Harrison at North Bend, Ohio on August 20, 1833. He was raised on the family estate in a strong Presbyterian family. He attended Miami University where he courted Caroline Scott. Harrison graduated with first honors in 1852, chose law over ministry and married Caroline in 1853. In 1856 he set up his law practice in Indianapolis. He campaigned for the new Republican Party against his father's advice.

During the Civil War he rose in rank to brigadier general for his courage and leadership in battle. After the War he worked in the state party leadership in Indiana. He made senator in 1881. He worked for reform, civil rights, regulation, tariff protection and veteran pensions. He was a good extemporaneous speaker. His presidential campaign in 1888 was the first "front-porch" style campaign in which he gave speeches to visiting groups at his home. He lost the popular vote, but won the presidency. His administration was labeled the "Legal Deal." He was actively involved in both domestic and foreign problems during his term.

The White House was full of his children's families during his term. When his wife died during the 1892 campaign, Cleveland stopped campaigning out of respect. He married Mary Scott Dimmick in 1896. She was his first wife's niece and 24 years younger than he. A daughter was born to them.

E Pluribus “Union”

Employees were just another resource to be managed. After all, the worker had freely agreed to work for a given wage. He was completely responsible for his own welfare. The average worker put in twelve to fourteen hour a day, six and seven days a week with no vacations, and earned barely enough to live on for the year. Each year more and more immigrants poured into the work force. They would work the same jobs as well and for less. The businessman's property was recognized and protected under law. The workers well-being and his labor were not.

Just like the farmer, the laborer also organized. By 1865 he could join a local trade union of workers with the same skills. Or he could join a trade assembly made up of several trade unions in one city. Or he could join a European style union that was mainly political and social-ist, even anarchistic.

Socialism thrived in class-based Europe. The socialist believed capitalism had to be done away with to return ownership to the workers. The American worker still had faith in the American system of capitalism. He wanted to improve his condition rather than do away with the capitalist system.

★★★★★ (a.k.a. Knights)

Both trade unions and assemblies arose with the first factories in the 1830s. In 1850 the typographers had organized as a national trade union. By 1865 there were over 30 national unions. The trade unions worked for wage increases, reduced work hours and limitations on child, women and contract labor (done mostly by immigrants). The unions chose the strike as the best, sometimes the only, weapon to achieve better wages and conditions. But it took decades to win anything from the corporations.

Trade assemblies preferred legislative or political gains over specific economic gains. Their leaders did not like using strikes. They called for an 8-hour day, co-op stores, inflationary money policies and homesteading land. The last plank makes sense in that if land was available to everyone, a factory worker would not *have* to work for someone else.

An early leader among trade assemblies was formed in 1869. It called itself the Noble and Holy Order of Knights of Labor. By 1885 it had forced Jay Gould's railroad to negotiate. Membership soared. But then an event occurred that devastated the Knights and blackened the eye of all labor organizations.

The Haymarket Bomb

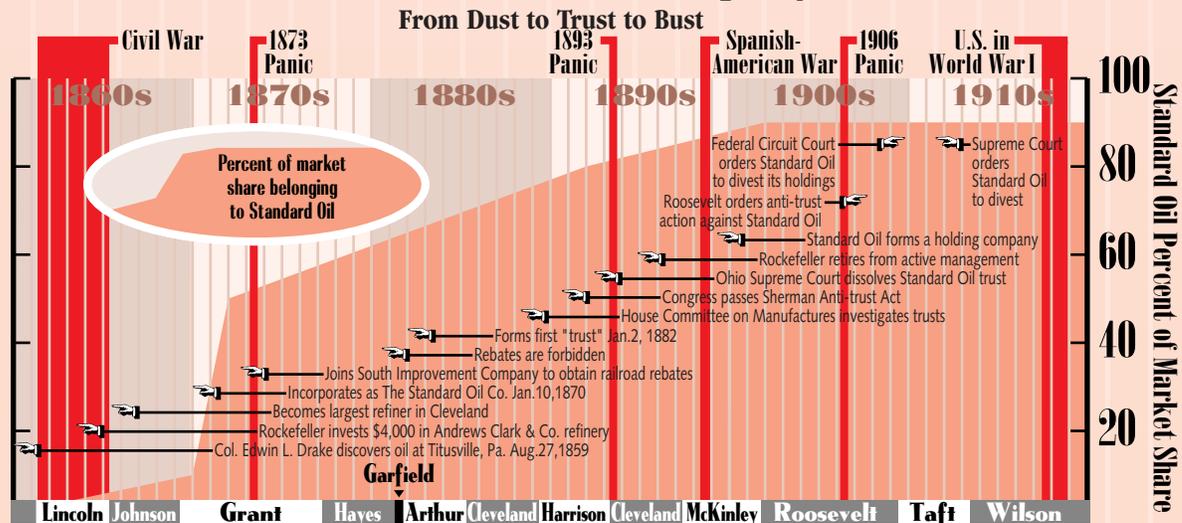
A wildcat strike against the McCormick Reaper company ended in failure with ten strikers killed in April 1886. Anarchists then called a demonstration in Chicago's Haymarket Square. The meeting was all talk until the police arrived and a bomb exploded in their midst. Eight workers were arrested and tried. Six were sentenced to die. One was an anarchist. Another claimed to be a member of the Knights. The Knights disavowed any connection, but they began a permanent decline.

In December a new trade union formed, the American Federation of Labor, known today as the AFL-CIO. It was run by Samuel Gompers until his death in 1924. He had no political agenda – he only wanted improved wages and working conditions. This was just barely acceptable to the rest of American public.

1892 was a year of strikes—over 1300 of them. The first broke out at Andrew Carnegie's Homestead steelworks near Pittsburgh. Ten lives were lost and millions of dollars of damage was done.

Grover Cleveland was re-elected in 1893. Shortly after his inauguration another financial panic broke out, the worst yet. The bill for the “Billion Dollar Congress” had come due.

The Standard Oil Company



The Standard Oil Company well illustrates how business industrialized. Oil had only been discovered in 1859 in Pennsylvania. Hundreds of oil derricks were rapidly built by dozens of companies.

In 1863 John D. Rockefeller invested \$4000 with two other partners to start an oil refining company in Cleveland, Ohio. He quickly saw the potential in the startup industry, but because it was so cheap to start a refinery, the market was crowded with competitors trying to undercut each other and making it impossible to earn a profit. He decided he could only bring growth and profitability to the industry by controlling it and forcing order upon it, his order.

His efficient management gave him the lowest cost of production and the cash to buy out his competitors. He bought out 21 of the 26 refineries in Cleveland in 1872. He then used his large volume and regular shipments to arrange special rates with the railroads through an industry pool called the South Improvement Company.

He bought refining, storage, sales and shipping companies to lower his costs. He arranged to control oil companies in other states through exchanging stock with the major owners of those companies. He soon needed a new way to better manage them. State laws did not permit corporations to own other corporations or do business in other states.

In 1880 his lawyers came up with a new business organization, the “trust.” It was quickly copied, but declared illegal by the Ohio Supreme Court. Then New Jersey changed its laws to allow one corporation to own another. Standard Oil made its New Jersey company into a “holding company.” It now held majority stock ownership in all the other Standard Oil state companies.

Theodore Roosevelt ordered the Interstate Commerce Commission to break it up in 1907 using the Sherman Anti-trust Act. In 1911 the Supreme Court finally ordered Standard Oil to be dissolved into 38 individual companies. Although it never had a true monopoly, it was able to control an entire industry.

Bills Are Always Depressing

The U.S. treasury had been drained to near default by the Silver Act. The high tariffs under the McKinley Tariff Act caused exports to dry up. Then a railroad went bankrupt. Soon 2½ million workers were unemployed. Businesses cut wages. A strike broke out at the Pullman works in Chicago. Then the railroad workers union refused to work any trains with Pullman cars. The strike spread across the nation. Cleveland sent in troops to break up the strikes before troops were requested by the state governors. This set a new federal precedent.

The depression lasted Cleveland's entire term. His anti-paternalism prevented him from doing anything to help the economy other than maintaining a strong gold-based currency. He left office rejected by all.

End of the Indian

June 1877 Hayes was faced with war with the Nez Perce Indians under Chief Joseph. The tribe had pledged perpetual peace to Lewis and Clark in 1806. But in 1863 they were forced off their land after gold had been discovered there. Revenge killings by the Nez Perce led to the army giving chase. After six months Chief Joseph was forced to surrender.

Indians-Circle 'em with Wagons!

The last of the Indian wars began in 1864 when 500 men, women and children were killed in the Sand Creek Massacre in Colorado. The Sioux, Arapaho and Cheyenne joined to attack settlers from Wyoming to Colorado. In 1868 the army was finally able to disperse the tribes and send the Cheyenne to a reservation in Oklahoma Territory.

Warfare erupted again after a gold rush began in the Black Hills, sacred to the three tribes. In 1876 Gen. George Custer and 235 troopers were killed when they attacked the combined tribes under Sitting Bull, Crazy Horse and Gall along the Little Big Horn River. Sitting Bull escaped into Canada only to surrender in 1881. Crazy Horse surrendered in 1882. Geronimo's capture in 1886 marked the end of fighting.

In 1886 Congress passed the Dawes Act which abolished official recognition of all tribes. It gave each Indian 160 acres and some seed and tools to become farmers. They had land, but no legal identity, no vote and no citizenship.

The last army action occurred at Wounded Knee Creek, South Dakota in December 1890—just two weeks after Sitting Bull's death. While escorting them to a military prison the army killed 200 Indian men, women and children.

How Did the Trust Work?

It's Easy if You Know the Combination

There are competitive advantages to large business combinations. The Standard Oil Company joined a pool with other oil refiners to bargain with the railroads for better shipping rates. It also bought out its competitors, in a process called fusion.

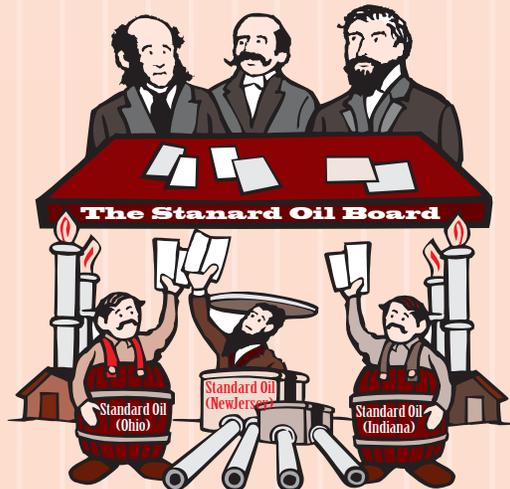
But there was a limit. State laws did not allow corporations to own all or part of another corporation nor to do business outside of that state. Standard Oil got around this by having its stockholders exchange their stock with another company's majority stockholders.

But managing everyone was difficult. So Standard Oil created a trust to consolidate all its affiliate companies. All companies in each state would be combined into one company, and then all the state companies would entrust their stock to one board of trustees who would then manage all the companies for their common good. They were still separately owned, but now had a single board of directors.

It worked so well that their power upset the public. The Ohio Supreme Court broke up the Standard Oil trust in 1892. New Jersey changed its laws to permit corporations to own out-of-state companies in order to attract business to the state. So in 1899 Standard Oil of New Jersey bought a majority interest in all the other Standard Oil companies in other

states. This was called a holding company. The parent company could own other companies without needing to buy them out. It also gave full management control through ownership instead of a revocable trusteeship.

This too attracted public fear and in 1911 the U.S. Supreme Court broke up Standard Oil into 38 separate companies.



The Grand Ol' Party

The year 1893 saw the deaths of Admiral Porter and Rutherford Hayes. Gen. Sherman had died in 1891 and Jefferson Davis in 1888. The nation was witnessing the passing of the Civil War generation.

In 1893 the scholar Frederick Jackson declared that the Frontier was ended. No longer could one draw a line on a map between the settled and unsettled areas. The Old West lived on only in Buffalo Bill's Wild West Show, and even that ended when it went broke in 1911.

The man who returned to the presidency in 1893 was the last of the Jeffersonian presidents. Cleveland believed in the limited power of the office. His strong vetoes were saying "Congress may *not* do such and such" instead of saying, "This is what the people want you to do."

By 1893 the party of Lincoln had provided seven of the last eight presidents. It was identified with the Union, Lincoln, emancipation, civil rights, business expansion, a modern steel navy, and an economy that could outproduce Great Britain. And it was old enough to have a nickname . . . "the Grand Ol' Party."

The Civil War was only a childhood memory to the new generation of party members. They had grown up with industrialization and saw a better world because of it. They were ready to take the reins of government and business. The election of 1896 was awaiting them, and beyond that . . . the world!

What's Next?

1901

PROGRESSIVES

&

ISOLATIONISTS

Remember the Maine!

The New Freedom

The Square Deal

The Great War

Muckrakers

Roaring 20s

&

The Fed



JOHN D. ROCKEFELLER – 1839-1937

oil executive



Rockefeller became one of the richest men in the world by his business genius. He was hard working, detail oriented, orderly, ethical, frugal, intelligent, aggressive and always the gentleman. He practiced high Christian moral standards. He raised his children to have those principles and to know the value of a dollar earned. He took to heart his mother's saying, "Willful waste makes woeful want," and controlled an entire industry by it. It drove him to control the oil industry in order to bring order and profit out of the wildcat chaos that unrestricted competition produced. In a cut-throat startup industry, his skills at improving efficiency and finding savings gave him the profit margin to buy out his competitors. He believed his wealth was a stewardship from God and not a result of his own effort. From his very first paycheck he tithed to his church and donated to worthy causes. As his donations grew, he organized a philanthropic organization to decide which worthy causes should benefit from his wealth. He did not defend his actions, but left it to history to recognize the good he believed he did for his industry and his fellow man.

ANDREW CARNEGIE – 1835-1919

steel maker



Carnegie had two goals: spend half his life earning as much money as he could, and the other half giving it away. He came to the U.S. from Scotland in 1848. His first break came when he found work as a railroad telegraph boy. He rose to division supervisor, invested in a railroad bridge company, partnered with George Pullman. He put everything into a steel making plant using the then new Bessemer process. He bought coke works and other key suppliers until he owned every step of the steel making process – from ore mines to ships and railroads to coke mines that fueled his furnaces, until the steel left his mills. He sold his entire business in 1901 to J. P. Morgan who then formed out of it the monopoly, U.S. Steel Corporation. Carnegie retired to give away 90% of his fortune and to proclaim the wonders of capitalism. He is renowned especially for the hundreds of community libraries he helped found.

J. P. MORGAN – 1837-1913

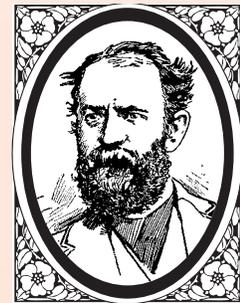
corporate financier



Morgan commanded a financial empire that could buy the United States government. He learned his trade in his father's banking firm. He built his first fortune in gold speculation with inside information from his government job during the Civil War. Later he arranged "combinations" of railroads and other industries. By 1901 he controlled most of the major railroads. He rounded up investors to buy a bond issue for President Cleveland in 1895 that prevented the U.S. Treasury from defaulting. He bought out Carnegie's steel business and other holdings to form the U.S. Steel Corporation which controlled over 90% of the steel industry. He made a deal with President Roosevelt in 1907 to bail out of the U.S. Treasury in exchange for exempting his U.S. Steel from trust-busting lawsuits. He was famous as an art collector and a philanthropist to higher education, churches and hospitals.

JAY GOULD – 1836-1892

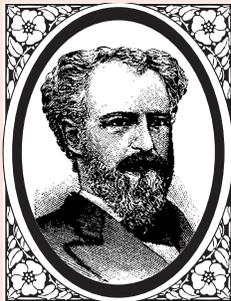
railroad speculator



He represents the worst abuses in post-Civil War capitalism. His ethic was based on profit with no thought of any good to society. He started out buying railroad stocks. During the Civil War he used inside information to profit from the inflation caused by "greenbacks." He became a stockbroker and through stock manipulation gained control of the Erie Railroad. In 1869 he pocketed \$11 million in his attempt to corner the gold market. He said, "I don't build railroads, I buy them," which meant he gutted railroads to squeeze out profits instead of building a business. He would buy a line, collect all the profit and income, quickly sell it, then buy up his competitor, force a merger and do it all again. He managed to earn \$77 million that way. He lost control of the Erie when he tried to sell worthless stock in it. He later controlled half the railroad mileage in the southwest U.S.

ROSCOE CONKLING – 1829-1888

political boss



Conkling was a lawyer and politician who expertly practiced the spoils system. He was a tall, handsome man who could not be bribed and who hated anyone who opposed him. He began as a Utica, New York district attorney. He joined the Republican party in 1856 and served as a U.S. representative during the Civil War and as a senator from 1868 until 1881. He led the New York Republican Party and demanded control of all appointments to federal jobs in his state. Such patronage strengthened and rewarded party loyalty. Because there were no laws against patronage, it was not considered illegal or even immoral. But bribery and fraud which often went with it were. He led the "stalwart" faction in the party which opposed any reform that threatened patronage. In 1881 Conkling resigned his seat and returned to his law practice when President Garfield didn't consult him about an appointment.

SAMUEL GOMPERS – 1850-1924

labor leader



Gompers emigrated to New York City from England in 1863. He worked as an apprentice cigar maker. He became involved in labor unions and helped found a cigar makers local in 1874. He later helped found the Federation of Organized Trades and Labor Unions which tried to influence legislation that would help workers. He next led efforts to found a national federation of labor unions, the American Federation of Labor, in 1886. As its president he emphasized cooperation with industry rather than strikes to achieve higher wages and shorter hours. He also began the policy of urging union members to vote for labor-friendly political candidates no matter which party they belonged to. He also worked to establish the AFL in Latin America. He was the chairman of the International Labor Legislation Commission at the Versailles Peace Conference in 1919.



THOMAS EDISON - 1847-1931

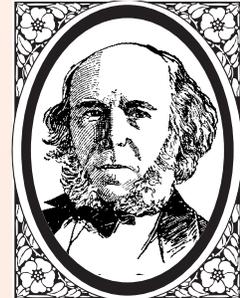
inventor

Edison was a master at creating technologies. He applied rather than discovered scientific principles. He started as a newsboy on a railroad, became a telegrapher and began improving and inventing telegraphy machines. In 1876 he set up the first research park at Menlo Park, N.J. Edison would invent not just a machine but all the pieces that made it useful. For example, to make the light bulb practical he also developed all the parts for a complete electric power distribution system. He ran his laboratory like a business, attracting investors, developing inventions like clockwork and receiving royalties from licensing. The light bulb, phonograph and Edison Effect are the most far-reaching of the over 1000 patents he received. The Edison Effect was the basis for the invention of the electron tube and modern electronics.

HERBERT SPENCER - 1820-1903

philosopher

Spencer began work as a railroad engineer. He then began reading science books and became influenced by the geologist Sir Charles Lyell and the naturalist Jean Baptiste Lamarck and his concept of evolution. He next worked as an assistant editor for London's *Economist*. In 1853 he started writing and trying to tie together all knowledge into one philosophic scientific framework. He was well-read and could easily generalize and summarize interrelationships between the sciences. He is the originator of the concept "*the survival of the fittest*" which applies Darwin's theories to animal behavior (and by analogy to human behavior) to explain the mechanism of species evolution. Its application to mankind gave unintended justification to the economic theory of *laissez faire*. His views were popularized in the U.S. by the American historian John Fiske who also popularized Charles Darwin's writings.



DWIGHT L. MOODY - 1837-1899

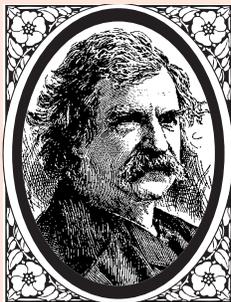
evangelist

Moody became famous for his revival meetings in the last half of the 19th century. He was working as a shoe salesman in Boston when a Sunday school teacher witnessed to him and invited him to the next class. Moody attended and later moved to Chicago where he started a similar Sunday school class that developed into a church. In 1870 he joined with Ira Sankey and began his famous revival meetings which were attended by thousands. Moody preached and Sankey directed the music. These meetings were a huge success. One critic who tried to play down the results ended up acknowledging their impact when he said he wouldn't believe Moody's preaching because only 85% of those who came forward to profess faith in Christ were still attending church two and three years later. Those were better statistics than today's leading evangelist Billy Graham.

WILLIAM F. "BUFFALO BILL" CODY - 1846-1917

frontier scout & showman

Cody was a Pony Express rider at the age of 14. He next became a scout for the government and in 1863 enlisted in the Seventh Kansas Cavalry to fight Indians. After the war he supplied the railroad with buffalo meat, killing 4,280 buffalo in 17 months. He earned his nickname with that exploit. He next became an army scout. He was elected to the Nebraska legislature in 1872 and then served with the Fifth U.S. Cavalry fighting the Sioux in 1876. His second great exploit was killing Chief Yellow Hair in hand to hand combat. Ned Buntline featured him in a play (Cody played himself) and in a series of mostly fictional dime novels. The fame from the novels propelled him to create his own Wild West Show which ran from 1883 to 1911. The show starred such legends as Chief Sitting Bull and Annie Oakley. It was immensely popular in Europe. He retired to his home in Wyoming and wrote books on frontier life.



SAMUEL "MARK TWAIN" CLEMENS - 1835-1910

author

Clemens was the first American author who gained worldwide fame using a uniquely American style, dialogue and storyline. His pen name, Mark Twain, comes from his riverboat days. The words meant "two fathoms deep" or "all clear." He began as a printer's apprentice. He worked as a reporter, then became a riverboat captain until the Civil War. He briefly joined the Confederate army before moving to Nevada where he wrote his first famous short story. He settled in San Francisco by 1865 and toured the U.S. giving humorous lectures while he wrote novels. He married in 1870 and moved to Connecticut where he wrote his most famous works. His style began as humorous, moved into satirical and ended bitterly pessimistic. He hated oppression and showed a strong streak of social protest in his works. He held up as an ideal the egalitarian spirit of the West.

SITTING BULL - 1831?-1890

Indian leader

Sitting Bull received his name, "Tatanka Yotanka," at age fourteen after scalping an enemy. He became a medicine man of the Hunkpapa Lakota (Sioux) and was party to a treaty in 1868 that gave the tribe a reservation north of the North Platte River. When the treaty was violated he led about 4,000 Sioux to war. He became notorious for defeating Gen. George Custer and most of his command on June 25, 1876 when Custer tried to attack the Sioux camp without reinforcements. It was Chief Crazy Horse and Chief Gall who actually led the Indians into battle against Custer. Sitting Bull eluded the army and escaped into Canada. He returned to the reservation on a promise of amnesty in 1881. He convinced the Sioux not to sell their land to the whites. He was killed in a riot when the reservation Indian police came to arrest him during the Ghost Dance agitation.



THE PRESIDENTIAL SPIN MASTER

What the Words Really Mean in 25 Words or Less

anarchism

A belief that all forms of political authority are wrong and should be replaced by voluntary cooperation. Violence to overthrow government is considered acceptable.

black codes

State and local laws that restrict Negroes from certain places or jobs or in ownership of certain property. They are sometimes called "Jim Crow" laws.

boss

The leader of a state or local political party who through patronage is able to control job appointments and influence law-making.

capitalism

An economic system emphasizing private ownership of property. Economic decisions are made based on a free market trade environment.

carpetbaggers

White Northerners, mostly politicians but also teachers and social reformers, who went into the South during the Reconstruction governments after the Civil War.

civil service

Government jobs which are filled by employees who are appointed to their jobs instead of elected.

combination

Any form of business grouping in which companies are banded together for a competitive advantage. Three types are pools, trusts and holding companies.

deposition

A testimony taken under oath to be used in a legal case before a court of law.

excise tax

Unlike a tariff, this is a tax on goods used or bought within a country. It can be a sales tax, fee or license.

extemporaneous speaker

A speaker who gives a speech with little or no preparation or notes.

filibuster

A congressional tactic to delay a vote. Representatives will talk for as long as they can or until the majority gives up on a law.

greenbacks

Paper money issued during the Civil War. It was not redeemable in gold or silver. It had monetary value only because Congress said so.

gross national product (GNP)

The market value of all **final** goods produced in one year. It measures the price of bread but not of wheat or flour.

holding company

The company that holds a majority of stock in one or more other companies and directs them for the benefit of the holding company.

impeachment

A constitutional procedure to remove a public officer. The House brings the accusation. The Senate tries the accused. A two-thirds vote removes him from office. (Article 1, Section 3)

Ku Klux Klan

A secret society that reinforced white rule and white supremacy values through threats, violence and murder against Negroes and white sympathizers.

paternalism

A belief that it is the government's duty to look after the needs and general well-being of the citizens.

pool

A guild-like association of companies in one industry who agree to charge certain prices or to operate within certain limitations or standards.

scalawags

White Southerners who held office in the Republican Reconstruction governments. It is a regional word meaning "runt," an animal of little value.

socialism

An economic and political belief that the state should control the means of production and natural resources and distribute goods equally among the citizens.

trust

A legal agreement in which the trustee holds and manages the property of another for that person's benefit.

Underground Railroad

A secret and informally organized group of anti-slavery people who helped slaves escape to freedom. Slaves would travel from hiding place to hiding place.

valedictorian

The student who delivers the farewell speech at a class graduation. It is usually awarded to the student with the highest grades and honors.



The symbol used by the Knights of Labor to identify themselves on publicly posted flyers. It was a secret organization until 1881.

A Brief List of Resources

Event

National History Day

If you REALLY like history, then you REALLY ought to participate in this. Each year students from the 6th to 12th grades compete in district contests. The winners go on to a state contest, and then to the national contest held in June. Each year has a different theme. The students produce research papers, exhibits and skits about that theme. The quality can be quite good so be prepared to do your best. The program starts in September. Interested??? Contact the national organization to learn who organizes it in your state.

National History Day / 0119 Cecil Hall / Univ. of Maryland / College Park, MD 20742 / (301) 314-9739 / email: hstryday@aol.com

URL's

<http://www.inform.umd.edu/NHD>

National History Day home page

<http://xroads.virginia.edu/~HYPER/TURNER/>

The full electronic text of Frederick Jackson Turner's book (referred to on p.11 of this issue), "The Frontier in American History." Not really high school level reading.

<http://www.pbs.org/weta/thewest/>

This website accompanies Ken Burns series on "The West" It has a good amount of historical and biographical material from 1500 to the present.

1877

THE GRAND OL' PARTY

Johnson ★ Grant ★ Hayes ★ Garfield
Arthur ★ Cleveland ★ Harrison

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*"Knowledge is easy to him who has understanding."
- Proverbs 14:6b*

Our goal:

The nature of man has not changed in all of recorded history. So, what someone did four thousand years ago can be a lesson for us today. History is not events separated in time and place from each other. The purpose here is to tell history so that it makes sense for today. The "who, what, where, when" are important. The "how and why" are also necessary. The linking of yesterday to today makes it all meaningful. This publication is a tool to forge that link.

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