

# The Gilded Age



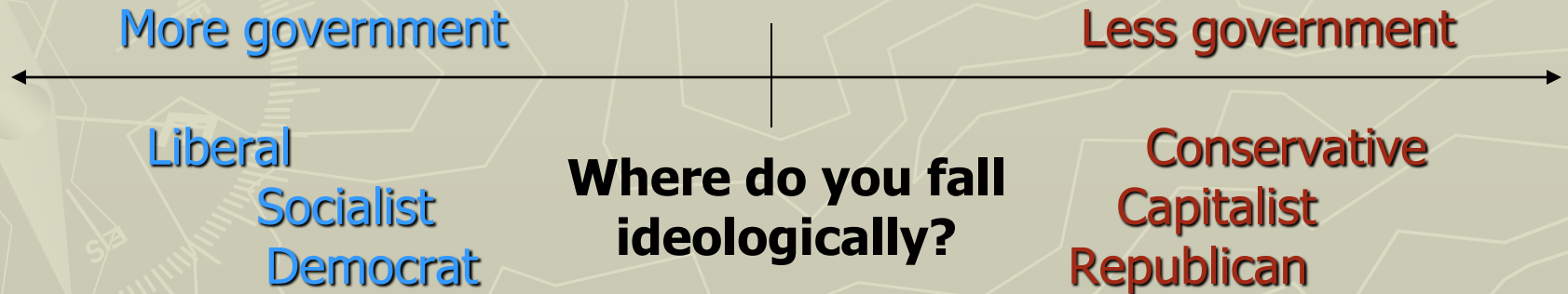
## Balancing Capital and Labor

"What is the chief end of man?--to get rich. In what way?--dishonestly if we can; honestly if we must."

-- Mark Twain 1871

# Socialism v. Capitalism

- ▶ What is the role of government?
- ▶ What role should the central government play in the economic development of the country?
  - ▶ Investment Bank Bailout Plan
- ▶ How could government stop a Great Depression?

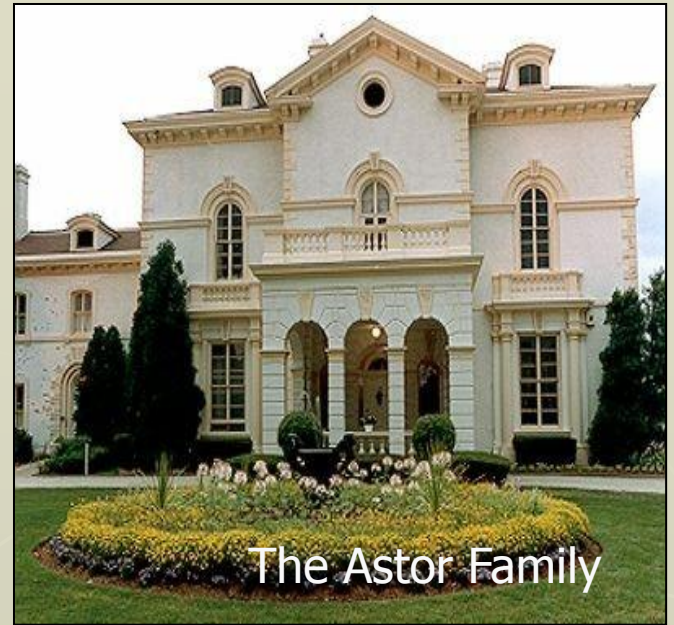




# The Gild



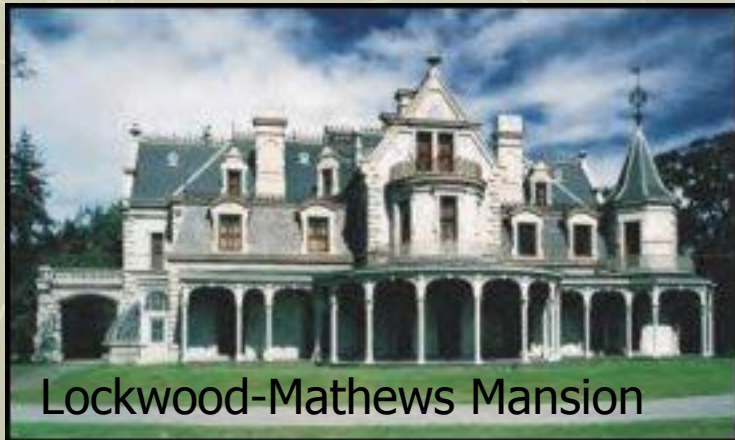
The Boldt Castle



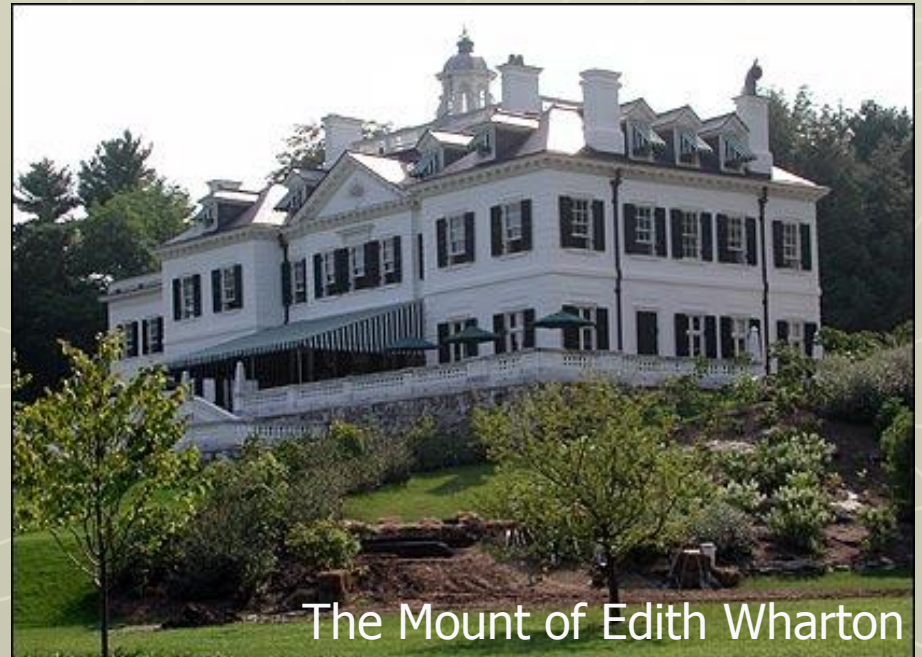
The Astor Family



Breakers of the Vanderbilt Family



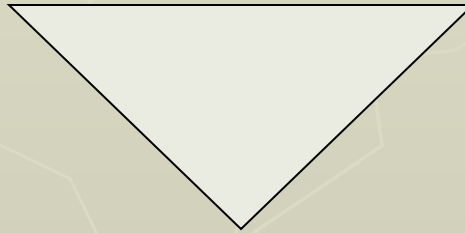
Lockwood-Mathews Mansion



The Mount of Edith Wharton

# Part I: The Gilded Age

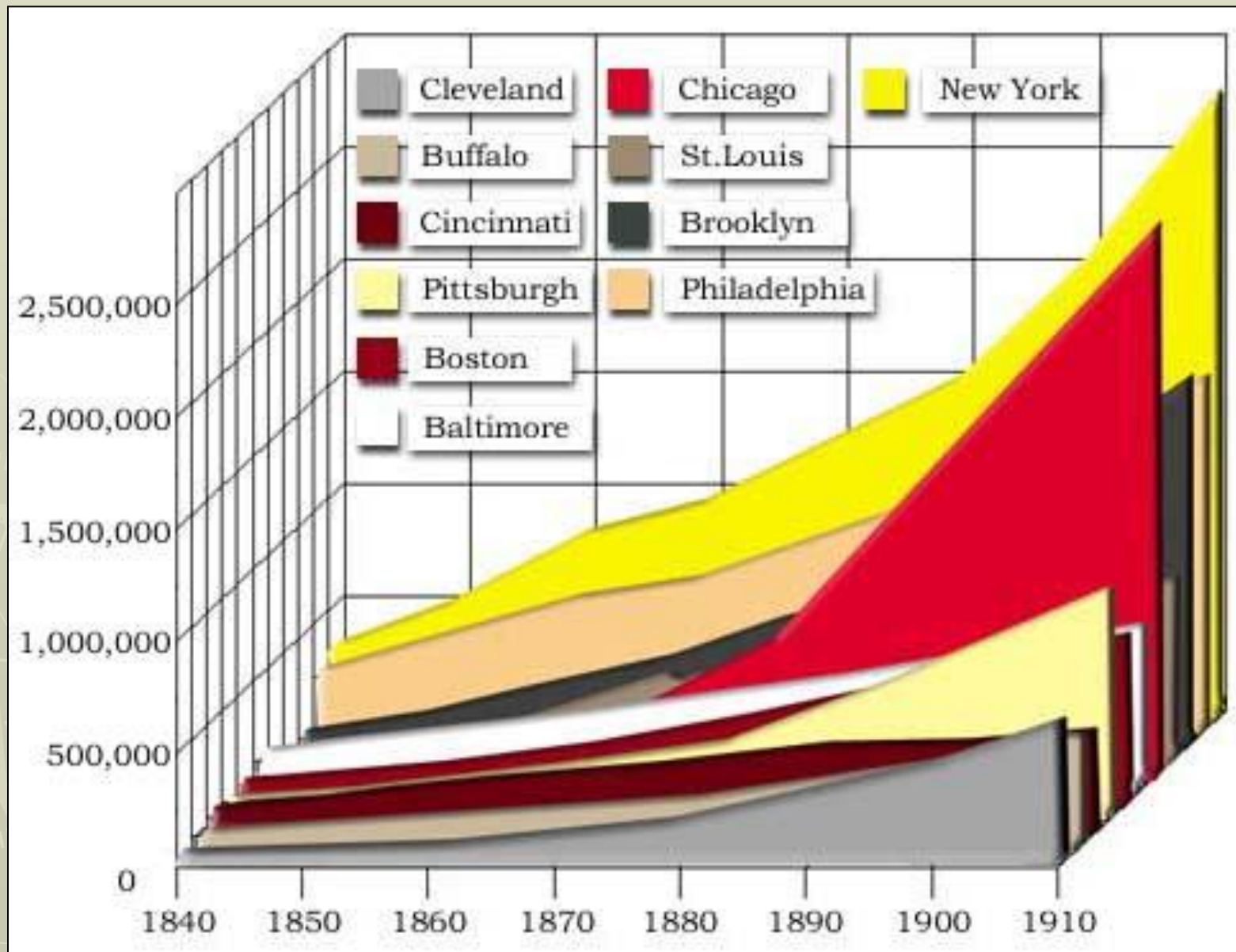
Time of unprecedented economic, industrial, and population expansion from e.1877-1900.



- ▶ Second Industrial Revolution
  - Transcendentalists
- ▶ Capitalism (Big Business and Robber Barons)
- ▶ Urbanization

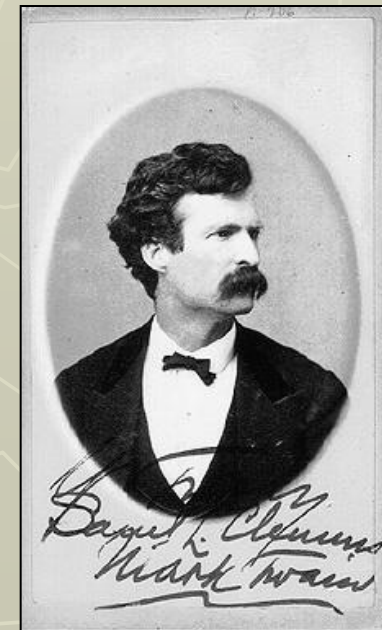
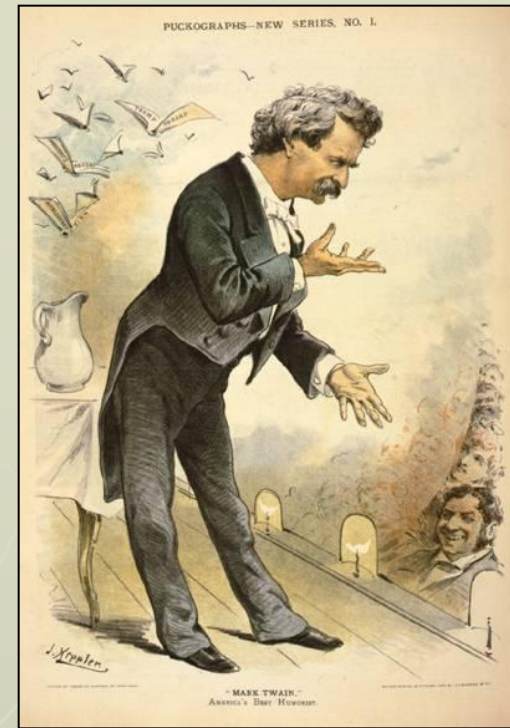


# Urbanization



# Mark Twain

- ▶ The "Gilded Age" was coined by Samuel Clemens in his book of the same name.
- ▶ Explored political and economic corruption in the United States.
- ▶ The central characters were tied together in a government railroad bribery scheme.
- ▶ Depicted an American society that, despite its appearance of promise and prosperity, was riddled with corruption and scandal.



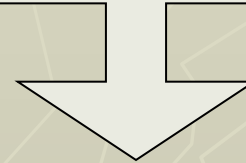
# Second Industrial Revolution 1871-1914

- ▶ Marked by enormous growth and consolidation of wealth and ownership

- Major Industries

- ▶ Railroads
- ▶ Automobile
- ▶ Steel
- ▶ Oil
- ▶ Electricity
- ▶ Communication

Forced competitors out of business by reducing wages thereby guaranteeing price control.



- The Industrialists or Robber Barons

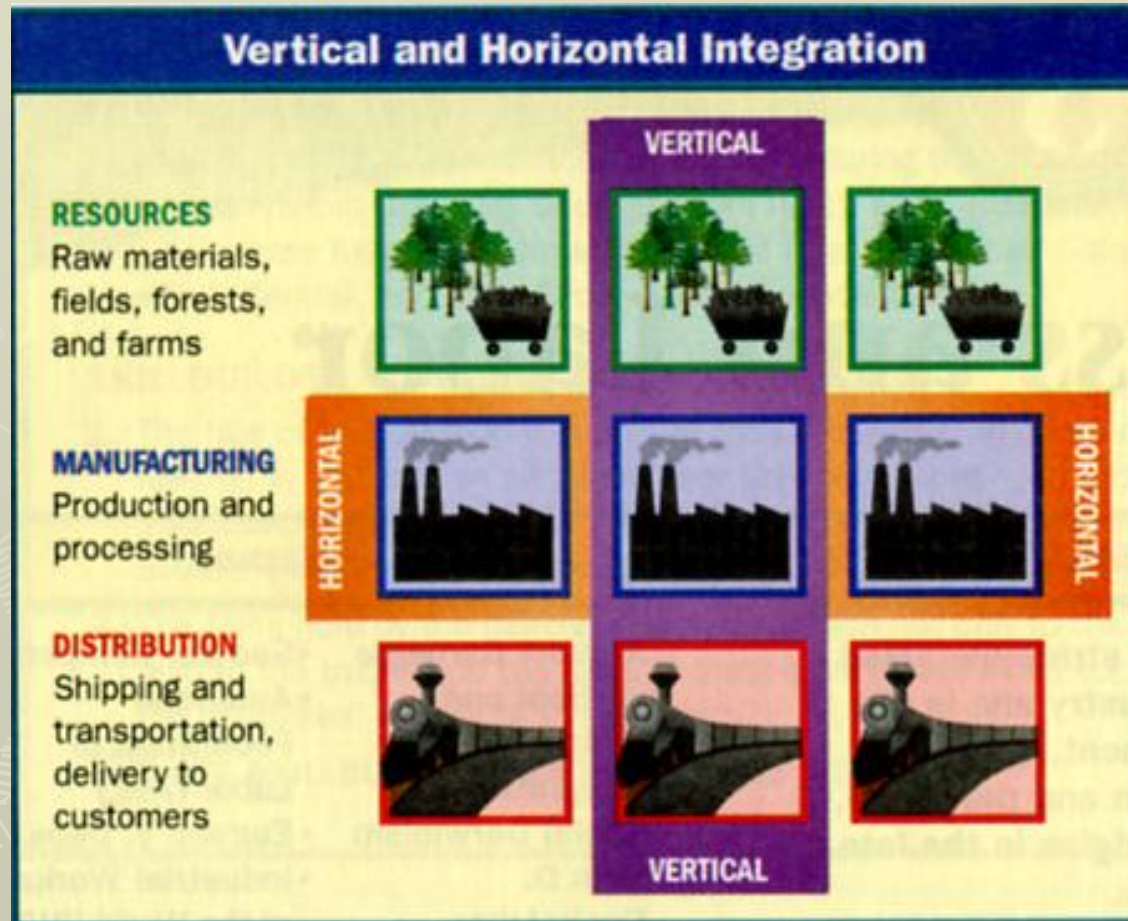
- ▶ William Vanderbilt (Railroads)
- ▶ Jay Gould (Railroads)
- ▶ Andrew Carnegie (Steel)
- ▶ John D. Rockefeller (Oil)
- ▶ Henry Ford (Automobiles)

- Read, "Captains of Industry"



# Vertical and Horizontal Integration

- ▶ As developed by Andrew Carnegie



Why is this a potentially dangerous business practice?

Are there any businesses that do this today?

# Railroad Revolution

1869. MAY 10TH 1869.

**Great Event!**  
RAIL ROAD FROM THE  
**ATLANTIC TO THE PACIFIC**  
**GRAND OPENING**  
OF THE

**UNION  
PACIFIC**  
RAIL-ROAD

Via Omaha and Platte Valley.

**OMAHA**  
ON THE ARRIVAL OF TRAINS FROM THE EAST.

**THROUGH TO SAN FRANCISCO IN LESS THAN FOUR DAYS**  
Avoiding the Dangers of the Sea!

TRAVELERS FOR PLEASURE, HEALTH OR BUSINESS WILL FIND A TRIP OVER THE ROCKY MOUNTAINS HEALTHY & PLEASANT

**LUXURIOUS CARS AND EATING HOUSES ON THE UNION PACIFIC R. R.**  
FULLMAN'S PALACE SLEEPING COACHES run with all THROUGH PASSENGER TRAINS

**GOLD, SILVER & OTHER MINERS**  
CALIFORNIA!

CONNECTIONS MADE AT CHEYENNE FOR  
**DENVER, CENTRAL CITY & SANTA FE.**  
At Ogden & Corinne for **HELENA, VIRGINIA CITY, S. LAKE CITY** and Arizona.

THROUGH TICKETS for sale at all principal Railroad Offices. Be sure that they read **VIA PLATTE VALLEY or OMAHA.**  
COMPANY'S OFFICE TO SA. SALLS ST. OPPOSITE CITY HALL AND NORTH SIDE SQUARE, CHICAGO. CHARLES E. FURBER, TICKET AGT.

A. H. COOKE, JOHN P. HART, J. BUDD, W. SNYDER,

- ▶ Helped the creation of new towns through federal land grants.
- ▶ Created new markets.
- ▶ Fueled other industries.

## *Questions:*

- ▶ Why was a transcontinental railroad important to the development of the United States?
- ▶ What role did the government play in its development?
- ▶ Why might the government have encouraged monopoly of the rails?

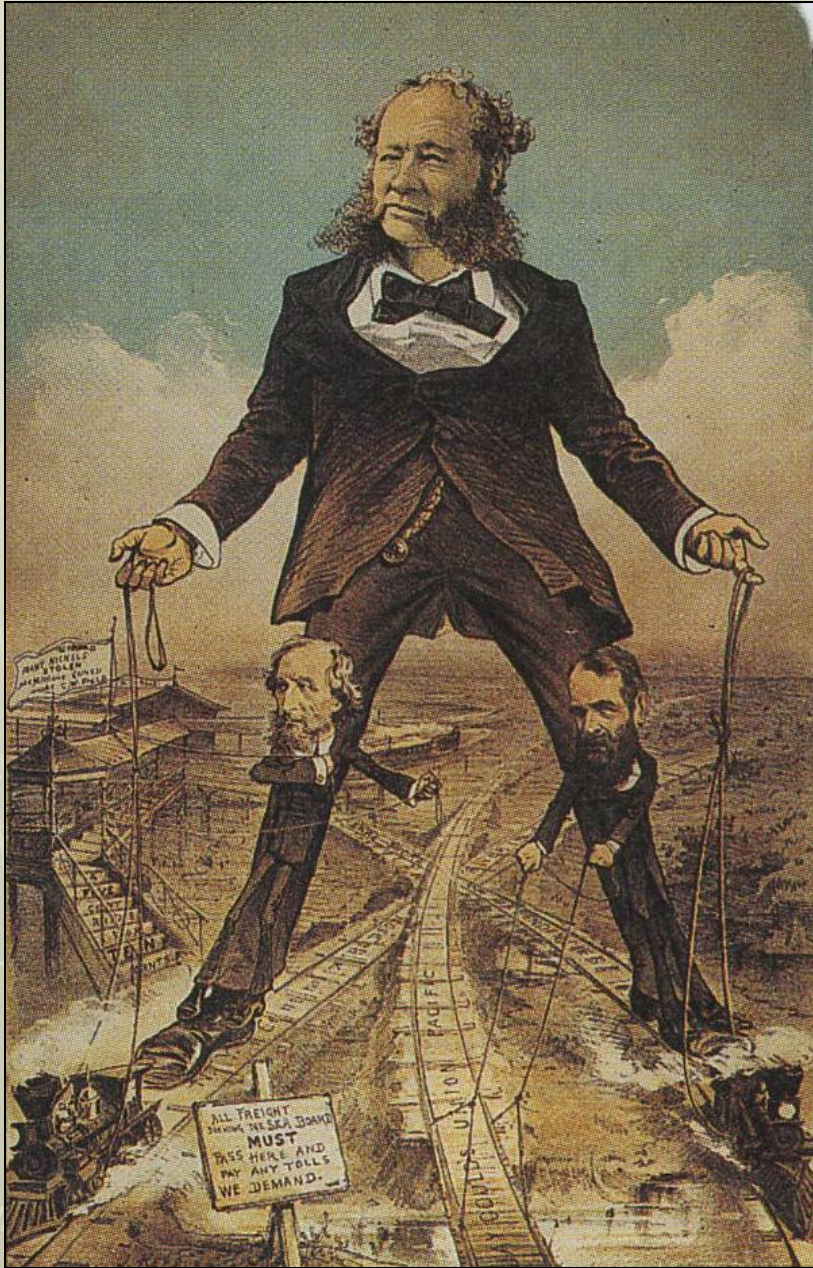


# Railroad Consolidation

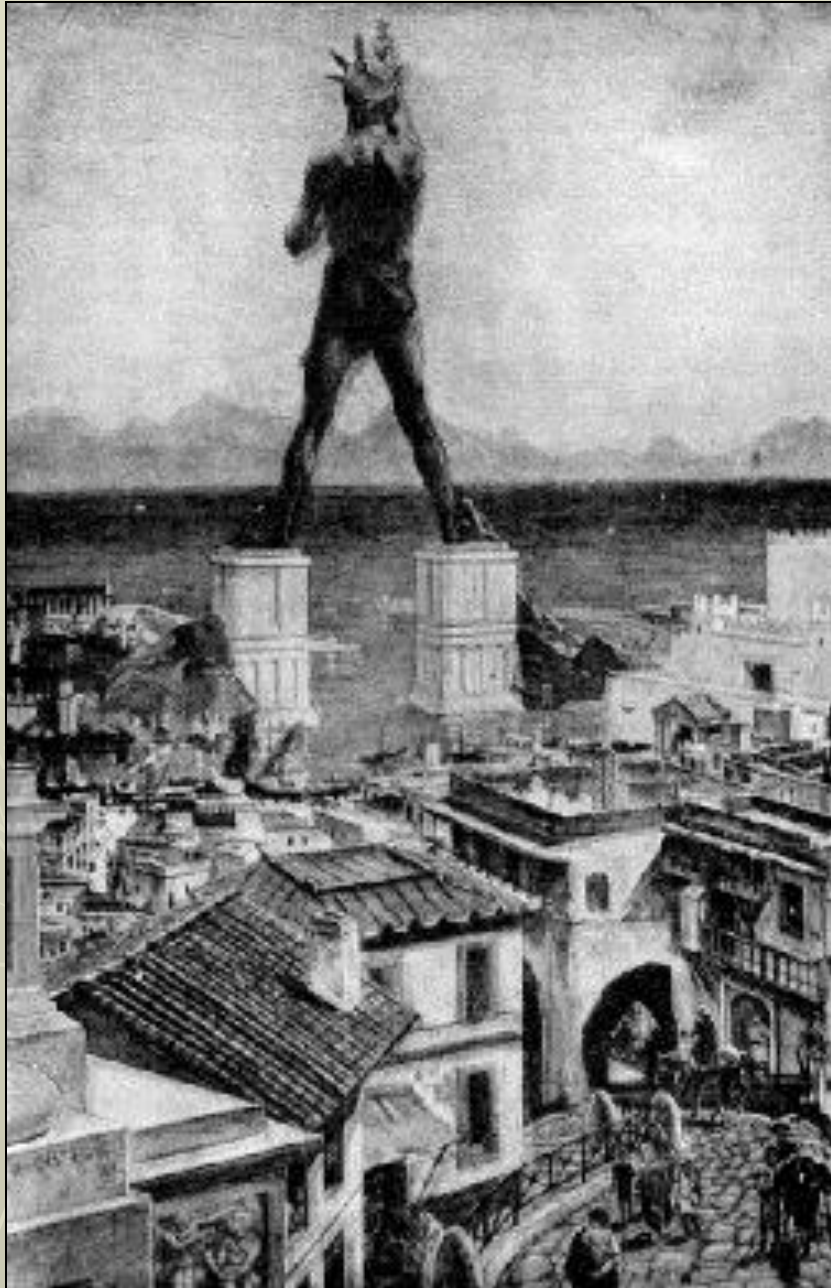
## “The Modern Colossus of (Rail) Roads”

Joseph Keppler drew this cartoon in 1879, featuring the railroad “giants” William Vanderbilt (top), Jay Gould (right) and Cyrus W. Fields (left). The three magnates formed a railroad trust out of their Union Pacific, New York Central, and Lake Shore & Dependence Lines.

1. First of all, what is a trust?
2. What is the symbolism and message?
3. What historical comparison is being made in this illustration?







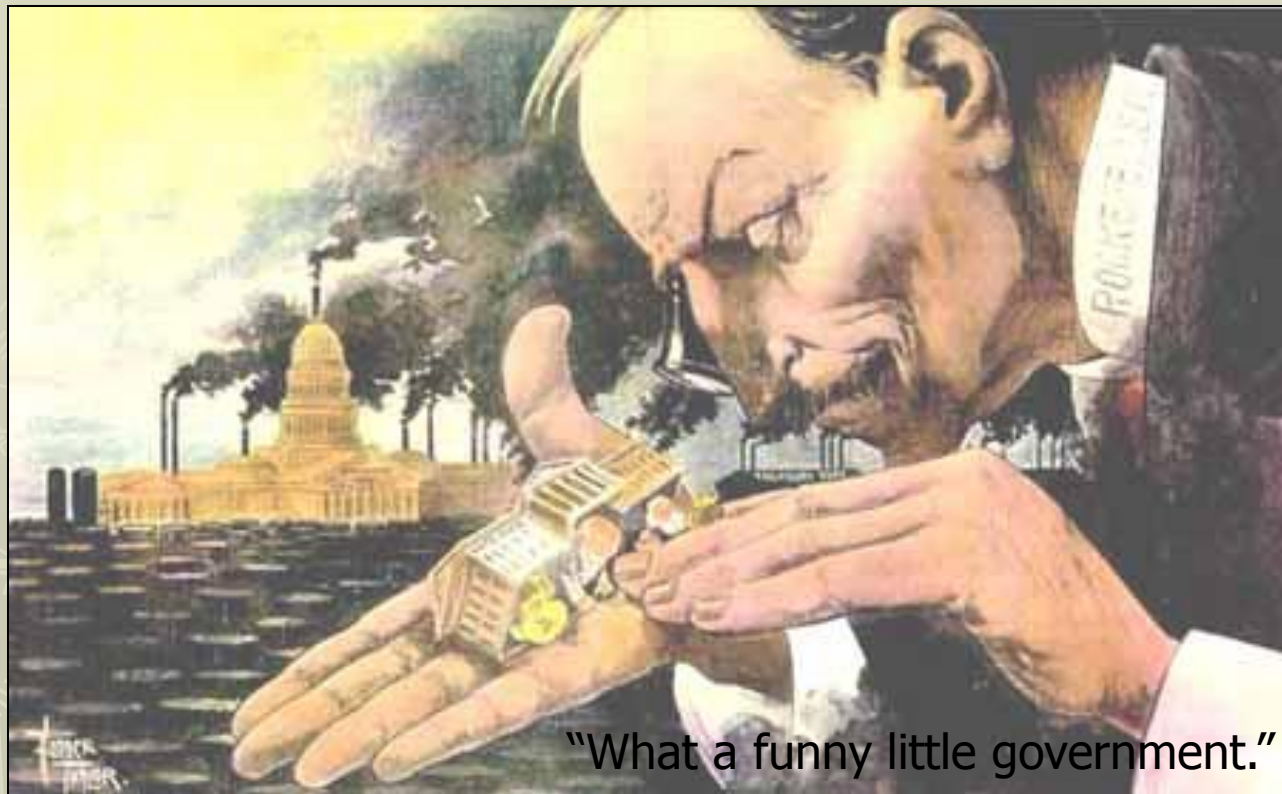
# The Colossus of Rhodes

The statue was a colossus of the Greek god Helios, erected on the Greek island of Rhodes between 292 and 280 BC. It is considered one of the Seven Wonders of the Ancient World.

Before its destruction, the Colossus of Rhodes stood over 30 meters (107 ft) high, making it the tallest statue of the ancient world.

# John D. Rockefeller

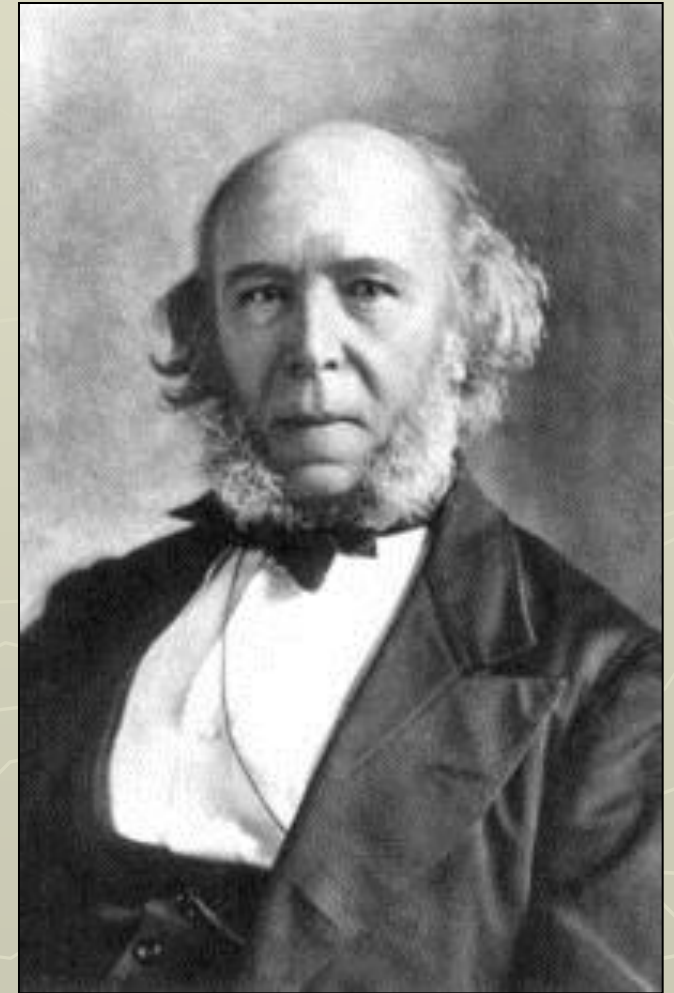
- ▶ Monopolized oil industry – by 1880 owned 90% of market the refining industry.
- ▶ Profited from Trust Agreements



- ▶ What is the message of this cartoon?

# Social Darwinism

- ▶ 4,000 Americans became millionaires during the Gilded Age.
- ▶ Used Darwin's Theory of Natural Selection to explain the economic evolution of human society.
- ▶ Wealth was the result of strong work ethic.
- ▶ The poor are lazy and inferior and deserved no aid.
- ▶ Supported laissez-faire.
- ▶ Read, "Survival of the Fittest"



Herbert Spencer



# Robber Barons or Philanthropists?

Read,  
“Responsibilities of the Rich”  
and  
“From Rags to Riches”



# A Revolution of Other Sorts

## ▶ Industrial Supremacy

▶ How did the Industrial Revolution and the resulting urbanization impact the living and working conditions of Americans?

- ▶ Jobs=immigrant influx=labor supply increases=productivity increases=capital investment increases=laissez-faire government contributes=business grows and perpetuates cycle by creating more jobs...
- ▶ Jobs=immigrant influx=housing crunch in cities=tenements

# Part II: The Exploitation of Labor

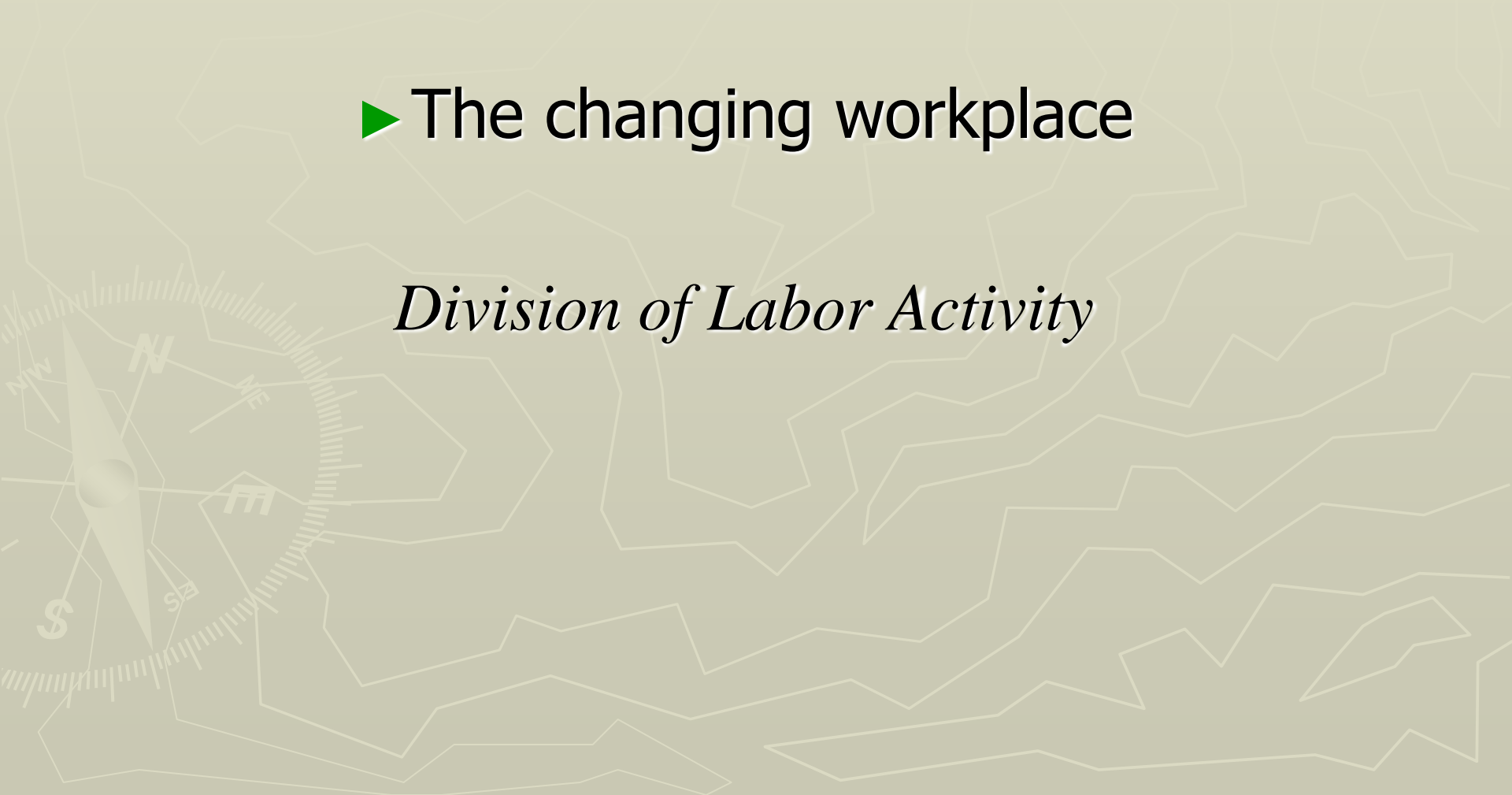




# Impact of Industrial Revolution

## ► The changing workplace

*Division of Labor Activity*



# Jacob Riis and Lewis Hine



## *How the Other Half Lives*

Read Excerpt, "Chapter 1: Genesis of the Tenement"

# Children in the Workplace

► [See worksheet](#)





# The American Sweatshop

► Read handout



# Labor's Answer to Capital

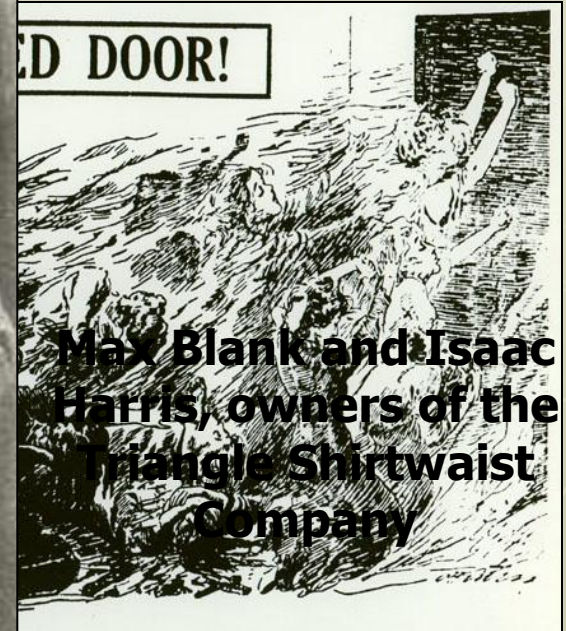
- ▶ Cooper Union Meeting
  - Discussion Questions



# The Triangle Shirtwaist Factory

► How did

the workplace?



Max Blank and Isaac Harris, owners of the Triangle Shirtwaist Company

The Owners were indicted on April 11th in the death of Margaret Schwartz, a worker in the factory. The trial began 8 months later only to finish in 18 days. On December 27th factory owners were acquitted of responsibility. Three years later 23 individual suits were settled at a rate of \$75 per death.



# Become a Photojournalist

► See worksheet



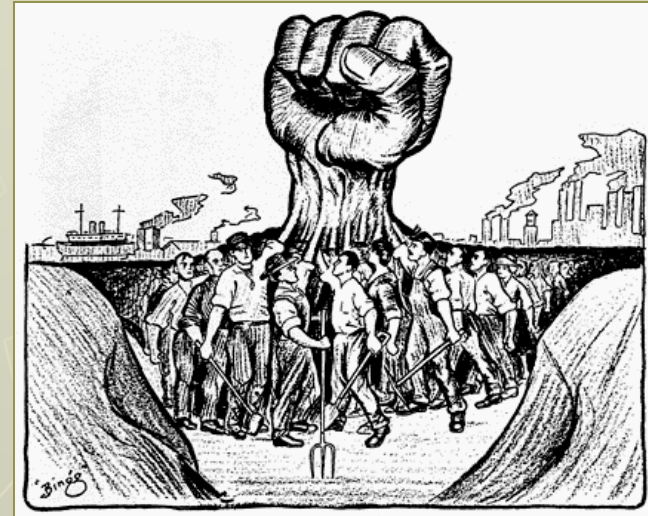
# Part III: Unionization



# “Solidarity Forever!”

by Ralph Chapin (1915)

When the union's inspiration  
through the workers' blood shall run,  
There can be no power greater  
anywhere beneath the sun;  
Yet what force on earth is weaker  
than the feeble strength of one,  
But the union makes us strong!



## CHORUS:

Solidarity forever,  
Solidarity forever,  
Solidarity forever,  
For the union  
makes us strong!





# Labor Unites

- ▶ Industrialization
- ▶ Urbanization
- ▶ Immigration

Leads to...

Large  
disenfranchised  
population

Populist Movement: First attempt of the people to reform capital and labor relationship.

Read an interpretation of a familiar story presented as a political allegory of the 1890's.

*See handout*

# Unionization in 20<sup>th</sup> Century America

- ▶ An organized association of workers formed to protect and further their rights and interests. From the Latin unus 'one.'
- ▶ In 1900, 1 in 12 workers unionized.

**Attention Workingmen!**

**MASS MEETING**  
TO-NIGHT, at 7.30 o'clock,  
HAYMARKET, Randolph St. Bet. Desplaines and Halsted.

Good Speakers will be present to denounce the latest atrocious act of the police, the shooting of our fellow-workmen yesterday afternoon.

CHICAGO HISTORICAL SOCIETY THE EXECUTIVE COMMITTEE.

**Achtung Arbeiter!**

Große  
**Massen-Versammlung**  
Heute Abend, halb 8 Uhr, auf dem  
**Heumarkt, Randolph-Straße, zwischen Desplaines, u. Halsted-Str.**

Gute Redner werden den neuesten Schurkenreich der Polizei, indem sie gestern Nachmittag unsere Brüder erschoss, geißeln.

Das Executiv-Comite.



Bricklayers Union, PA, 1900

# A History of US: Working for Freedom

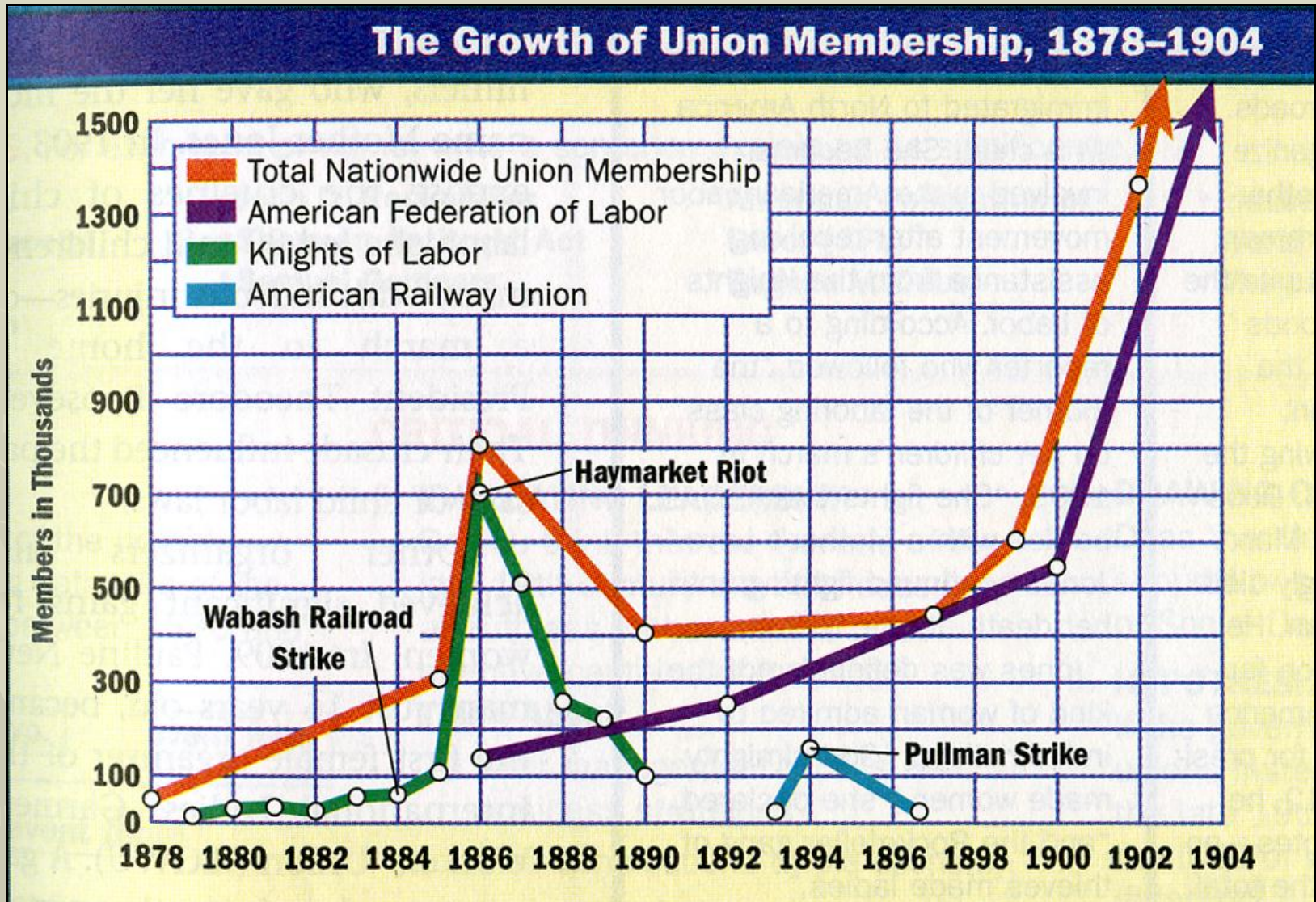
Begin at 7:15

- ▶ How do you liberate workers?
  - Give laborers land to the west for farming.
  - Allow cooperatives that give laborers ownership.
  - Give government control of economy.
- ▶ What is the role of the government in managing the American economy?
- ▶ Should workers be allowed to unionize?



# The Growth of Unions

In 1882, on average, 675 laborers were killed in work-related accidents each WEEK!



# Labor Strikes Back

Why were unions considered a threat to capitalism by business and government?

Why were unionists considered anarchists and even communists?

## ► Haymarket Affair

- May 4, 1886 – Workers convene to protest police brutality at an earlier strike rally on May 1<sup>st</sup> (May Day).

## ► Homestead Lockout

- Read handout p. 64-5

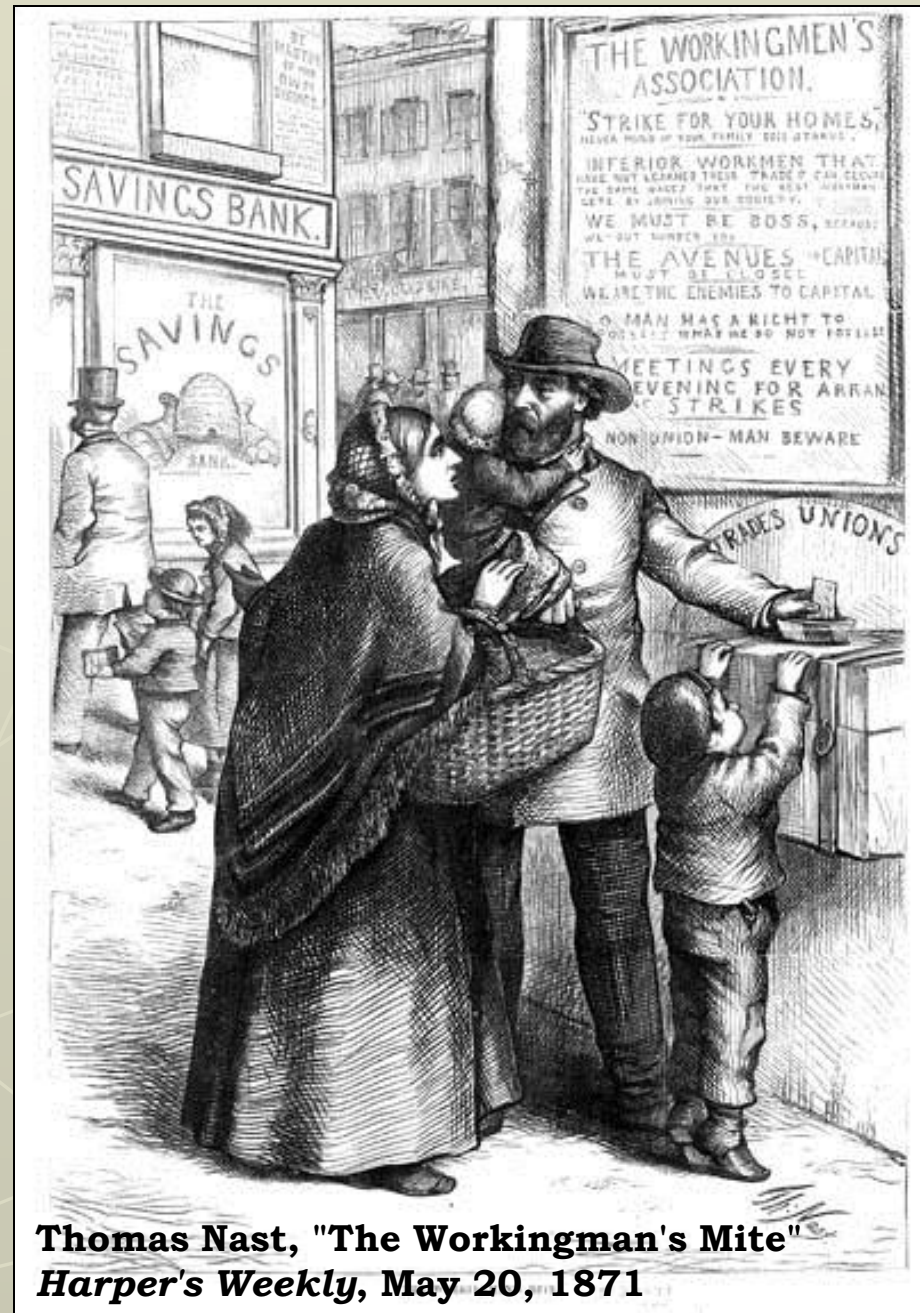
## ► Pullman Strike

- 1894



# Anti-Union Sentiment

- ▶ Contrast the two families illustrated regarding:
  - Appearance
  - Station
  - Activity
  - Experience
- ▶ What is the message?
  - If the worker trusted his employer instead of union leaders, he would do far better than if he joined a labor organization and engaged in strikes.



**Thomas Nast, "The Workman's Mite"**  
**Harper's Weekly, May 20, 1871**



# The Supreme Court Upholds Laissez-faire

## ► Lochner v. New York – 1905

- New York state passed the “Bakeshop Act” limiting the hours a bakery employee could work in one week to 60.
- Lochner, a bakery owner, was fined for allowing employees to exceed limitation.
- He sued protesting the constitutionality of the law under the 14<sup>th</sup> Amendment and his liberty of contract.
- Supreme Court overturned his conviction stating:
  - ...this law interfered "with the right of contract between the employer and employees." To the Court, the right to buy and sell labor through contract was a "liberty of the individual" protected under the 14th amendment .



# Unionization

## *Homework*

- ▶ Interview one teacher employed by this district.
- ▶ Ask that teacher the following questions regarding their membership in the HEA, MTA and NEA.
  1. Do you voluntarily belong to this teacher union?
  2. What do you gain by being a member of this union?
  3. Do you believe this union provides you with a better working environment and, if so, how?
  4. What are the downfalls of being a unionized employee?
  5. Do you think unions still serve a vital function in the 2007 American workplace?
- ▶ Record all responses in addition to any ancillary commentary your subject offers that could contribute to our conversation.

# Unionization

## *Homework*

■ Teacher Name: \_\_\_\_\_

■ 1.

■ 2.

■ 3.

■ 4.

■ 5.

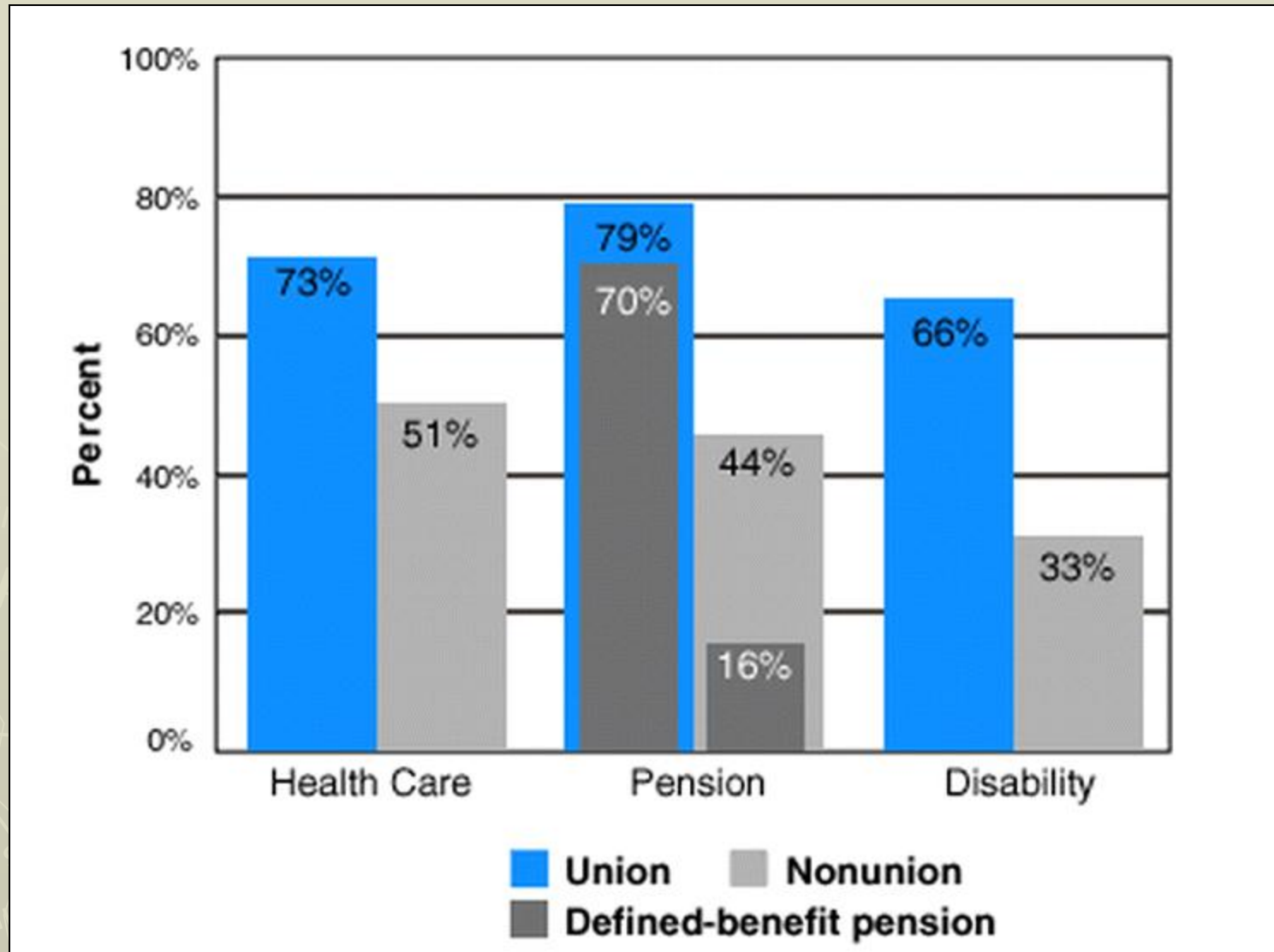


# *Present Day Labor Reform: China*

Read Article

- ▶ What questions does this article raise for you?
  - ▶ Why is this article problematic?

# *Present Day Labor Reform: Wal-Mart*



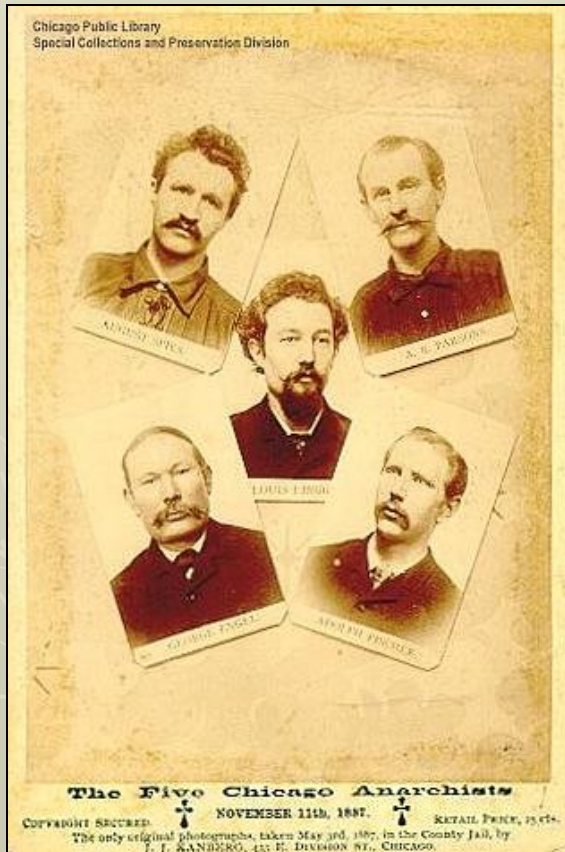
Read article and answer questions



# Haymarket Affair

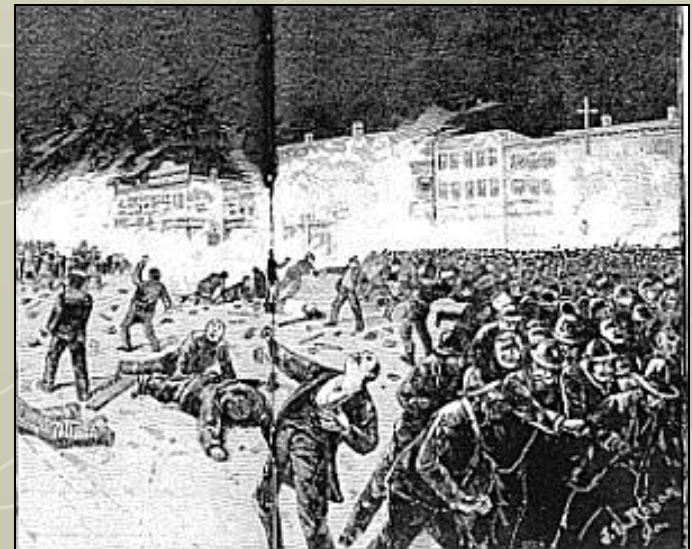
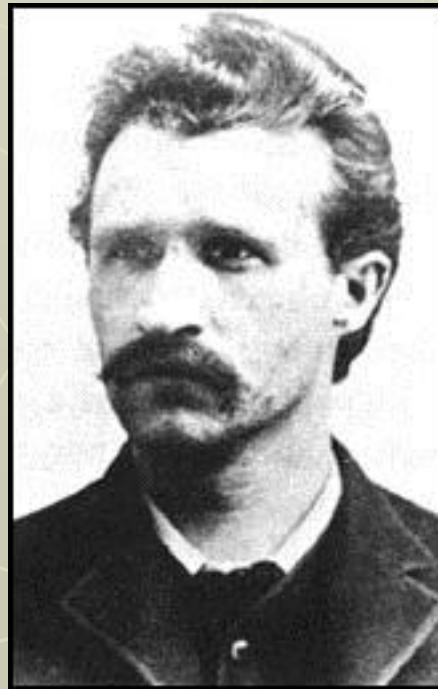
"There will come a time when our silence will be more powerful than the voices you strangle today!"

~ August Spies,  
Haymarket Martyr



Read handout p. 53-4

[Back](#)





# The Pullman Strike

- ▶ Pullman Company made luxury and passenger train cars.
- ▶ Pullman Company Rail Network
- ▶ Wage cuts forced a strike.
  - American Railway Union members boycotted the Pullman cars.
  - Government ends strike because interstate commerce is affected.
- ▶ Origin of Labor Day.

# The Fourteenth Amendment

- ▶ Summarize the language of sections 1 and 5 of the Fourteenth Amendment.
- ▶ In your opinion, what values are reflected in the Fourteenth Amendment? Are these values compatible with your ideas about a democracy?
  - Section. 1. All persons born or naturalized in the United States and subject to the jurisdiction thereof, are citizens of the United States and of the State wherein they reside. No State shall make or enforce any law which shall abridge the privileges or immunities of citizens of the United States; nor shall any State deprive any person of life, liberty, or property, without due process of law; nor deny to any person within its jurisdiction the equal protection of the laws.
  - Section. 5. The Congress shall have power to enforce, by appropriate legislation, the provisions of this article.