Natural Resources that fueled American Industrialization

1. Iron ore: Used to create steel and pig iron. Used for railroad ties, bridges, buildings.

2. Coal: with the invention of the steam engine, coal replaced wood in fueling the steam engine and machinery used in various industries such as the steel industry.

3. Oil: The ability to use a steam engine for oil drilling started an oil boom in the United States. It helped with the creation of a Petroleum-refining industry. Transformed oil into Kerosene and later gasoline for the automobile

Lumber: Used to fuel the steam engines that were used on trains, steamboats, and in industry for the new machines being invented that ran on steam.

Inventions during the Guided Age:

1. Incandescent light bulb
   a. Perfected by Thomas Alva Edison in 1878

2. Electrical power distribution system in 1882
   a. Led to electric power to run machines in industry, community, and homes
      i. Electric street car
      ii. Fans
      iii. Printing press

3. Telephone
   a. Invented by Alexander Graham Bell
      i. Opened a new and more efficient form of communication
      ii. Affected businesses and office work
      iii. Created new jobs for women

4. Typewriter
   a. Developed by Christopher Sholes
      i. Eliminated all materials being had written or sent to printers
      ii. Created new jobs for women in the workplace

Industry impact on the Gilded Age environment:

1. Created pollution in the atmosphere and the water systems.
   a. Smokestacks putting pollution into the atmosphere
   b. Refineries and steel mills discharging oil into rivers

Railroads in Gilded Age America

1. Creation of the Transcontinental Railroad provided quick transportation from the east to the west coast.

2. Allowed for expansion of farm land available due to the railroad being able to get goods to market in a reasonable time.
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3. Due to difficulty with each railroad having created individual time schedules for resulting in travel being difficult and unpredictable until time became uniform worldwide.
   a. Professor C.F. Dowd set up time zones
   b. Indorsed by the railroads
   c. Adopted by Congress in 1918.

4. Influenced industry and businesses.
   a. Natural resources and products were in great demand by the railroad
      i. Iron
      ii. Coal
      iii. Steel
      iv. Lumber
      v. Glass
   b. Growth of towns resulted from railroad lines
   c. Created new markets
   d. Created new laws dealing with Interstate Commerce and regulatory laws
   e. Railroad finances played a major part in America’s economy.

Problems with Pullman Towns

1. Towns created by an industry, run by an industry for the industry.
   a. Provided all the services for workers of the industry
      i. Housing
      ii. Stores
      iii. Churches
      iv. Laws
   b. Created a standard of living that perpetuated poverty and the inability for a worker to leave once they had been hired by a company.
   c. Environment was tightly controlled by the company
      i. Raised and lowered salaries at will, but kept cost of living high
        1. Ensured workers had to stay

Andrew Carnegie’s Success

1. He was considered a charming and literate man to do business with
   a. Invited to important social functions that he exploited to his own advantage

2. Good business sense
   a. Convinced cities and railroad companies to build iron bridges to replace traditional wood structures.

3. Incorporated new machinery and techniques to his business
   a. Use of mass production of steel tracks for railroads

4. Used Vertical Integration in his steel companies
   a. Ensure the largest profits possible.
   b. Owned coal and iron fields around the Great Lakes
   c. Had a railroad to get goods to his plants from the Great Lakes
   d. Had a line of lake steamships to help move goods to his plants

Vertical Integration
1. When a company takes over and becomes owner of its suppliers, distributors and transportation systems to gain total control over the quality and cost of its product.
   a. Also known to be a cartel or in some cases a monopoly
2. There are three types of vertical integration
   a. Backward vertical integration
      i. The company sets up subsidiaries that produce some of the inputs used in the production of its products.
   b. Forward vertical integration
      i. The company sets up subsidiaries that distribute or market products to customers or use the products themselves.
   c. Balanced vertical integration
      i. The company sets up subsidiaries that both supply them with inputs and distribute their outputs.

**Horizontal Integration**

1. When companies that make similar products merge.
   a. Can become a monopoly.
2. Practiced by Carnegie.
3. Creates an environment where a company gains control over their suppliers and limits its competition

**Social Darwinism Promoted by the Wealthy**

1. A philosophy that grew out of the Darwin’s theory of evolution.
   a. Created by Herbert Spenser
      i. States that the strongest or fittest should survive and flourish in society, while the weak and unfit should be allowed to die.
      ii. Ethical theory thinks in terms of elitists.
   b. Claimed that the rich and powerful were better adapted to the social and economic climate of the time, and the concept of natural selection allowed him to argue that it was natural, normal, and proper for the strong to thrive at the expense of the weak.
   c. Used to justify numerous exploits which we classify as of dubious moral value
   d. Justified big business' refusal to acknowledge labor unions and similar organizations, and implied that the rich need not donate money to the poor or less fortunate, since such people were less fit anyway.
   e. They advocate a laissez-faire political and economic system that favors competition and self-interest in social and business affairs.

**John D. Rockefeller**

1. Established Standard Oil Company of Ohio
2. Became the worlds riches man
   a. First Billionaire
3. Created Trusts by joining competing companies to turn their stock over to a group of trustees.
   a. Ran the separate companies as one corporation
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i. Companies divided up the profits
4. Paid employees extremely low wages
5. Drove out competition by controlling the oil market
6. One of the first major philanthropists in the U.S
   a. Established several foundations
   b. Donated $450 million to charities
      i. Supported religious institutions and African-American education
      ii. Participated in the founding of the University of Chicago
      iii. Founded the Rockefeller Institute for Medical Research (now The Rockefeller University) for the purpose of discovering the causes, manner of prevention, and the cure of disease.

Trusts

1. A form of business merger where the major stockholders in several corporations turn over their stock to a group of trustees.
2. Government passed the Sherman Antitrust Act in 1890
   a. Made it illegal to form a trust that interfered with free trade.
3. Government had a difficult time prosecuting companies under the Sherman Antitrust Act
   a. The law did not clearly define the term “TRUST.”
   b. Companies would reorganize into single corporations if government put pressure on them.

Industrial Growth in the South during the Gilded Age

1. South was still trying to recover from the Civil War
   a. Lacked capital to invest in industry
   b. People were unwilling to risk such ventures
   c. Railroads kept the south in a stranglehold
      i. 90% of stocks in profitable southern business were held by Northerner businesses

Problems of the Worker during the Gilded Age

1. Long working hours
2. Low pay
3. No time off
4. No sick leave
5. No unemployment
6. No Workers compensation for injury
7. Unsafe working conditions

Socialism
1. Philosophy developed by Karl Marx.
   a. Economic and political system based on government control of businesses and property.
      i. Wealth is equally distributed among the people
2. Used during the Gilded Age to help improve working conditions
   a. Shorter working hours
   b. Safer working conditions
   c. Wages

Labor Unions Form

1. Developed to unify workers to try and improve their lives
   a. Believed the more heard something would be done
   b. Both skilled and unskilled workers became involved in various unions.
2. First group to organize were skilled workers
   a. Dealing with exploitation of women and children
   b. Unsafe working conditions
   c. Wages
   d. Work day hours
3. Moved from small local groups to nationally unified groups of workers
   a. Industrial Workers of the World
   b. American Federation of Labor
   c. Knights of Labor
   d. National Labor Union
   e. Colored National Labor Union
4. Used various methods to get their plight across
   a. Strikes were the main avenue
   b. Collective bargaining
   c. Arbitration

Great Strike of 1877

1. Workers for the Baltimore and Ohio Railroad went on strike follow a second wage cut in two months.
   a. Strike spread to other railway lines in the United States
   b. Stopped most freight and some passenger traffic for more than a week
2. President Hayes intervened by sending in federal troops to stop the strike
   a. Reason was the strike was affecting interstate commerce.
      i. Hurting the economy of the United States

Homestead Strike

1. Took place at the Carnegie Steel Company’s Homestead Plant in 1892.
   a. Strike came after company president announced his plan to cut wages.
2. Company president hired Pinkerton Detective Agency to protect the plant during the strike.
   a. Wanted to protect SCABS so work would continue
3. Fight broke out between strikers and Pinkerton detectives
   a. Result was three detectives dead and nine workers
b. Strikers forced out the detectives and kept the plant closed until the National Guard was brought in.

4. Strike lasted for four months
   a. Result was the union loosing support
   b. Union gave into the company
   c. It would take 45 years for Steelworkers to mobilize again

Pullman Strike

1. Pullman company laid off more than 3,000 workers during the economic depression that followed the Panic of 1893
   a. The rest of the workers would be having a pay cut ranging from 25% to 50%.
   b. Company would not lower rent for employee housing
      i. Result was workers bringing home less than $6 per week
2. Strike called in 1894
   a. Company failed to restore wages or decrease rent
3. President of the American Railway Union, Eugene Debs asked for arbitration
   a. Company refused to negotiate
   b. Union began boycotting Pullman trains
4. Pullman hired SCABS
   a. Strike turned violent
5. President Cleveland sent federal troops
   a. Debs jailed
   b. Pullman fired most of the strikers
   c. Railroad blacklisted many of the strikers

Labor Unions Were Impacted By Strikes

1. Strikes were seen by industry and the government as a threat to the capitalist system.
2. People began to see Labor Unions as the bad guy’s following the Haymarket Square Affair.
   a. Had a hard time keeping members and finding new members to add.

Haymarket Affair

1. Took place on May 4, 1886 in Chicago’s Haymarket Square.
   a. Three thousand people gathered to protest the brutality of the police at the McCormick Harvester Plant.
      i. A striker had been killed and several wounded by the police
2. Police began to arrive at Haymarket around 10 p.m. and the crowd was leaving.
   a. Someone in the crowd threw a bomb into the police line
      i. No one knows who did this
   b. Police open fire on the crowd
      i. Several participants and seven police were killed in the chaos
3. The three speakers and five radicals were charged with inciting a riot
   a. Eight were convicted
      i. Four hanged
      ii. One committed suicide in prison
4. Result of the Haymarket Affair was people turning away from the labor movement.

Immigrants Choose To Come To America

1. Many came to the United States looking for a better life.
   a. Raise money to help their families at home
2. Some came to escape harsh conditions in their homelands
   a. Religious persecution
   b. Political persecution
   c. Land shortages
   d. Famine

Immigrants that Chose to Come to America

1. Italy, Austria-Hungary and Russia
   a. Escape religious persecution
2. Chinese and Japanese
   a. Seeking their fortune during the “gold rush”
3. West Indies
   a. Lack of jobs in their countries
4. Mexico
   a. Looking for work
   b. Fleeing political turmoil

Challenges Immigrants Faced In America

1. Fear they would not be processed and allowed into the United States
   a. Had to pass inspection
   b. Had to pass a physical exam
   c. Had to have documents checked
   d. Had to prove they had not been convicted of a felony
   e. Had to show they were able to work
   f. Had to prove they had money
2. West coast immigrants faced harsher questions
   a. Detention was longer than those coming in at Ellis Island
   b. Had to live in filthy conditions while being detained
3. Once past Ellis Island there were new challenges
   a. Had to find housing
   b. Had to find a job
   c. Had to adjust to a new language
   d. Had to face new prejudices
   e. 

Nativism and who it affected

1. Defined as favoritism to native-born Americans over immigrants
2. Created an anti-immigrant groups
a. Persecuted many different groups
   i. Slaves
   ii. Latin's
   iii. Asians
   iv. Roman Catholics
   v. Irish
   vi. Jews

3. Their hatred led to the passing of the Chinese Exclusion Act

Challenges of Urban Governments during this time

1. The need to Americanize the huge influx of immigrants into urban areas
   a. Teaching immigrants skills needed for citizenship
      i. English literacy
      ii. American history
      iii. American government
   b. Acclamation to the ways of native-born Americans
   c. Providing safe living conditions

2. How to deal with the large influx of people moving into their cities
   a. Sanitation was inadequate
      i. Garbage pilling up in the streets
         1. Not enough people to clean streets
         2. No dependable trash collection
         3. Sewage overflows into the gutters
         4. pollution from factories produce foul air
      ii. Concern for clean drinking water
      iii. Rodents passing diseases
   b. Transportation was inadequate
      i. Old transit systems could not deal with the increase of users
   c. Over‐populated tenements
      i. Unsanitary
      ii. Poorly kept up
   d. Increase in crime
      i. Police service was too small
   e. Buildings were fire traps and how to fight these fires
      i. Limited water supplies
      ii. Use of candles and kerosene heaters created problems
      iii. No full‐time firer‐fighters
         1. Sometimes they were not available when needed

Social Gospel

1. A reform program that preached salvation through helping the poor
   a. Developed from mainline Protestant denominations from Baptist to Episcopal
   b. Believed that Christians should work to improve social conditions for the poor, the sick and the downtrodden.
2. Walter Rauschenbasch, a Baptist minister, was a prominent leader
   a. Worked in the slums of New York City known as Hell’s Kitchen as a young man
b. He believed it was more important to heal, comfort, and educated the living than to save souls for eternity.

Jane Addams

1. An influential member of the Social Gospel.
2. Co-founded the Hull House in Chicago
   a. Provided services for the neighborhood
      i. Kindergarten and daycare facilities for children of working mothers
      ii. An employment bureau
      iii. An art gallery, libraries, and music and art classes.
3. She wrote prolifically on topics related to Hull-House activities
   a. Produced eleven books and numerous articles
4. She had an active speaking schedule nationwide and throughout the world.
5. Helped to establish the National Federation of Settlements and Neighborhood Centers

Rise of Political Machines during the Gilded Age

1. As cities and their problems grew rapidly the political environment changed.
   a. The big cities with big city problems and the government structures designed to cope with these problems grew.
   b. Machine’s leaders possessed enormous influence with elected government officials, including mayors, judges, county commissioners, and prosecutors.
      i. Wanted money
      ii. Influence
2. A political machine was an organized group that controlled a political party in a city.
3. Offered services for voters and businesses in exchange for political and financial support
4. Political machines consisted of three elements:
   a. Bosses or a county committee
      i. Governed the party, machine and controlled the politicians
   b. Election district captains
      i. Mobilized and organized support at the neighborhood level
   c. Party loyalists
      i. Supported the machine with votes and financial support in return for jobs, favors and help provided by bosses and election district captains.
5. Their control of local government offices and influence over elected officials, members of the county committee controlled government “patronage” jobs that could be used to reward loyal party workers.

Good and Bad of Political Machines

1. Positives:
   a. Provided help and services for the poor
   b. Built parks
   c. Built adequate sewage systems
   d. Built modern waterworks systems
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e. Gave money to schools
f. Gave money to hospitals
g. Supported orphanages
h. Provided support for new business
i. Helped immigrants find work
j. Helped immigrants with their naturalization
k. Helped immigrants with finding housing

2. Negatives:
   a. Graft
   b. Personal financial gain for members at the expense of the city
   c. Illegal use of political influence
d. Rigged city contracts
e. Kickbacks from contractors

Immigrants fuel Political Machines

1. Used the political machines when they needed help
2. Supported the machines candidates in elections

Tammany Hall

1. Political machine of New York City
2. A group was organized in 1789 in opposition to the Federalist Party’s ruling "aristocrats."
   a. Became identified with the city’s Democratic Party
   b. Tammany leaders rejected the Nativism
3. Became the prototype of the corrupt city machine

Thomas Nast

1. Hired as illustrator for Leslie’s Weekly Illustrated Newspaper (1855) at four dollars per week.
2. Began his career with a cartoon attacking civic corruption.
3. Nationally known figure as political cartoonist
   a. Took up nearly every national issue of political and social significance.
4. Known as a champion of the underprivileged and a protagonist of equal rights for all citizens
5. Called the "president maker"
6. Popularized several political symbols
   a. Democratic donkey
   b. Republican elephant
   c. The Tammany tiger

President and the Gilded Age

1. Chester A. Arthur
   a. Became president after Garfield was assassinated
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b. Refused to award Stalwarts federal posts and helped legislate civil service reform by signing the Pendleton Act in 1883.

2. James A. Garfield
   a. Spent less than a year in office before he was assassinated.
   b. His death compelled Congress to pass the Pendleton Act in 1883 to reform civil service.

3. Rutherford B. Hayes
   a. Tried to get Congress to support Civil Reform
      i. Used other means to do it when Congress refused
         1. Named an independent cabinet
         2. Set up a commission to investigate national custom’s houses and their corruption

Civil Service Reform Sought During the Gilded Age

1. The movement for civil service reform was fueled to some extent by a desire to reduce political corruption.
2. As the industrial era ushered in a more complex form of life, both public and private, the ability to perform routine tasks under government employment also became increasingly complex.
   a. Employees who would no longer be subject to the political winds.

Pendleton Civil Service Act

1. Enacted in 1883
2. Act ended the spoils system
3. Classified certain jobs
   a. Could not be awarded on the basis of patronage.

Grover Cleveland

1. Administration was split into two separate terms
2. Was a rigid, self-righteous, haughty individual
3. Was honest, courageous, and possessed of integrity
4. Fought the New York City Tammany Hall machine

Benjamin Harrison

1. Served as president between Grover Cleveland’s two separate terms
2. considered a mediocrity
   a. Oversaw the admission of a number of Republican states into the Union
3. Authorized pensions for Civil War veterans
Chester A. Arthur

1. A champion of civil service reform
2. Eager to prove himself above machine politics as president.
3. Tried to lower tariff rates so the Government would not be embarrassed by annual surpluses of revenue.
4. Signed the Tariff Act of 1883
5. His administration enacted the first general Federal immigration law

James Garfield

1. Strengthened Federal authority over the New York Customs House
2. An embittered attorney who had sought a consular post shot the President.
   a. In a Washington railroad station