**Gilded Age STAAR Review**

**Technological Innovations**

* In the decades following the Civil War, steam and electricity replace human and animal power.
* Iron replaced wood, steel replaced iron.
* **Bessemer Process** – made the production of steel more economical.
  + Before, took all day to make 5 tons. After, could make 5 tons in 15 minutes
* Steam Power drove textile industry. Powering sewing machines, mill spindles, and other machines.
* The center of the coal mining industry was in Pennsylvania. Also where first oil well was drilled.
* The Commercial use of electricity was another of the period’s most significant developments.
  + Used as means of communicating along telegraph wires.
  + **Alexander Graham Bell** – invented the telephone
  + **Thomas Edison** – invented first effective light bulb
  + **Cyrus McCormick** – invented mechanical reaper. Allowed farmers to harvest grain mechanically.

**Impact of Population Growth**

* Experienced continuous population growth.
  + Between 1850-1900: Increased from 26 million to 76 million
  + 1/3 of population growth due to immigration.
  + Favorable conditions of business growth and expansion
  + Increasing demand for natural resources

**Entrepreneurship and Philanthropy**

* + An entrepreneur starts a business to make a profit.
  + In the 1870s, large-scale production was more efficient and allowed lowered prices and improved quality.
  + The lavish lifestyle the profits allowed made this the “Gilded Age.”
  + “**Captains of Industry**”
    - Forged the modern industrial economy
  + “**Robber Barons**”
    - Used ruthless tactics to destroy competition and keep workers’ wages low
* **Andrew Carnegie**
  + Penniless Scots immigrant; worked in a cotton mill and as a railroad telegraph operator
  + After Civil War, invested in ironworks and built steel mill in PA
  + 1892: Established Carnegie Steel Corporation. Undercut competition and bought ore fields, coal mines, and ships (vertical integration).
  + Workers paid low wages & had 12-hour shifts; unions crushed
  + Later philanthropy: $350 million for libraries and universities
* **John D. Rockefeller**
  + Started as bookkeeper and running produce business.
  + Used profits to purchase an oil refinery in Cleveland, OH
  + 1870: Standard Oil Co.
  + By 1879, controlled 90% of oil refining in US
  + 1882: a “trust” where he controlled most shares
  + Became richest man in America
* **Standard Oil Co.**
  + Standard Oil became a monopoly. Rockefeller forced railroads to give him special secret rates.
  + 1911: US Government forced Rockefeller to split Standard Oil into 20 smaller companies. Old leaders still held most of the shares. (Now reunified into larger corporations.)
  + Rockefeller gave millions to education (University of Chicago) and science (Rockefeller Foundation – known for medical research, among other things).

**Laws Against Anti-Competitive Practices**

* At first, government followed *laissez-faire* – not interfering in the free market.
* Did have laws to protect property, enforce contracts, patents, and tariffs.
* Eventually, anti-competitive business practices were so glaring that reformers called for legislation.

**Interstate Commerce Act, 1887**

* Railroads charged higher rates for shorter hauls – bad for small business and local farmers.
* US Supreme Court ruled that only Congress could regulate interstate commerce, not states.
* Interstate Commerce Act prohibited unfair practices by railroads.
* Interstate Commerce Commission established to enforce.
* First time Congress stepped in to regulate American businesses.

**Sherman Anti-Trust Act, 1890**

* Purpose: Stop monopolies engaging in unfair practices that prevented fair competition.

**Knights of Labor**

* **Knights of Labor** – formed in 1869, hoped to create a single national union by joining together skilled and unskilled workers.
  + Demanded 8 hour work day, higher wages, safety codes in factories.
  + Opposed child labor and supported equal pay for women.
  + Supported restrictions on immigration
* Under leadership of Terrence Powderly, grew rapidly in 1880, but were loosely organized.
* Fell apart after losing a series of major strikes

**American federation of Labor**

* **American Federation of Labor** 
  + Founded in 1881 by **Samuel Gompers**
  + Consisted of separate unions of skilled workers, joined together to make a federation
* Advocated for higher pay, 8-hour work day, better working conditions
* Gompers fought hard to improve members’ job security by seeking **closed shops**
  + Places where only union members could be hired
* AFL hurt by continued exclusion of unskilled workers

**Political Machines**

* City Governments of run by corrupt “**Political Machines**”
  + a political group in which an authoritative boss or small group commands the support of a corps of supporters and businesses, who receive rewards for their efforts.
  + Often provided jobs and other services to immigrants and the poor in exchange for their votes.
  + Their power depended upon their ability to dominate voting and control agencies of municipal government.
* **Boss Tweed of Tammany Hall**
  + Controlled thousands of city workers and influenced the operation of schools, hospitals, and other city services
  + Controlled or bribed lawmakers to pass laws favorable to his interests
  + Often overpaid himself on construction projects and land sales, stealing millions from the city
* While corrupt, they did help immigrants settle into new homes and obtain jobs
  + Also helped them become naturalized citizens and provided them money.
  + Often got streets paved, extend a water pipe, or approve construction

**Push and Pull Factors**

* People move around for a variety of reasons call “**push**” and “**pull**” **factors**
  + **Push Factor –** Something that pushes a person our of their homeland
    - Oppression, Poverty, War, Religious/Ethnic Persecution
  + **Pull Factor –** Opportunities in another place that may not be offered in current country/city
    - Freedom, Economic Opportunities, Cultural Ties

**Rise of Nativism**

* Hostility towards immigrants began to be more common.
  + **Nativists** – those “born” or “native” to the Unites States wanted to restrict immigration
  + They believed that people of other races, religions, and nationalities were inferior, especially **New Immigrants**
    - **Immigrants from South and East Europe**
  + Nativists feared that the “New Immigrants” could never be fully absorbed in American society since they lived in ethnic ghettos and spoke their own language.
  + Argued that immigrants working for low wages would take away jobs from Americans

**The Populist Party**

* Represented the “common man”
* Farmers, industrial workers, and miners

**The Populist Platform**

* ***Unlimited coinage of silver -*** *Make cash more available (****back the dollar with silver****, not gold, so dollar would be worth less)*
* *It would raise farm prices and make it easier to repay loans*
* ***Term Limits for President –*** Presidents only serve a single term in office
* ***Government Ownership –*** Own railroads, telegraphs, and telephones
* Can control prices, so railroads can’t raise prices to unreasonable levels
* ***Direct Election of Senator*** – The people should directly elect senators, not state legislators
* ***Secret Ballot*** – to protect voters from intimidation
* ***Graduated Income Tax*** – Wealthy pay more taxes, tax wealthy at a higher rate
* ***Shorter Work Day*** – 8-hour work day
* ***Immigration Restriction*** – with quotas. Only a certain amount in a specified time period.