

CHAPTER 23

Political Paralysis in the Gilded Age, 1869–1896

PART I: REVIEWING THE CHAPTER

A. CHECKLIST OF LEARNING OBJECTIVES

After mastering this chapter, you should be able to

1. describe the political corruption of the Grant administration and the mostly unsuccessful efforts to reform politics in the Gilded Age.
2. describe the economic crisis of the 1870s and explain the growing conflict between “hard-money” and “soft-money” advocates.
3. explain the intense political partisanship of the Gilded age, despite the parties’ lack of ideological difference and poor quality of political leadership.
4. indicate how the disputed Hayes-Tilden election of 1876 led to the Compromise of 1877 and the end of Reconstruction.
5. describe how the end of Reconstruction led to the loss of black rights and the imposition of the Jim Crow system of segregation in the South.
6. explain the rise of class conflict between business and labor in the 1870s and the growing hostility to immigrants, especially the Chinese.
7. explain the rise of political conflict in the early 1890s, and the failure of Cleveland to address growing farm and labor discontent.
8. show how the farm crisis of the depression of the 1890s stirred growing social protests and class conflict, and fueled the rise of the radical Populist Party.

B. GLOSSARY

To build your social science vocabulary, familiarize yourself with the following terms:

1. **coalition** A temporary alliance of political factions or parties for some specific purpose. “The Republicans, now freed from the Union party coalition of war days, enthusiastically nominated Grant. . . .” (p. 503)
2. **corner** To gain exclusive control of a commodity in order to fix its price. “The crafty pair concocted a plot in 1869 to corner the gold market.” (p. 503)
3. **censure** An official statement of condemnation passed by a legislative body against one of its members or some other official of government. While severe, a censure itself stops short of penalties or **expulsion**, which is removal from office. “A newspaper exposé and congressional investigation led to formal censure of two congressmen. . . .” (p. 504)
4. **amnesty** A general pardon for offenses or crimes against a government. “The Republican Congress in 1872 passed a general amnesty act. . . .” (p. 506)

5. **civil service** Referring to regular employment by government according to a standardized system of job descriptions, merit qualifications, pay, and promotion, as distinct from **political appointees** who receive positions based on affiliation and party loyalty. “Congress also moved to reduce high Civil War tariffs and to fumigate the Grant administration with mild civil service reform.” (p. 506)
6. **unsecured loans** Money loaned without identification of collateral (existing assets) to be forfeited in case the borrower defaults on the loan. “The Freedman’s Savings and Trust Company had made unsecured loans to several companies that went under.” (p. 506)
7. **contraction** In finance, reducing the available supply of money, thus tending to raise interest rates and lower prices. “Coupled with the reduction of greenbacks, this policy was called ‘contraction.’ ” (p. 507)
8. **deflation (ary)** An increase in the value of money in relation to available goods, causing prices to fall. **Inflation**, a decrease in the value of money in relation to goods, causes prices to rise. “It had a noticeable deflationary effect—the amount of money per capita in circulation actually *decreased*” (p. 507)
9. **fraternal organization** A society of men drawn together for social purposes and sometimes to pursue other common goals. “. . . the Grand Army of the Republic [was] a politically potent fraternal organization of several hundred thousand Union veterans of the Civil War.” (p. 507)
10. **consensus** Common or unanimous opinion. “How can this apparent paradox of political consensus and partisan fervor be explained?” (p. 507)
11. **kickback** The return of a portion of the money received in a sale or contract, often secretly or illegally, in exchange for favors. “The lifeblood of both parties was patronage—disbursing jobs by the bucketful in return for votes, kickbacks, and party service.” (p. 507)
12. **lien** A legal claim by a lender or another party on a borrower’s property as a guarantee against repayment, and prohibiting any sale of the property. “. . . storekeepers extended credit to small farmers for food and supplies and in return took a lien on their harvest.” (p. 510)
13. **assassination** Politically motivated murder of a public figure. “. . . he asked all those who had benefited politically by the assassination to contribute to his defense fund.” (p. 514)
14. **laissez-faire** The doctrine of noninterference, especially by the government, in matters of economics or business (literally, “leave alone”). “[The new president was] a staunch apostle of the hands-off creed of laissez-faire. . . .” (p. 518)
15. **pork barrel** In American politics, government appropriations for political purposes, especially projects designed to please a legislator’s local constituency. “One [way to reduce the surplus] was to squander it on pensions and ‘pork-barrel’ bills. . . .” (p. 519)

PART II: CHECKING YOUR PROGRESS

A. True-False

Where the statement is true, circle **T**; where it is false, circle **F**.

1. T F Ulysses Grant’s status as a military hero enabled him to become a successful president who stood above partisan politics.
2. T F The scandals of the Grant administration included bribes and corrupt dealings reaching to the cabinet and the vice president of the United States.
3. T F The Liberal Republican movement’s political skill enabled it to clean up the corruption of the Grant administration.

4. T F The severe economic downturn of the 1870s caused business failures, labor conflict, and battles over currency.
5. T F The close, fiercely contested elections of the Gilded Age reflected the deep divisions between Republicans and Democrats over national issues.
6. T F The battles between the “Stalwart” and “Half-Breed” Republican factions were mainly over who would get patronage and spoils.
7. T F The disputed Hayes-Tilden election was settled by a political deal in which Democrats got the presidency and Republicans got economic and political concessions.
8. T F The Compromise of 1877 purchased political peace between North and South by sacrificing southern blacks and removing federal troops in the South.
9. T F The sharecropping and tenant farming systems forced many Southern blacks into permanent economic debt and dependency.
10. T F Western hostility to Chinese immigrants arose in part because the Chinese provided a source of cheap labor that competed with white workers.
11. T F By reducing politicians’ use of patronage, the new civil-service system inadvertently made them more dependent on big campaign contributors.
12. T F The Cleveland-Blaine campaign of 1884 was conducted primarily as a debate about the issues of taxes and the tariff.
13. T F The Republican party in the post-Civil War era relied heavily on the political support of veterans’ groups, to which it gave substantial pension benefits in return.
14. T F The Populist party’s attempt to form a coalition of farmers and workers failed partly because of the racial division between poor whites and blacks in the South.
15. T F President Cleveland’s deal to save the gold standard by borrowing \$65 million from J.P. Morgan enhanced his popularity among both Democrats and Populists.

B. Multiple Choice

Select the best answer and circle the corresponding letter.

1. Financiers Jim Fisk and Jay Gould tried to involve the Grant administration in a corrupt scheme to
 - a. skim funds from the Bureau of Indian Affairs.
 - b. sell “watered” railroad stock at high prices.
 - c. corner the gold market.
 - d. bribe congressmen in exchange for federal land grants.
2. Boss Tweed’s widespread corruption was finally brought to a halt by
 - a. federal prosecutors who uncovered the theft.
 - b. outraged citizens who rebelled against the waste of public money.
 - c. the journalistic exposés of *The New York Times* and cartoonist Thomas Nast.
 - d. Tweed’s political opponents in New York City.
3. The Credit Mobilier scandal involved
 - a. the abuse of federal credit intended for urban development.
 - b. railroad corporation fraud and the subsequent bribery of congressmen.
 - c. Secretary of War Belknap’s fraudulent sale of contracts to supply Indian reservations.
 - d. the attempt of insiders to gain control of New York’s gold and stock markets.
4. Grant’s greatest failing in the scandals that plagued his administration was
 - a. his refusal to turn over evidence to congressional investigators.

- b. his toleration of corruption and his loyalty to crooked friends.
 - c. his acceptance of behind-the-scenes payments for performing his duties as president.
 - d. his use of large amounts of “dirty” money in his political campaigns.
5. The depression of the 1870s led to increasing demands for
- a. inflation of the money supply by issuing more paper or silver currency.
 - b. federal programs to create jobs for the unemployed.
 - c. restoration of sound money by backing all paper currency with gold.
 - d. stronger regulation of the banking system.
6. The political system of the “Gilded Age” was generally characterized by
- a. “split-ticket” voting, low voter turnout, and single-issue special-interest groups.
 - b. strong party loyalties, low voter turnout, and deep ideological differences.
 - c. “third-party” movements, high voter turnout and strong disagreement on foreign-policy issues.
 - d. strong party loyalties, high voter turnout, and few disagreements on national issues.
7. The primary goal for which all factions in both political parties contended during the Gilded Age was
- a. racial justice.
 - b. a sound financial and banking system.
 - c. patronage.
 - d. a more assertive American foreign policy.
8. The key tradeoff featured in the Compromise of 1877 was that,
- a. Republicans got the presidency in exchange for the final removal of federal troops from the South.
 - b. Democrats got the presidency in exchange for federal guarantees of black civil rights.
 - c. Republicans got the presidency in exchange for Democratic control of the cabinet.
 - d. Democrats got the presidency in exchange for increased immigration quotas from Ireland.
9. Which of the following was *not* among the changes that affected African Americans in the South after federal troops were withdrawn in the Compromise of 1877?
- a. The forced relocation of black farmers to the Kansas and Oklahoma “dust bowl”
 - b. The imposition of literacy requirements and poll taxes to prevent black voting
 - c. The development of the tenant farming and share-cropping systems
 - d. The introduction of legal systems of racial segregation
10. The Supreme Court’s ruling in *Plessy v. Ferguson* upholding “separate but equal” public facilities in effect legalized
- a. southern blacks’ loss of voting rights.
 - b. the system of unequal segregation between the races.
 - c. the program of separate black and white economic development endorsed by Booker T. Washington.
 - d. the rights to “equal protection of the law” guaranteed by the Fourteenth Amendment.
11. The great railroad strike of 1877 revealed
- a. the growing strength of American labor unions.
 - b. the refusal of the U.S. federal government to intervene in private labor disputes.
 - c. the ability of American workers to cooperate across ethnic and racial lines.
 - d. the growing threat of class warfare in response to the economic depression of the mid-1870s.
12. The final result of the widespread anti-Chinese agitation in the West was
- a. a program to encourage Chinese students to enroll in American colleges and universities.
 - b. a Congressional law to prohibit any further Chinese immigration.
 - c. the stripping of citizenship even from native-born Chinese Americans.
 - d. legal segregation of all Chinese into “Chinatown” districts in San Francisco and elsewhere.

13. President James Garfield was assassinated by
 - a. a fanatically anti-Republican Confederate veteran.
 - b. a mentally unstable disappointed office seeker.
 - c. an anticapitalist immigrant anarchist.
 - d. a corrupt gangster under federal criminal indictment.
14. In its first years, the Populist Party advocated, among other things
 - a. free silver, a graduated income tax, and government ownership of the railroads, telegraph, and telephone.
 - b. higher tariffs and federally sponsored unemployment insurance and pensions.
 - c. tighter restriction on black economic, social, and political rights.
 - d. a Homestead Act to permit farmers and unemployed workers to obtain free federal land in the West.
15. Grover Cleveland stirred a furious storm of protest when, in response to the extreme financial crisis of the 1890s, he
 - a. lowered tariffs to permit an influx of cheaper foreign goods into the country.
 - b. signed a bill introducing a federal income tax that cut into workers' wages.
 - c. pushed the Federal Reserve Board into sharply raising interest rates.
 - d. borrowed \$65 million dollars from J.P. Morgan and other bankers in order to save the monetary gold standard.

C. Identification

Supply the correct identification for each numbered description.

1. _____ The symbol of the Republican political tactic of attacking Democrats with reminders of the Civil War
2. _____ Corrupt construction company whose bribes and payoffs to congressmen and others created a major Grant administration scandal
3. _____ Short-lived third party of 1872 that attempted to curb Grant administration corruption
4. _____ Precious metal that "soft-money" advocates demanded be coined again to compensate for the "Crime of '73"
5. _____ "Soft-money" third party that polled over a million votes and elected fourteen congressmen in 1878 by advocating inflation
6. _____ Mark Twain's sarcastic name for the post-Civil War era, which emphasized its atmosphere of greed and corruption
7. _____ Civil War Union veterans' organization that became a potent political bulwark of the Republican party in the late nineteenth century
8. _____ Republican party faction led by Senator Roscoe Conkling that opposed all attempts at civil-service reform
9. _____ Republican party faction led by Senator James G. Blaine that paid lip service to government reform while still battling for patronage and spoils
10. _____ The complex political agreement between Republicans and Democrats that resolved the bitterly disputed election of 1876
11. _____ Asian immigrant group that experienced discrimination on the West Coast

12. _____ System of choosing federal employees on the basis of merit rather than patronage introduced by the Pendleton Act of 1883
13. _____ Sky-high Republican tariff of 1890 that caused widespread anger among farmers in the Midwest and the South
14. _____ Insurgent political party that gained widespread support among farmers in the 1890s
15. _____ Notorious clause in southern voting laws that exempted from literacy tests and poll taxes anyone whose ancestors had voted in 1860, thereby excluding blacks

D. Matching People, Places, and Events

Match the person, place, or event in the left column with the proper description in the right column by inserting the correct letter on the blank line.

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|---------|------------------------|----|--|
| 1. ___ | Ulysses S. Grant | a. | Heavyweight New York political boss whose widespread fraud landed him in jail in 1871 |
| 2. ___ | Jim Fisk | b. | Bold and unprincipled financier whose plot to corner the U.S. gold market nearly succeeded in 1869 |
| 3. ___ | Boss Tweed | c. | Winner of the contested 1876 election who presided over the end of Reconstruction and a sharp economic downturn |
| 4. ___ | Horace Greeley | d. | Great military leader whose presidency foundered in corruption and political ineptitude |
| 5. ___ | Jay Cooke | e. | Term for the racial segregation laws imposed in the 1890s |
| 6. ___ | Denis Kearney | f. | Eloquent young Congressman from Nebraska who became the most prominent advocate of “free silver” in the early 1890s |
| 7. ___ | Tom Watson | g. | President whose assassination after only a few months in office spurred the passage of a civil-service law |
| 8. ___ | Roscoe Conkling | h. | Irish-born leader of the anti-Chinese movement in California |
| 9. ___ | James G. Blaine | i. | Radical Populist leader whose early success turned sour, and who then became a vicious racist |
| 10. ___ | Rutherford B. Hayes | j. | Wealthy New York financier whose bank collapse in 1873 set off an economic depression |
| 11. ___ | James Garfield | k. | Imperious New York senator and leader of the “Stalwart” faction of Republicans |
| 12. ___ | Jim Crow | l. | First Democratic president since the Civil War; defender of <i>laissez-faire</i> economics and low tariffs |
| 13. ___ | Grover Cleveland | m. | Enormously wealthy banker whose secret bailout of the federal government in 1895 aroused fierce public anger |
| 14. ___ | William Jennings Bryan | n. | Colorful, eccentric newspaper editor who carried the Liberal Republican and Democratic banners against Grant in 1872 |
| 15. ___ | J. P. Morgan | o. | Charming but corrupt “Half-Breed” Republican senator and presidential nominee in 1884 |

E. Putting Things in Order

Put the following events in correct order by numbering them from 1 to 5.

1. _____ A bitterly disputed presidential election is resolved by a complex political deal that ends Reconstruction in the South.
2. _____ Two unscrupulous financiers use corrupt means to manipulate New York gold markets and the U.S. Treasury.
3. _____ A major economic depression causes widespread social unrest and the rise of the Populist Party as a vehicle of protest.
4. _____ Grant administration scandals split the Republican party, but Grant overcomes the inept opposition to win reelection.
5. _____ Monetary deflation and the high McKinley Tariff lead to growing agitation for “free silver” by Congressman William Jennings Bryan and others.

F. Matching Cause and Effect

Match the historical cause in the left column with the proper effect in the right column by writing the correct letter on the blank line.

Cause	Effect
1. _____ Favor-seeking business-people and corrupt politicians	a. Created fierce partisan competition and high voter turnouts, even though the parties agreed on most national issues
2. <u> 7 </u> <i>The New York Times</i> and cartoonist Thomas Nast	b. Caused anti-Chinese violence and restrictions against Chinese immigration
3. _____ Upright Republicans’ disgust with Grant administration scandals	c. Led to the formation of the Liberal Republican party in 1872
4. _____ The economic crash of the mid-1870s	d. Induced Grover Cleveland to negotiate a secret loan from J. P. Morgan’s banking syndicate
5. _____ Local cultural, moral, and religious differences	e. Forced Boss Tweed out of power and into jail
6. <u> 8 </u> The Compromise of 1877 that settled the disputed Hayes-Tilden election	f. Helped ensure passage of the Pendleton Act
7. _____ White workers’ resentment of Chinese labor competition	g. Caused numerous scandals during President Grant’s administration
8. _____ Public shock at Garfield’s assassination by Guiteau	h. Led to failure of the third party revolt in the South and a growing racial backlash
9. _____ The 1890s depression and the drain of gold from the federal treasury	i. Caused unemployment, railroad strikes, and a demand for “cheap money”
10. _____ The inability of Populist leaders to overcome divisions between white and black farmers	j. Led to the withdrawal of troops from the South and the virtual end of federal