

The Age of Big Business

"I cheat my boys every chance I get. I trade with the boys and skin 'em and I just beat 'em every time I can. I want to make 'em sharp."

—John Davison Rockefeller's father

THREE INTERRELATED THEMES

① Immigration ("melting pot" theory = ethnic diversity)

- ✓ Old → _____ & _____ Europe
- ✓ New → _____ & _____ Europe (rampant during 1880-1910)
- ✓ East Asian → esp. _____

② Urbanization (America transitions from primarily rural to largely urban country)

- ✓ _____
- ✓ _____
- ✓ _____

③ Industrialization (America transitions from agrarian to industrial nation)

- ✓ Large pools of _____ available
- ✓ Seemingly unlimited _____
- ✓ Various new inventions & _____ improvements
- ✓ _____ investors

★ Dominant spirit of the time (the cherry on top)

- ✓ Emphasized _____
- ✓ Glorified _____
- ✓ Justified _____ business tactics

★ "Laissez faire" government (support for big business takeover of America)

- ✓ Politicians
- ✓ Legislation
 - Chinese Exclusion Act (1882)
 - Interstate Commerce Act (1887)
 - Sherman Anti-Trust Act (1890)
- ✓ Supreme Court decisions
 - *Munn v. Illinois* (1877) → gov't can regulate business for public benefit
 - *United States v. E. C. Knight Co.* (1895) → only commercial monopoly illegal
 - *Lochner v. New York* (1905) → banned limit on workday hours

THE “INDUSTRIAL ARISTOCRACY”

- ◆ John Davison Rockefeller → _____ (Cleveland!)
- ◆ Andrew Carnegie, J. Pierpont Morgan → _____ (Pittsburgh!)
- ◆ Johns Hopkins, Leland Stanford, Cornelius Vanderbilt → _____
- ◆ One of American history’s great ironies . . .

“CAPTAINS ☹️ OF INDUSTRY”

“CARETAKERS OF 😊 SOCIETY” OR “ROBBER BARONS”



THE URBANIZATION OF AMERICA

“Having seen it, I urgently desire never to see it again.”

—Rudyard Kipling

- ◆ Rural, agrarian country in 1865 → urban, industrialized nation by 1900
 - ✓ _____, _____, _____ > 1 million
 - ✓ St. Louis, Boston, Baltimore > 500,000
 - ✓ _____ largest city west of Mississippi River (≈ 350,000; #9)
 - ✓ Los Angeles #36 (≈ 100,000); St. Paul, Toledo, St. Joseph, Omaha bigger

- ◆ Primary cause of urban growth → immigration (enticed by opportunities)
 - ✓ Ethnic diversity = “melting pot” theory (Chicago 87%, New York 80%)
 - ✓ Formed immigrant _____ which reinforced homeland cultural values
 - ✓ Many lived in filthy _____ & cheap, monotonous row houses
 - ✓ Americans began to identify “_____” and “_____” immigrants

- ◆ Urban “_____” → abundant amenities & opportunities
 - ✓ Mass locomotion (horsecars, cable cars, electric trolley cars, subways)
 - ✓ City parks & beautification efforts
 - ✓ Skyscrapers & suspension bridges
 - ✓ Retail outlets (dep’t stores, chain stores, shopping malls, mid-city diners)
 - ✓ Amusements & recreations

- ◆ Urban “_____” → deficient facilities unable to match rapid growth
 - ✓ Sanitation & epidemic illnesses
 - ✓ Increased crime, inc. graft (Wm. Marcy Tweed of NYC & Abe Ruef of San Fran)
 - ✓ Catastrophic disasters (fires, floods, earthquakes, etc.)

- ◆ Settlement houses → community “service hubs”
 - ✓ Neighborhood Guild (New York, 1886) by Dr. Stanton Coit
 - ✓ _____ House (Chicago, 1889) by _____ & Ellen Gates Starr
 - ✓ Locust Street Social Settlement (Hampton, 1890) by Jamie Porter Barrett

- ◆ Literature → realistic descriptions of “gilded” urban life
 - ✓ *A Hazard of New Fortunes* (1890) by William Dean Howells
 - ✓ *How the Other Half Lives* (1890) by _____
 - ✓ *Maggie: A Girl of the Streets* (1893) by _____
 - ✓ *Sister Carrie* (1900) by Theodore Dreiser
 - ✓ *The Bitter Cry of the Children* (1906) by John Spargo

SOCIETY'S RESPONSE TO INDUSTRY

"It will be a great mistake for the community to shoot the millionaires, for they are the bees that make the most honey, and contribute most to the hive even after they have gorged themselves full."

—Andrew Carnegie

◆ Working-class Americans

- ✓ Held paradoxical view of extremely wealthy; both fascinated & appalled
- ✓ "Economic democracy" = Americans' economic level adjustable

◆ Thorstein Veblen (economist/sociologist)

- ✓ Showy extravagance of wealthy = "conspicuous _____"
- ✓ Purchasing beyond need & use = "conspicuous _____"

◆ Henry George (economist/journalist) → *Progress and Poverty* (1879)

- ✓ Industrialization ≠ free people from endless labor
- ✓ Industrialization = forced many people to work under lousy conditions
- ✓ _____ (industrialization, capitalism, etc.) not at fault
- ✓ _____ (business tycoons, politicians, etc.) are to blame
- ✓ "House of _____" (enriched few) & "House of _____" (impoverished millions)
- ✓ Profit from land ownership = "unearned increment" (thus, 100% single tax)

◆ Horatio Alger (minister/author) → 100+ *Ragged Dick* novels

- ✓ Simple plot w/ mild variations
- ✓ Poor boy became rich thru _____ & _____

◆ Russell Conwell (Baptist minister) → "Acres of Diamonds" lecture

- ✓ America's great wealth available to all
- ✓ Claimed (incorrectly) that most millionaires had begun poor

◆ Herbert Spencer (British philosopher) → "Social Darwinism"

- ✓ Applied biological Darwinism to socio-economics
- ✓ Ideal system req'd no _____ interference

◆ William Graham Sumner (Yale professor)

- ✓ American spokesman for Spencer's ideas
- ✓ Opposed aid to poor, regulating business, high protective tariff, etc.

◆ Lester Frank Ward (sociologist) → *Dynamic Sociology* (1883)

- ✓ Civilization not governed by natural selection, but by human intelligence
- ✓ Active _____ engaged in positive planning was society's best hope

◆ Andrew Carnegie (industrialist/philanthropist) → "_____ " (1889)

- ✓ Extreme wealth not only justifiable, but desirable
- ✓ Wealthy = civic responsibilities, inc. philanthropy & stewardship

LABOR GROUPS AND PROTESTS

“Show me the country in which there are no strikes, and I will show you that country in which there is no liberty.”

—Samuel Gompers

◆ National Labor Union

- ✓ Federation of unions formed in _____ by William Sylvis
- ✓ Leaders out of touch with needs & desires of workers
- ✓ Chief objective was formation of worker-owned coops

◆ Knights of Labor

- ✓ Formed in 1869 by Uriah Stephens & _____
- ✓ Grouped workers into one huge union
- ✓ Major goal was _____
- ✓ Declined in late 1880s due to _____

◆ American Federation of Labor

- ✓ Skilled workers organized by craft
- ✓ Founded in 1886 by Adolph Strasser & _____
- ✓ Target goals were _____ & shorter hours
- ✓ _____ became chief weapon against management
- ✓ Merged in 1955 w/ Congress of Industrial Organizations



◆ Great Railroad Strike

- ✓ _____ workers in 1877
- ✓ Spread to other railroad companies
- ✓ President Rutherford B. Hayes felt strikers harmed _____

◆ Haymarket Square Riot

- ✓ Took place in _____ in 1886
- ✓ Called by anarchists after striker killed at McCormick Harvester plant
- ✓ Bomb tossed into crowd (7 policemen killed; 60+ others injured)
- ✓ Labor movement branded as _____ & rapidly lost popular support

◆ Homestead Strike

- ✓ 1892 at Andrew Carnegie's steel plant near _____
- ✓ Strikers attacked 300 Pinkerton Agency guards hired to protect scabs
- ✓ Labor in steel industry suffered until 1930s

◆ Pullman Railway Car Strike

- ✓ Chicago in _____ resulting from Panic of 1893
- ✓ American Railway Union under Eugene Debs participated
- ✓ President _____ sent troops to preserve order
- ✓ Debs jailed; became active socialist