# The Gilded Age 1870-1890

⅛ of the population had ⅞ of the wealth. Power of the President had waned, lots of power was in the hands of the rich. “Gilded” means covered or plated in gold, which implies the inside is something different.

**Robber Barons** - derived from German barons that would charge high tolls on river travellers. Famous American robber barons are Carnegie (steel), Rockefeller (standard oil), J.P. Morgan (finance, U.S. Steel), James J. Hill (Great Northern Railway)

**Conspicuous Consumption** - basically buying to show off, spending more money than necessary for appearance

**Philanthropists** - Some had enough money to give lots away. Carnegie gave away a lot of wealth.

**Corporations** started around this time:

* Can raise capital by selling shares
* Limited liability (the burden doesn’t rest on one person if the business fails)
* Outlives owners/stockholders
* Separation of ownership and management

**Inventors** were also popular: Edison, Tesla, Bell, and Ford are famous ones.

Gilded age brought:

* An extreme boom/bust cycle
* Pollution
* Unskilled or semi-skilled jobs with long hours and low wages

## Unions and Labor Unrest

American Federation of Labor, Molly maguires, etc. fought for labor rights. Molly Maguires got violent and killed people sometimes.

(he mentions this specifically will be on the test) Johnston thinks American labor unions failed at 2 things:

1. Didn’t establish a political party (compared to England's “Labor Party”)
2. Didn’t escape a reputation for violence

Labor unions are at a disadvantage, as government usually sided with the business owners instead of the workers.

**Advantages of the Gilded Age**:

* US leadership in the global economy
* Financial and structural growth
* Tech and business innovation
* 50% increase in American “real wages” (wages still went up accounting for inflation)
* 25% decrease in cost of living
* Total number of industrial jobs increased

**Gilded Age Political Issues**

2 big political topics:

* Civil service reform: who gets government jobs. Merit system vs “spoils” system
* Monetary Policy: what is the dollar based on. Two opposing views:
  + “Gold Standard” supporters wanted the dollar to be based on gold alone.
  + “Bimetallism” supporters wanted the dollar to be based on gold and silver as silver is more common and they had more of it.

**Rutherford B. Hayes** was a gold standardist. Congress made him buy silver so he bought the bare minimum required. Nothing really happened. Bland-Allison Act of 1878. Garfield succeeds Hayes.

**Civil Service Reform**: Conkling lead the “Stalwarts” who wanted to keep the old spoils system. Blaine led the “half-breeds” who wanted a merit based civil service reform.

Garfield is president now, it’s 1880. Chester A. Arthur is vice president. Garfield gets assassinated though haha dumb bitch. Arthur is president now, signs the Pendleton Civil Service reform act (1883). Arthur is a stalwart.

1884 - Grover Cleveland won, ran again in 1888 but lost to Harrison.