Chapter 20: Political Realignments of the 1890s

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US History
State Politics

• From 1869 to 1900, 28 states established commissions to regulate the railroads

• In 1870, Illinois took over railroads as if they were public highways
  – These were privately owned and operated beforehand
  – The Supreme Court’s Munn v. Illinois (1877) ruling declared that private property that affected the public must submit to being controlled by the public for the common good
State Politics

- *Wabash, St. Louis, & Pacific Railway Co. v. Illinois (1886)* ruling by the Supreme Court weakened that so that only Congress could regulate commerce that went between states.

- Congress passed the **Interstate Commerce Act (1887)** to create the **Interstate Commerce Commission** that would oversee railroad and other interstate commercial activities.
Presidential Power

- **President Hayes** took office in 1876
  - Called “His Fraudulency” because the election results were disputed
  - Turned the corruption of the previous Presidential administrations around and asserted Presidential power
  - Vetoed a bill for the coinage of silver, but Congress overrode his veto to pass the **Bland-Allison Silver Purchase Act**
Look at the Charts on Page 577

• Note how close the popular vote was with how far apart the electoral vote was
McKinley Administration

• Congress passed the **McKinley Tariff Act** in 1890 to raise tariffs 4%

• **Sherman Silver Purchase Act** largely solved the issue of silver as a basis for currency
  – Government bought as much silver as possible, paying for it with paper money
  – Allowed paper money to be exchanged for either gold or silver
Look at the Page 580 Charts

• Prices fell on agricultural products
• This caused problems in the West and South
Economic Depression

• 1870s and 1880s resulted in economic depression because the economy had grown too fast

• From February-August of 1893, the stock markets crashed
  – Caused high unemployment and poverty rates
Economic Depression

• “Armies” of unorganized and non-violent citizens stormed capitals around the country to protest

• The Pullman Strike was one of the largest worker strikes in American history; resulted in railroads being hampered
  – Days later, railway workers nationwide went on strike effectively paralyzing the national economy
Presidential Election of 1896

- Silver and gold standards for money was the key issue of the election
  - Backing one of those positions was more important than political parties
  - Silver took on the symbolism of morality and patriotism in the minds of people, whereas gold came to represent corruption
Presidential Election of 1896

• William McKinley won the Presidential election; supported the gold standard
• Though silver-backing democrats in the South were incredibly popular, they did not actually win power in Congress either
• The loss in the elections brought an end to the silver standard movement
What about “The Wizard of Oz?”

- The book was a parody on the populist pro-silver movement of the mid-1890s, imagining what things would have been like in the imaginations of pro-silver factions.
- As it turned out, silver backers never really gained power, and the gold standard triumphed.
Gold Standard Act of 1900

• Declared gold to be the standard for American currency, ending the debate finally
McKinley and the Republicans

- **Platform**
  - Promoting economic growth through the use of government power
  - The need to regulate the industrial system

- Had been *isolationists*, but were beginning to recognize that isolation as a nation was no longer possible in the world