

TOPIC; POLITICS

An Overview--

The Civil War in many ways changed the course of American History more than any other event. Between 1865 and 1877 the reconstruction of the southern states took place. There was much controversy concerning the rebuilding of the South, the status of its citizens and its relationship to the federal government. Presidents Abraham Lincoln and Andrew Johnson proposed moderate plans for restoring the southern states to the Union. These plans were bitterly opposed by "Radical Republicans" in Congress. This disagreement created an unprecedented rift between the legislative and executive branches of government. This rift culminated in the impeachment and near-conviction of Andrew Johnson.

The years between 1868 and 1890 are considered by many historians to be the most lackluster in our political history. Economic changes had brought about new problems which politicians were reluctant to face. It seemed that the real leaders in the country were the industrial leaders who were primarily concerned with maintaining a laissez-faire system which allowed them to make tremendous profits. The major issues of the day included regulation of industry, control of the railroads, relations between management and labor, civil-service reform, and the currency issue.

By 1893 the nation was bound together by more than five trans-continental railroads. This railroad expansion served to develop the West and bring about economic growth by creating a national market and a means of distributing goods. Railroads were a great nationalizing force, but they also dominated politics in a negative way.

Most captains of industry believed that government should follow a policy of laissez-faire, or non-interference, concerning industry. The railroads felt they should receive grants and other considerations from the government, but should not be controlled in any other way. While the railroads brought wealth and prosperity to many, others were hurt by unfair practices. Shippers and farmers were hurt by high freight rates. The small shipper was often discriminated against when rebates were granted to the large shippers. Railroads often charged more for short hauls than for long hauls along lines with competing railroads.

In 1887 the Interstate Commerce Act was passed. This created an agency to regulate railroad practices. The Supreme Court, however, overruled many decisions of the Interstate Commerce Commission. The Hepburn Act in 1907 gave the ICC more power, including the right to control rates.

As the nation became more industrialized workers realized that they would have to organize for their common good. In 1869 the Noble Order of the Knights of Labor was established in Philadelphia. The Knights of Labor was open to both skilled and unskilled workers. The Knights of Labor supported various reforms--the eight-hour day, abolition of child labor, arbitration of labor disputes, safety and sanitary codes for industry, and government ownership of railroad and telegraph lines. Membership in the Knights of Labor peaked in 1886 at 700,000. The Union's decline after that can be attributed to several things. The union increasingly relied on the strike to resolve conflicts with management. Many skilled craftsmen were hostile to the

Knights of Labor because they allowed the unskilled laborer to belong also. The philosophy of the organization was vague and had overtones of anarchy. The violence of the Haymarket Riot in Chicago in 1886 caused much resentment towards the Knights of Labor.

The American Federation of Labor, organized in 1881, was a federation of craft unions for skilled workers. The AFL, under the leadership of Samuel Gompers, fought for "bread and butter" issues in an attempt to improve the worker's lives in practical ways.

The third labor union, the Industrial Workers of the World (1905) was based upon socialism and the overthrow of capitalism. Membership in the IWW had declined by the mid-1920's. (More on the IWW later.)

Farmers had also begun to organize. In 1867 the Patrons of Husbandry (the Grange) was founded. This group favored formation of farmers' cooperatives and regulation of the railroads. In the 1880's and 1890's farmers' groups became more aggressive in their demands. The Farmers' Alliance tried to throw political support to the political party or individual that addressed their needs. The Populist Party was an outgrowth of these farming groups.

Many politicians supported the "spoils system" of patronage which gave government jobs to political supporters of elected officials. These politicians felt that the system of dispensing government jobs was necessary to the functioning of political parties.

Between 1871 and 1900 the number of federal employees rose from 53,000 to 256,000. The need for a more efficient method of filling government positions was becoming obvious. Rutherford B. Hayes was frustrated in his attempts to introduce the merit system. Hayes made some good appointments, including Carl Schurz as Secretary of the Interior, but he was opposed by the forces of "bossism" represented by Senator Roscoe Conkling of New York.

The Pendleton Act in 1883 under Chester Arthur created a Civil Service Commission. About 10% of all government jobs were classified and competitive exams were required for applicants.

Civil Service reform backslid a bit during the administration of Benjamin Harrison, but was generally accepted and in use by the turn of the century.

High protective tariffs had been advocated as a means to protect young American industries from cheaper foreign goods. During the first part of the 19th century protective tariffs were seen as temporary measures which would be repealed when American industries were able to compete successfully. The tariff controversy in the late 19th century centered around whether or not the tariffs should be high or low. The Republican Party tended to favor high protective tariffs, and the Democratic Party tended to favor low protective tariffs designed only to produce revenue.

By the mid-1880's high protective tariffs had brought a surplus to the treasury, which tended to have a depressing effect on the economy as it reduced the amount of currency in circulation. The surplus in revenue also tended to encourage pork-barrell legislation.

Grover Cleveland opposed these high tariffs and in 1888 the House of Representatives passed legislation drastically reducing the tariffs. These measures were opposed in the Senate, however, and a stalemate existed.

The McKinley Tariff (1890) revised tariffs upwards to their highest peacetime level. The tariff was so high that it had the effect of actually reducing revenues by decreasing the number of imports drastically. It was not until the Underwood Tariff was passed

in 1913 that tariffs saw any effective downward revision

The money question was a very complicated and controversial issue which cut across party lines and divided people on a class and sectional basis. The creditor (business and financial) classes of New England favored money based on the gold standard because the price of gold was stable and thus the value of the dollar was stable as well. Farmers in the South and West favored "cheap money" and bimetallism (the free coinage of silver as well as gold). A bimetal system would tend to be inflationary, which would favor the creditor classes (farmers and laborers.) Those who borrowed money would then be paying their loans back with what would essentially be cheaper dollars. Bimetallism was first supported by the Populist Party, then taken up by the Democratic Party in the Election of 1896.

Now, to look at the presidents who served during this period.

Grant's presidency (1869-1877) was characterized by scandal. This corruption extended from the federal to the state and local levels of government. Although Grant was considered personally honest, he allowed himself to be surrounded by corrupt individuals. Examples of corruption during Grant's administration included: attempts by Jay Gould and James Fisk to corner the gold market (drive the price up and then sell out at a profit.) The construction company established to build the Union Pacific Railroad (the Credit Mobilier) was found guilty of profiteering and lining the pockets of Washington Congressmen in return for special considerations. A ring of liquor dealers in St. Louis defrauded the government of millions of dollars in taxes.

In 1876 Rutherford B. Hayes was elected to the presidency in one of the most disputed elections in American History. Twenty electoral votes were in dispute, claimed by both candidates. Congress created an Electoral Commission to determine who would receive the disputed electoral votes and thus win the election. In what was called the "corrupt bargain" the Democrats on the Commission awarded the votes to Hayes after being reassured that federal troops would be removed from the South, thus ending reconstruction officially.

Hayes worked for civil-service reform and supported the sound money policies of the Republican party.

James A. Garfield was assassinated by a frustrated office-seeker only four months after assuming the presidency. When Vice President Chester Arthur assumed the Presidency he surprised his conservative supporters by working for reform in civil service and by fighting against pork barrel legislation.

In 1884 Grover Cleveland became the first Democrat to be elected to the presidency since before the Civil War. Cleveland is considered an honest and efficient administrator with a great deal of common sense. He worked for civil service reform and for a reduction in the tariffs. Cleveland has been criticized for being too inflexible and for lacking in leadership ability.

Cleveland was re-nominated in 1887, but lost to Benjamin Harrison. The tariff issue had dominated the election. Although Cleveland had carried a plurality of the popular vote, Harrison had won in the key northeastern states and in the Electoral College.

Harrison was a protectionist whose administration was supported by business interests which pressured for high tariffs. Harrison was very freehanded in the matter of Union veterans pensions, which Cleveland had tried to bring under control. Harrison liked to "wave the bloody shirt." Under Harrison's administration, Congress raised the tariff to an all-time high (the McKinley Tariff) and spent more than \$1 billion in a single session on pork-barrell legislation.

The Republicans lost control of Congress in 1890, and in 1892 Cleveland was brought back into office. Cleveland's victory was largely due to opposition to the McKinley Tariff. The money issue was also important to this election, with the Populist Party gaining 22 electoral votes.

Shortly after Cleveland took office for the second time a panic occurred, caused partly by what businessmen saw as a threat to the gold standard by free silver. When the gold reserve slipped below \$100,000,000 creditors feared a devaluation of the dollar and rushed to redeem their treasury notes in gold. The depression that followed was severe. Within six months 400 banks closed and 56 railroads failed.

Cleveland felt that the uproar over silver had brought on the panic and that a return to the gold standard was needed. A special session of Congress was called to repeal the Sherman Silver Purchase Act, thus ending the strain on the gold reserve.

The election of 1896 saw Democrat William Jennings Bryan against William McKinley. The Democrats favored coinage of silver, reduced tariffs and antitrust legislation. The Republican platform favored the gold standard and protectionism. The Populists were forced to join the Democrats in supporting William Jennings Bryan or face disintegration of their party.

In 1898 the Spanish-American War thrust the United States into world affairs and brought about an age of imperialism for the United States. This "dirty little war" was won quickly and easily by the United States. We emerged from the war with colonies in both the Atlantic and Pacific.

The period between 1880 and the turn of the century saw a clash between the forces of conservatism (business, manufacturing, and financial interests), and forces of reform (agrarian and laboring interests.) By 1900 many middle class Americans were beginning to ask if the results of industrialization and economic growth were worth the social costs. This was the beginning of the Progressive movement. The Progressives hoped to gain control of government and to bring about reforms which would be in the interests of the majority of Americans rather than in the interests of the few.

Theodore Roosevelt became president in 1900 when McKinley was assassinated shortly after beginning his second term in office. Although an expansionist and jingo in foreign affairs, Roosevelt supported many progressive causes. He is best noted for his "trust busting" and for his conservation efforts.

Roosevelt was elected in his own right in 1904, but decided not to run in 1908. He was still popular enough, though, to name his own successor--William Howard Taft.

At the time it appeared that Taft was bungling the job badly. He did not get along well with Congress and it appeared that he was undercutting many of Roosevelt's reform objectives which he had been given a mandate to carry out. In retrospect, Taft was at least as successful as Roosevelt had been in bringing about reform. Taft continued to bring suits against the trusts, he extended the merit system, set aside lands for public use, and he supported railroad regulation.

In 1913 the Democrat Woodrow Wilson became president. During his first term in office Wilson brought the Progressive movement to a peak. He supported reforms concerning the tariff, banking, trusts, labor, and agriculture. In foreign policy he tried to promote the growth of democracy in smaller nations.

1868

The issue of statehood in Colorado

Jefferson Territory was organized in 1861 with the same geographical boundaries as modern-day Colorado. Jefferson Territory was signed into existence by lame duck president James Buchanan on February 28, 1861. Just a few weeks later, in April of 1861, the Civil War began. Colorado had been settled primarily by Unionists and Abraham Lincoln appointed a Unionist, William Gilpin, as territorial governor.

1864 was the first election year which saw an attempt to gain statehood for Colorado. Republicans in Congress were somewhat nervous about the upcoming election, due partly to the hard time that they were having in the battlefield during the Civil War. They saw a definite advantage to having access to electoral votes from Colorado, Nebraska, and Nevada territories. An enabling act was passed, allowing these states to prepare for statehood. Governor John Evans, who had replaced Gilpin as territorial governor, and Henry Teller began working on a new constitution quickly. It was important to move quickly so that statehood could be proclaimed before the national election. In an attempt to save time the voters were provided with a slate of candidates to approve of right along with the state constitution. Teller and Evans had left their own names off of the slate, supposedly thinking that they would instead be rewarded by being appointed as U.S. Senators by the state legislature.

It appeared to many that Teller and Evans were primarily concerned with the possibility of gaining Senate seats for themselves, and that the welfare of the state was of secondary consideration. In addition, there was a fear that if Colorado became a state that taxes would increase to cover the costs of administering the new state. Also, conscription laws would be extended to cover Colorado, making Coloradoans subject to the draft. The southern counties in Colorado were predominantly Democratic. These southern counties saw no reason to approve of statehood which would benefit the Republican Party and which would also mean a Republican-dominated state legislature in Denver which would be controlled by the northern half of the state.

Statehood was rejected decisively, and the enabling legislation was technically dead. A new movement for statehood arose almost immediately. A new constitution was drafted and ratified in 1865, but Johnson refused to proclaim statehood for Colorado, claiming that the enabling legislation was no longer in effect. There were basically two political reasons for rejection of statehood by Johnson. First-- the Republican Party had made it through the election of 1864 without any major defeats, and Colorado's electoral votes were no longer needed. In addition, Johnson was finding himself at odds with Radical Republicans in Congress, and did not want to add to their ranks.

Meanwhile, before official word was received from Washington, an election was held and the "state" legislature met. John Evans and Jerome B. Chaffee were elected as senators. Teller had been defeated by Chaffee and was not content with a Representative's position. He thereafter fought against Evans and Chaffee on many issues, including

statehood.

In 1866 Republican leaders in Congress proposed another enabling act for Colorado, but this act was vetoed by Andrew Johnson. Evans and Chaffee continued to fight for statehood while Henry Teller and the "Golden Gang" opposed statehood.

In the spring of 1868, with another election approaching, the Senate Committee on Territories met to consider statehood for Colorado once again. Teller was apparently successful in convincing Republican leaders in Congress that Colorado had less than half of the 75,000 population that was claimed by Evans, and that Colorado was not yet ready for statehood.

These claims seem to be somewhat justified as Colorado did seem to be in a state of decline. The 1870 census showed a population of less than 40,000 residents, only 5,000 more than in 1860. There was a decline in economic activity as well. Many easterners felt that Colorado was filled with semi-barbarian adventurers and that a territorial government was entirely adequate.

Statehood for Colorado was not an issue again until 1876, when Republicans in Congress once again sought the cushion of Republican electoral votes coming from the western states.

The Election of 1868:

The two basic issues addressed in the election of 1868 were reconstruction and the greenback policy. The Republican platform supported harsh reconstruction policies and the continued military occupation of the South. The Republicans also favored payment of the public debt in gold. It was during this election that the Republican party emerged as the defender of northern manufacturing, banking, and railroad interests. The Democratic platform denounced Congressional reconstruction as unconstitutional and called for the redeeming of union bonds in greenbacks rather than gold.

The greenback issue was of primary interest to the westerners. Almost \$500 million in greenbacks had been issued during the Civil War. This was very inflationary, so after the war the federal government tried to strengthen the dollar by recalling \$100 million in greenbacks. This action was not popular with the people of Colorado because it meant that less credit would be available, and cash was needed to develop Colorado.

Ulysses S. Grant gained the Republican nomination very easily, with Speaker of the House Schuyler Colfax as his running mate. The Democrats chose Governor Horatio Seymour of New York as their candidate with Francis F. Blair, Jr. of Missouri as the vice-presidential candidate.

Had Colorado attained statehood, the three electoral votes would have gone to the Republican party.

1895 The Silver Issue, Populism, and Labor

The Silver Issue

During the Civil War the federal government had printed money to help support the war effort. After the war was over the business interests and creditor classes pushed for a sound money policy. They wanted to remove most of the greenbacks and thus stabilize the dollar.

In 1873 Congress passed the Coinage Act which ended the minting of silver dollars. This essentially placed us on the gold standard. The silver interests felt that the Coinage Act was a direct attack on them. Along with the inflationists they branded the Coinage Act as the "Crime of '73."

In 1878 the Bland-Allison Act was passed over the veto of Rutherford B. Hayes. This authorized the government to purchase \$2 million - \$4 million in silver for coinage. The ratio of gold to silver was to be adjusted periodically to reflect the market price.

The Sherman Silver Purchase Act (1890) authorized the Treasury Department to purchase 4.5 million oz. of silver. Silver certificates would then be issued which would be redeemable in gold or silver. (They were almost always redeemed in gold.)

In 1893 there were great demands on the gold supply which had caused it to drop below what was considered a safe level. This caused a panic as certificate holders rushed to have them redeemed in gold. This further drained the gold reserve. The result was a very deep and long-lasting depression.

The effect of the Panic of 1893 was especially serious in Colorado. It soon became apparent that Colorado's economy was very dependent upon silver. The price of silver dropped from 80 cents an ounce to 62 cents an ounce. All of the mines in the Leadville area had closed, along with smelters in Aspen, Pueblo, and Leadville. Business failures in Colorado were three times the national average. Twelve Denver banks and 377 Colorado businesses closed within a short period of time.

Since Cripple Creek was the site of a gold strike, and the economy of Colorado Springs depended on Cripple Creek, this part of the state was relatively untouched, except for the fact that miners poured into the Cripple Creek area in search of work. This gave the competitive edge to the mine owners when it came time to decide pay scales.

President Grover Cleveland responded to the depression by calling a special session of Congress to repeal the Sherman Silver Purchase Act. He felt that a stabilization of the dollar would draw us out of depression. The repeal of the Sherman Silver Purchase Act deepened the depression throughout the rest of Colorado.

Labor--

In 1894 and 1895 the Western Federation of Miners were becoming strong in Colorado. Cripple Creek saw a violent strike in 1894. Out-of-work silver miners sought work in Cripple Creek after 1893. The mine owners tried to take advantage of this abundance of labor by increasing the number of hours that the miners were to work each day. On February 1, 1894, the mines were closed when the Western Federation of Miners refused to accept the increase in the work day. Governor Waite sent the militia to assist, but removed them when he learned that they were to be used to break the strike. El Paso County sheriff Bowers then attempted to break the strike by using his own army of 1300 men. Governor Waite sent the militia back, this time to protect the miners. The strike lasted 130 days. Governor Waite eventually represented the miners in talks with the mine owners in Colorado Springs. The strikers gained a victory when an agreement was made to return to the eight hour day.

The Populist Party--

The Populist Party was a combination of Greenbackers, Laborites, and Farmers Alliances. There were several causes for agrarian unrest following the Civil War. Farmers found that the prices they received for their farm goods were declining. This resulted partly from the fact that their production had increased. Farmers resented the fact that manufacturers enjoyed the advantages of high protective tariffs while they were forced to sell in an unprotected market. Farmers are traditionally heavy debtors, and they saw mounting debts. There was a growth of farm tenancy as mortgages were foreclosed. Farmers were convinced that they were being taken advantage of by the business interests. Farmers hoped that a more plentiful money supply would help them pay off debts and increase prices on their crops. Farmers began to organize themselves and in the 1880's and 1890's supported policies which would bring about inflation--either by printing greenbacks or by coining silver. Inflation would mean that the debtor farmers could pay back their loans more easily and that they would not have to sell as many crops to make payments.

The Populist Party was formed in 1891, with free coinage of silver as their primary interest. Their platform, however, included many other reforms:

1. free coinage of silver
2. increase in currency in circulation
3. economy in government
4. a graduated income tax
5. government ownership of railroad and telegraph lines
6. single term for president and vice president
7. direct election of senators
8. use of initiative and referendum
9. 8-hour workday for government employees

Many of these planks were later adopted by the Republican and Democratic parties.

The election of 1892 was the first in which the Populists presented a slate of candidates. The major issues in the election were money and tariff reform.

James B. Weaver was nominated for president. Weaver gained 22 electoral votes in the silver and agricultural states of the West. All three of Colorado's electoral votes went to Weaver. Although nowhere near a victory, the Populists had gained enough electoral votes to be considered a political force. This election also convinced the Democratic and Republican parties that the money issue was worth their serious consideration.

In 1894 the Populist Party increased its share of the vote by 50% and sent six senators to Congress.

In Colorado the Republican party had dominated following the Civil War. The silver issue brought the Populists to the fore. In 1892 Populist David B. Waite was elected governor--he was a Populist. Waite had been an Aspen newspaper publisher who favored populist reforms. Waite served from 1892-1897. Both senate seats were held by Populists.

By the end of Waite's term a split was developing within the populist Party between the silverites and those who felt that other Populist reforms were equally as important.

1907--

From its establishment Colorado Springs has been known as a health resort and a summer playground. In Colorado, A Guide to the Highest State it is noted that there were three distinct groups in Colorado Springs: the leisure class, tourists, and those who serve both groups.

Colorado Springs profited tremendously from the gold strikes in Cripple Creek. Not only did Colorado City and Colorado Springs thrive as supply centers for Cripple Creek, but they also became a place for the excess money from the gold industry to be spent and invested. New mining exchanges and companies thrived. Those who had made their fortunes in Cripple Creek built large homes in Colorado Springs, many of them on Wood Avenue. One notable exception was Winfield Scott Stratton, who purchased a simple frame home in the area where he had earlier worked as a carpenter.

Between 1890 and 1900 the population of Colorado Springs more than doubled (from 11,000 to 23,000) and from 1900 to 1910 Colorado Springs boasted the largest per capita income in the United States.

The tourist industry in Colorado Springs continued to grow, especially during the summer months when hotels and boarding houses were filled with sightseers and tourists. Colorado Springs became a favorite place for holding conventions.

One dark spot during this era was labor relations. Indicative of the troubled relations was the strike in Cripple Creek in 1904. The Western Federation of Miners had struck against the reduction mills of Colorado City. The Cripple Creek miners staged a sympathy strike. During that sympathy strike one bomb killed 13 strikebreakers and injured several others. Colorado Governor James Peabody sent in the militia and rounded up hundreds of miners. Many were taken to the Kansas border and set loose on foot. The union was outlawed in Colorado. The violence was blamed on the union. The resulting bitterness led to a split between labor and management in the West.

"Big Bill" Haywood, who had been a leader in the Western Federation of Miners, helped to organize the Industrial Workers of the World. The object of the IWW or the "Wobblies" was to abolish capitalism by using strikes, boycotts, and sabotage. Although their numbers were never very great, they continued to cause trouble, especially in the West.

Around the turn of the century there was a movement in Colorado to preserve some of the ancient relics which were found in the state. The Cliff Dwellings in the southwestern part of the state were a subject of much concern. The cliff dwellings had been surveyed in 1870 and very quickly the treasure hunters started to cart off precious souvenirs. Apparently some promoters in Manitou Springs felt that people might be willing to pay for the opportunity to see the relics without having to travel some 350 miles to do so. These promoters constructed their own cliff dwellings from carloads of stone trucked in from Mesa Verde. The Cliff Dwellers Association was formed to stop the plundering and to lobby for a national park at Mesa

the Association.

In 1906 Teddy Roosevelt signed a bill breathing Mesa Verde National Park.

By 1907 Populism was on the way out. Many of the progressive planks of the party platform had been taken up by the Republican or the Democratic Party. In Colorado there had been a split between the silver faction of the party and those who supported the other reforms as well.

All along, Populism seemed to have a broad popular base of support. After 1896 Colorado's debtor farmers rather than the labor and mining interests took up the cross of silver. Populism would not have had an appeal for the upper classes of Colorado Springs. The inflationist free silver policies of the Populists had nothing to offer to these "gold barons."

In the first decade of the 20th century Populism gave way to Progressivism. The Progressive movement, although not exactly the same constituency, contained many of the elements of Populism, but with a broader appeal.

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