#### Note Cards

#### 701. Texas v. White

1869 - Argued that Texas had never seceded because there is no provision in the Constitution for a state to secede, thus Texas should still be a state and not have to undergo reconstruction.

# 702. Ulysses S. Grant

U.S. president 1873-1877. Military hero of the Civil War, he led a corrupt administration, consisting of friends and relatives. Although Grant was personally a very honest and moral man, his administration was considered the most corrupt the U.S. had had at that time.

# 703. Whiskey Ring

During the Grant administration, a group of officials were importing whiskey and using their offices to avoid paying the taxes on it, cheating the treasury out of millions of dollars.

# 704. "Waving the bloody shirt"

The practice of reviving unpleasant memories from the past. Representative Ben F. Butler waved before the House a bloodstained nightshirt of a carpetbagger flogged by Klan members.

# 705. Liberal Republicans: Carl Schurz, Horace Greeley

Schurz and Greeley were liberal republicans - they believed in civil service reform, opposed corruption, wanted lower tariffs, and were lenient toward the South.

## 706. Panic of 1873, depression

Unrestrained speculation on the railroads let to disaster - inflation and strikes by railroad workers. 18,000 businesses failed and 3 million people were out of work. Federal troops were called in to end the strike.

#### 707. Election of 1876: candidates, electoral commission

Rutherford B. Hayes - liberal Republican, Civil War general, he received only 165 electoral votes. Samuel J. Tilden - Democrat, received 264,000 more popular votes that Hayes, and 184 of the 185 electoral votes needed to win. 20 electoral votes were disputed, and an electoral commission decided that Hayes was the winner - fraud was suspected.

## 708. Compromise of 1877

Hayes promised to show concern for Southern interests and end Reconstruction in exchange for the Democrats accepting the fraudulent election results. He took Union troops out of the South.

#### 709. Greenbacks

Name given to paper money issued by the government during the Civil War, so called because the back side was printed with green ink. They were not redeemable for gold, but \$300 million were issued anyway. Farmers hit by the depression wanted to inflate the notes to cover losses, but Grant vetoed an inflation bill and greenbacks were added to permanent circulation. In 1879 the federal government finally made greenbacks redeemable for gold.

#### 710. Ohio Idea

1867 - Senator George H. Pendleton proposed an idea that Civil War bonds be redeemed with greenbacks. It was not adopted.

# 711. Legal Tender cases

The Supreme Court debated whether it was constitutional for the federal government to print paper money (greenbacks).

## 712. Species Resumption Act

1879 - Congress said that greenbacks were redeemable for gold, but no one wanted to redeem them for face gold value. Because paper money was much more convenient than gold, they remained in circulation.

## 713. Greenbacks - Labor Party

Founded in 1878, the party was primarily composed of prairie farmers who went into debt during the Panic of 1873. The Party fought for increased monetary circulation through issuance of paper currency and bimetallism (using both gold and silver as legal tender), supported inflationary programs in the belief that they would benefit debtors, and sought benefits for labor such as shorter working hours and a national labor bureau. They had the support of several labor groups and they wanted the government to print more greenbacks.

## 714. Pendleton Civil Service Act

1883 - The first federal regulatory commission. Office holders would be assessed on a merit basis to be sure they were fit for duty. Brought about by the assassination of Garfield by an immigrant who was angry about being unable to get a government job. The assassination raised questions about how people should be chosen for civil service jobs.

#### 715. Chester A. Arthur

Appointed customs collector for the port of New York - corrupt and implemented a heavy spoils system. He was chosen as Garfield's running mate. Garfield won but was shot, so Arthur became the 21st president.

716. Election of 1884: James G. Blaine, Grover Cleveland Democrat - Cleveland - 219 electoral, 4,911,017 popular. Republican - Blaine - 182 electoral, 4,848,334 popular. Butler - 175,370 popular. St. John - 150,369 popular. Cleveland was the first Democrat to be president since Buchanan. He benefitted from the split in the Republican Party.

## 717. Stalwarts

Republicans fighting for civil service reform during Garfield's term; they supported Cleveland.

## 718. Roscoe Conkling (1829-1888)

A Stalwart leader and part of the political machine.

#### 719. Half-breeds

Favored tariff reform and social reform, major issues from the Democratic and Republican parties. They did not seem to be dedicated members of either party.

## 720. Mugwumps

Republicans who changed their vote during the 1884 election from Blaine to Cleveland. Mugwump is the Algonquin Indian word for "chief" and was used in a N.Y. Sun editorial to criticize the arrogance of the renegade Republicans.

### 721. "Rum, Romanism, and Rebellion"

James Gillespie Blaine said that the Irish Catholics were people of "rum, Romanism, and rebellion." It offended many people and cost Blaine the election.

## 722. High tariffs

Levied against imported and manufactured goods, once again hurting the South and the economy to raise money for the federal government and help Northern industries.

## 723. Treasury surplus

During the Reconstruction, the treasury was in deficit, so it cut back spending to build up the treasury and ended with a surplus.

## 724. Pensions, Garfield

Congress granted pensions to all veterans with any disability for any reason. Cleveland vetoed it, which contributed to his not being reelected. He didn't think Confederate veterans should receive pensions.

## 725. Secret ballot / Australian ballot

First used in Australia in the 1880s. All candidates names were to be printed on the same white piece of paper at the government's expense and polling was to be done in private. It was opposed by the party machines, who wanted to be able to pressure people into voting for their candidates, but it was implemented and is still in use.

## 726. Cleveland's 1887 Annual Address

Emphasized civil service reform, and fought high tariffs.

## 727. Election of 1888: candidates, issues

Republican - Harrison - 233 electoral; 5,444,337 popular. Democrat - Cleveland - 168 electoral, 5,540,050 popular. Fisk - 250,125 popular. Harrison said he would protect American industry with a high tariff. Issues were civil service reform and tariffs.

728. Benjamin Harrison (1833-1901), Billion Dollar Congress, Czar Reed Harrison: Republican, ran against Cleveland, became the 23rd president. Billion Dollar Congress: The first session where Congress spent over \$1 billion. Czar Reed: The nickname of Thomas Braket, Speaker of the House 1889-1891. He tried to increase the power of the Speaker.

## 729. McKinley Tariff

A highly protective tariff passed in 1880. So high it caused a popular backlash which cost the Republicans votes.

## 730. Election of 1892: candidates, issues

Democrat - Grover Cleveland and V.P. Adlai E. Stevenson - 5,554,414 popular; 227 electoral votes. Republican - Benjamin Harrison and V.P. Whitecar Reed - 145 electoral votes. National Prohibition Convention - John Brownwell and V.P. James B. Cranfil. Socialist Labor Convention - Simon Wing and V.P. Charles H. Machett. Republicans wanted a high protective tariff, but Democrats opposed it. Democrats secured a majority in both houses.

# 731. Morgan bond transaction

John Pierpont Morgan took over the Susquehanna and Albany railroads. He won the confidence of European investors and used them for investment capital. He then took over steel companies and bought Carnegie's interests in steel. This was the largest personal financial transaction in U.S. history. Morgan combined the companies to form the U.S. Steel Company, the world's first billion dollar corporation. Eased the Panic of 1873.

#### 732. Wilson - Gorman Tariff

Meant to be a reduction of the McKinley Tariff, it would have created a graduated income tax, which was ruled unconstitutional.

# 733. Pollock v. Farmer's Loan and Trust Company, 1895

The court ruled the income could not be taxed. In response, Congress passed the 16th Amendment which specifically allows taxation of income (ratified 1913).

## 734. Dingley Tariff

Passed in 1897, the highest protective tariff in U.S. history with an average duty of 57%. It replaced the Wilson - Gorman Tariff, and was replaced by the Payne - Aldrich Tariff in 1909. It was pushed through by big Northern industries and businesses.

## 735. Laissez-faire

A theory that the economy does better without government intervention in business.

## 736. Adam Smith, The Wealth of Nations

Promoted laissez-faire, free-market economy, and supply-and-demand economics.

#### 737. Union Pacific Railroad, Central Pacific Railroad

Union Pacific: Began in Omaha in 1865 and went west. Central Pacific: Went east from Sacramento and met the Union Pacific Railroad at Promontory Point, Utah on May 10, 1869, where the golden spike ceremony was held. Transcontinental railroad overcharged the federal government and used substandard materials.

#### 738. "Credit Mobilier"

A construction company owned by the larger stockholders of the Union Pacific Railroad. After Union Pacific received the government contract to build the transcontinental railraod, it "hired" Credit Mobilier to do the actual construction, charging the federal government nearly twice the actual cost of the project. When the scheme was discovered, the company tried to bribe Congress with gifts of stock to stop the investigation. This percipitated the biggest bribery scandal in U.S. history, and led to greater public awareness of government corruption.

#### 739. "Robber Barons"

The owners of big businesses who made large amounts of money by cheating the federal government.

## 740. John D. Rockefeller

Joined his brother William in the formation of the Standard Oil Company in 1870 and became very wealthy.

## 741. Standard Oil Company

Founded by John D. Rockefeller. Largest unit in the American oil industry in 1881. Known as A.D. Trust, it was outlawed by the Supreme Court of Ohio in 1899. Replaced by the Standard Oil Company of New Jersey.

#### 742. Horizontal consolidation

A form of monopoly that occurs when one person or company gains control of one aspect of an entire industry or manufacturing process, such as a monopoly on auto assembly lines or on coal mining, for example.

## 743. Andrew Carnegie, Henry Clay Frick

Business tycoons, they made their money in the steel industry. Philanthropists.

#### 744. Vertical consolidation

A form of monopoly that occurs when one person or company gains control of every step of the manufacturing process for a single product, such as an auto maker that also owns its own steel mills, rubber plantations, and other companies that supply its parts. This allows the company to lower its costs of production and drive its competition out of business.

# 745. Charles Schwab (1862-1939)

Founder and president of the U.S. Steel Corporation. First president of the American Iron and Steel Institute in 1901, he was also involved in the stock market.

## 746. Thomas A. Edison

One of the most prolific inventors in U.S. history. He invented the phonograph, light bulb, electric battery, mimeograph and moving picture.

# 747. Alexander Graham Bell

1876 - Invented the telephone.

## 748. Leland Stanford (1824-1893)

Multimillionaire railroad builder, he founded Stanford University in memory of his only son, who died young. He founded the Central Pacific Railroad.

# 749. James J. Hill, Great Northern Railroad

Empire builder, he tried to monopolize the northern railroads.

# 750. Cornelius Vanderbilt, New York Central Railroad

A railroad baron, he controlled the New York Central Railroad.

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