

The Farmers' Plight & the Rise of Populism

Farming in the Late 1800s

Change between 1860-1890: NUMBER OF FARMERS DECREASED FROM 60% OF WORKING POPULATION TO 37%.

Impact of Industrialization on Farming:

EXPENSIVE MACHINERY LIKE STEAM ENGINES, SEEDERS, & MECHANICAL REAPERS WERE EXPENSIVE → DROVE MANY OUT OF BUSINESS

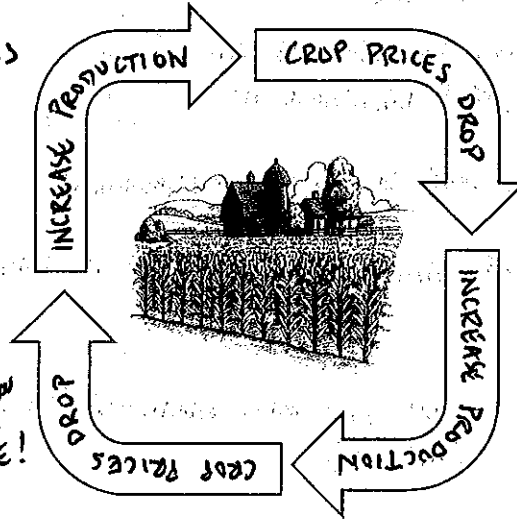
What happened to crop prices? Why?

DROPPED - FACED COMPETITION FROM OTHER COUNTRIES

An Improbable Solution (Cycle):

BECAUSE OF HIGH DEBT, FARMERS HAD TO PRODUCE 2-3 TIMES MORE CROPS TO PAY IT OFF → PROBLEM: OVERPRODUCTION ONLY LOWERED PRICES MORE!

Railroads, Monopolies, and "Middle-Men"



Impact Monopolies had on Farmers:

CREATED HIGH PRICES ON MANUFACTURED GOODS

Railroads vs. Farmers:

RAILROADS CHARGED HIGH RATES TO TRANSPORT FARMERS' GOODS/CROPS TO THE MARKETS

GAVE REBATES TO CERTAIN BUSINESSES BUT NOT FARMERS

Paying the "Middle Men":

WAREHOUSES CHARGED HIGH RATES TO STORE CROPS

Problem with Tariffs:

PROTECTED BIG BUSINESS & CAUSED PRICES OF GOODS TO RISE (TOO EXPENSIVE FOR FARMERS); OTHER COUNTRIES RAISED THEIR TARIFFS, TOO

Unfair Taxes:

TAXES WERE PLACED ON LAND/PROPERTY BUT NOT ON STOCKS/BONDS OF BUSINESSES

Farmers Organize

The Granger Movement: 1868 BY OLIVER H. KELLEY AS A SOCIAL & EDUCATIONAL ORGANIZATION FOR FARMERS & FAMILIES

What they wanted: LAWS THAT...

1. REGULATE R.R. RATES
 2. REGULATE STORAGE RATES
 3. REGULATE UNFAIR REBATES
- } Lobbied STATE GOVERNMENTS

Additional Notes:

END OF THE SMALL-SIZE FARMER

"CASH CROPS" SUCH AS WHEAT & CORN TAKE OVER

MANY FARMERS FORECLOSED AND MOVED TO THE CITIES OR BECAME SHARECROPPERS/TENANT FARMERS

AMERICAN FARMERS HAD A HARD TIME SELLING CROPS TO OTHER COUNTRIES

TAUGHT HOW TO USE NEW MACHINERY & USE NEW METHODS

The Interstate Commerce Act

Issue: STATE LAWS REGULATING R.R. RATES
ONLY WORKED WITHIN STATES

Washburn vs. Illinois (1886):

INDIVIDUAL STATES COULD NOT REGULATE
INTERSTATE COMMERCE

Congress Responds:

INTERSTATE COMMERCE ACT OF 1886

↳ FIRST FEDERAL EFFORT TO REGULATE R.R.

↳ REQUIRED R.R. TO HAVE "REASONABLE AND
JUST" RATES

↳ SET UP INTERSTATE COMMERCE COMMISSION TO INVESTIGATE

Problem with the ICA:

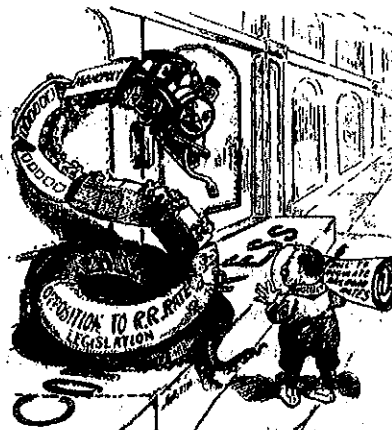
HELPED BUSINESSES MORE THAN FARMERS (COURTS USUALLY RULED IN
FAVOR OF BUSINESSES)

Farmers Alliances

By 1890... 1 MILLION HAD JOINED FARMERS ALLIANCES (SEMI-POLITICAL
REPLACEMENTS TO GRANGES)

The Ocala Platform:

1. DIRECT ELECTION OF SENATORS
2. LOWER TARIFFS
3. GRADUATED INCOME TAX
4. REGULATION OF BANKS (LOWER INTEREST RATES ON LOANS)
5. MORE MONEY IN CIRCULATION
6. GOVT SHOULD STORE CROPS (NOT BUSINESSES)



TRYING TO BLOCK HIS WAY
From the Tribune (Minneapolis)

Additional Notes:

THE FED. GOV'T
REGULATES INTERSTATE
TRADE

STATE LAWS SUPPORTED
BY THE GRANGES ARE
PRETTY MUCH IRRELEVANT

1/16 CASES HELPED FARMERS

ICC DIDN'T GET ENOUGH
FUNDING NOR COULD IT
COVER R.R. THAT EXIST
ONLY IN ONE STATE

BLACK ? WHITE FARMERS
IN ALLIANCES

ATTACKED BOTH DEMS
? REPUBLICANS

INFLUENCED
THE
POPULISTS IN
1892 - 1896

When the farmer comes to town
With his wagon broken down,
Oh, the farmer is the man who feeds them all.
If you'll only look and see
I think you will agree
That the farmer is the man who feeds them all.
The farmer is the man,
The farmer is the man,
Lives on credit till the fall;
Then they take him by the hand
And they lead him from the land,
The middleman's the one who gets it all.
When the banker says he's broke,
And the merchant's up in smoke,
They forget that it's the farmer feeds them all.
It would put them to the test
If the farmer took a rest,
Then they'd know that it's the farmer feeds
them all.

Nothing has done more to injure the [western] region than these freight rates. The railroads have retarded its growth as much as they first hastened it. The rates are often four times as large as eastern rates...The extortionate [expensive] character of the freight rates has been recognized by all parties, and shall have pledged themselves to lower them, but no state west of the Missouri has been able to do so.

Railways have often acquired mines and other properties by placing such high freight rates upon their products that they owner was compelled to sell at the railroad companies' own terms. These freight rates have been especially burdensome to the farmers, who are far from their selling and buying markets; thus robbing them in both directions.

Another fact which has incited the farmer against corporations is the bold and unblushing participation of the railways in politics. At every political convention their emissaries are present with blandishments and passes and other practical arguments to secure the nomination of their friends. The sessions of these legislatures are disgusting scenes of bribery and debauchery [wickedness]. There is not an attorney or prominence in western towns who does not carry passes [free tickets for unlimited trips] or has had the opportunity to do so...By these means, the railroads have secured an iron grip upon legislatures and officers, while no redress [compensation] has been given to the farmer.

The land question also is a source of righteous complaint. Much of the land of the West, instead of being held for actual settlers, has been bought up by speculators and eastern syndicates [businesses] in large tracts. They have done nothing to improve the land and have simply waited for the inevitable settler who bought a small "patch" and proceeded to cultivate it. While he had prospered so that he needed more land, he found that his own labor had increased tremendously the value of the adjacent land...

Closely connected with the land abuse are the money grievances. As his financial condition grew more serious, the farmer could not make payments on his land. Or he found that, with ruling prices, he could not sell his produce at a profit. In either case he needed money, to make the payment or maintain himself until prices should rise. When he went to the moneylenders, these men...told him the money was very scarce, that they rate of interest was rapidly rising...