

ESSAY

Gilded Ages

Richard White*

Stanford University

*Corresponding author. E-mail: whiter@stanford.edu

With the current bountiful crops of outrages, provocations, and howlings, there is a temptation to evaluate everything in terms of our own Gilded Moment.¹ The temptation needs to be resisted. Our Gilded Moment might be Trumpian, but it draws its fuel from a rebellion against a much lengthier and more complicated era that began in the late 1970s and runs into the present. Asking whether this era is a Second Gilded Age comparable to the First Gilded Age, which began at the end of the Civil War and extended into the early twentieth century, creates a blind man and the elephant problem. Examining different parts of the era can yield disparate conclusions. My task is to comprehend each era as a whole; I think that there are structural similarities stronger than particular differences.

Explaining my logic demands a brief aside. In emphasizing structures, I am not returning to crude economic determinisms or an antique mid-twentieth-century structuralism; instead I want to underline a set of concerns that has preoccupied scholars over the last generation. In my terms, if something can be discussed in terms of a single person or discrete group of people, it is part of the world of events. Structural elements, of course, also include people, but when people replicate the structures of a society, they do so largely anonymously, en masse, and without giving the repetitive actions that maintain or change structures much conscious thought. In terms of the First Gilded Age, elections and politics were part of a world of events; governance and democracy were structural. The organization of workers and strikes were part of the world of events; the rise of wage labor and returns on capital were structural. Particular technological innovations and inventions were part of the world of events; the change in energy regimes from wood, wind, and animal power to steam and coal were structural. The rise of the Farmers' Alliance was an event; changes in world markets for wheat, cotton, and other commodities were structural.

Events are not epiphenomena. Structures do not dictate them, and I agree with Monica Prasad that contingent responses to structural conditions produce historical change. Anthony Giddens's theory of structuration, which emphasizes how structures need to be constantly re-created, remains a persuasive explanation of both the interplay of structure and events and historical change. Structural similarities unite the two periods, but different responses to these parallel economic, political, environmental, and social conditions have produced distinct historical trajectories.²

It is easy to be premature in announcing defining structural changes. Two of the great overreaches in the last twenty years have been assertions that we were in a post-racial and a post-national world. I think the Anthropocene is another overreach, although people I very much respect disagree.

My comparisons within this article are largely national. I recognize that the changes and conditions of the American Gilded Ages, as Nathan Connolly argues, were neither unique nor isolated. But precisely because nationalism was part of the mix in both Gilded Ages, changes took on national forms. That race and capitalism inextricably intertwined, both in the United States and beyond, does not mean that national variations were insignificant.

The last forty years have produced a set of structural conditions that do not exactly replicate those of the Gilded Age, but they do seem part of the same historical genus. The similarities emerge most clearly when the two eras are placed within an even larger continuum. As many authors note, Thomas Piketty has outlined such a continuum by marking an un-Gilded Age: the period that ran from roughly the beginning of the Depression to the end of the Cold War. Piketty makes this interlude the exception to a relentless increase in inequality under modern capitalism. On either side of this period are the Gilded Ages. For convenience, I will simply call the period in between the Piketty Interlude.

Because Piketty has inequality increasing through the Progressive Era, Eli Cook thinks the Progressive Era as the more apt comparison with the present. It is an interesting argument, but one that relies heavily on real wage data. As anyone who has worked on the late nineteenth century knows, it is very hard to get reliable statistics on wages and income. What wages bought—the cost of goods in the supposed “shopping basket” that determines real wages—is even harder to determine. It depends on assumptions and guesses that can skew the results dramatically. This is why in *The Republic for Which It Stands*, I chose to sidestep the real wage issue and rely on demographic data (which admittedly is full of problems of its own) as a surrogate for real wages. My assumption is that if real wages were rising, Americans should have been better fed, better housed, and healthier, and this would be reflected in the demographic data. Instead, that data shows a decline in the life spans and heights, as well as a high infant death rate among native-born Americans into the 1890s. All of these measures reverse in the Progressive period. Among the many reasons to be dubious about the real wage growth asserted for the Gilded Age is the low level of consumption that Robert Gordon has recorded for the late nineteenth century and its far more rapid growth during the twentieth century.³

In any case, the parallels between the two American Gilded Ages go beyond economic inequality. The list is long: ineffective presidents, partisan stalemate, identity politics, mass immigration and reaction, corruption, rapid technological change, environmental crisis, claims of white supremacy, and battles over suffrage. I could go on.

But there are also significant differences. Both Julie Greene and Eli Cook note that in the First Gilded Age, organized labor was militant and often successful. Gilded Age workers, as Heath Carter notes, resisted ideological, cultural, and religious attempts to justify the current order. Today organized labor is in decline, less able to resist changes in the distribution of wealth.

There is a second fundamental difference between the two eras. Although both the First and Second Gilded Ages are marked by rising inequality and a decline in well-being, the Second Gilded Age began with levels of prosperity and consumption unimaginable for those living in the late nineteenth century. Again, Robert Gordon has emphasized how little American consumed at the beginning of the First Gilded Age, but the beginning of the Second Gilded Age overlapped with what John McNeil and Peter Engelke have termed the *Great Acceleration*, which began in 1945. This era

launched “the most anomalous and unrepresentative period in the two hundred thousand-year-long history of relations between our species and the biosphere.” Both population and consumption rose dramatically. Globally, human population has tripled, and the number of city dwellers increased from 700 million to 3.7 billion. Since 1945, 75 percent of the total of human-generated carbon dioxide has entered the atmosphere; the number of motor vehicles has expanded from 40 million to 850 million. The list goes on and on.⁴

These differences are real, but differences in particulars and in scale do not necessarily amount to differences in kind. The similarities in the two periods are not those usually cited. I don’t regard the equation of modern neoliberalism with nineteenth-century liberalism as particularly helpful. The comparison is too facile and easy in part because it assumes ideologies define actual conditions and because it leads us away from the political economies of both periods. The Gilded Age United States was never the market paradise of libertarian dreams. It can be as easily be cast as a golden age of government subsidies, tariffs, and judicial interventions in favor of the rich and powerful. Nor did corporations and capital dominate the entire era; as Naomi Lamoreaux has demonstrated, corporate dominance did not occur until the 1890s. The First Gilded Age was a period of intense business competition, which businessmen lamented. The period fell within what historical economists have called the Long Depression. Business, organized labor, and farmers all sought state intervention to protect their interests, and businesses sought a respite from competition in monopoly, which Gilded Age Americans regarded as the curse of the economy.

The modern order has similarly sought respite from bitter competition in monopoly and state intervention. Government agencies and the courts have largely tolerated and nurtured modern monopolies, and as tax policies have grown more regressive, the privileged have reaped the benefits. But I am less willing than Julie Greene to declare that the hegemony of corporate capitalism has been achieved. As in the First Gilded Age, the current order seems quite unstable.

The fundamental economic shift that occurred in the First Gilded Age was structural, not ideological; wage labor, which had been a minor and temporary part of most people’s working lives became the predominant form of labor. Wage labor amounted to a seismic shock that replaced slavery (but not other forms of coerced labor) and much independent production. Attempts to evade wage labor, and later to attain a living wage, underlay the era’s class struggles. Americans, particularly workers, proposed numerous alternatives to wage labor from a variety of socialisms, to cooperative societies of the Knights of Labor and the Farmers’ Alliance to the Bellamyites.

The Second Gilded Age seems to lack a similar shift in the structure of work. The impact of the so-called, and widely hyped, gig economy has thus far been relatively muted; most Americans continue to work for wages. The structural shift is more a combination of an intensification of changes in work that began during the First Gilded Age with a weakening of the social safety net created during the Piketty Interlude. In the First Gilded Age the movement from artisanal to wage labor and increases in machine production eroded the power of skilled workers. In the Second Gilded Age de-skilling has continued and accelerated as robotics and artificial intelligence threaten a wide array of producers. The social safety nets unions helped establish during the twentieth century have frayed and real wages declined. Employers have evaded the social obligations that accrued during most of the twentieth century. Anti-monopolists of the First Gilded Age feared not only wide disparities in wealth but also wide disparities in social power. They would, I think, recognize parallel conditions today.

Politically, the Civil War precipitated a sweeping structural change as the United States shifted from a herrenvolk democracy of white men to a biracial democracy of white and black men. The move was not to universal suffrage. All women, Chinese, and most Native Americans remained excluded, but the change nevertheless was fundamental and significant. It also proved short-lived. By the 1870s an anti-democratic backlash led to the disenfranchisement of African Americans in the South and a steady march toward restrictions on suffrage over the rest of the country.

Similarly, our Second Gilded Age came in the wake of the expansion of the electorate by the civil rights movement, and this, too, has been followed with a new set of less drastic anti-democratic measures designed to making voting more difficult and curb turnout. In both of the Gilded Ages, gerrymandering flourished.

Even more striking have been parallels between structural changes in governance during the Gilded Ages. The federal government emerged from the Civil War as the Yankee Leviathan with enormously increased powers, but those powers came with limited administrative capacity. The federal government could, for example, pass laws restricting immigration. It had a much harder time enforcing them. During the First Gilded Age the federal government secured its monopoly over the regulation of immigration. And as Julian Lim observes, the cultural panic that accompanied Chinese immigration in the First Gilded Age echoes in the cultural panic around Latin American immigration in the Second Gilded Age. Authority and panic did not yield control. Administrative capacity is necessary for that, and as Beth Lew Williams demonstrates in her important new book, the federal government had difficulty turning legislation into actual control over the borders.⁵

The response to the combination of increasing governmental authority and limited administrative capacity was a delegation of powers during the First Gilded Age. Grant's Peace Policy turned Indian agencies over to churches. In other cases, the government secured public ends by subsidizing private corporations. Western and Southern railroads both provide cases in point. Most commonly, the government enforced laws and regulations and funded services through fees, bounties, and penalties. In *Against the Profit Motive* – a book all historians should read – Nicholas Parrillo has shown how government became a source of private profit. Tax collectors, deputy marshals, revenue agents, and customs officials all depended on fees and bounties. The post office, prisons, and jails became ways to turn public functions into private gain. The result was a system of chronic dysfunction, injustice, and corruption. The reaction against it led to the emergence of salaried bureaucrats and the emergence of more autonomous bureaucracies analyzed by Daniel Carpenter. All of these were contingent responses to a structural condition.⁶

The past forty years have led to an uneven return to fee-based governance. In the rise of charter schools, private prisons, mercenary soldiers, private camps to hold undocumented migrants, attempts to delegate public funds to churches to provide social services, and more, we see a return to forms of governance typical of the First Gilded Age. The result has predictably been a replication of government for profit, and with it, recurring concerns about corruption.

Jeffrey Broxmeyer's discussion of rings highlights profit through officeholding, but it is only one of many examples of the entanglement of profit and governance. This corruption had a cultural component summed up in the First Gilded Age's conception of friendship, the personal connections that knit this system together. The cruder forms of friendship involved exchanges of money and property, but more significant was the exchange of information. Broxmeyer recognizes this in his example of Jay Gould's

attempt to corner gold. Political information—what the government might or might not do—and friends in high places was as good as gold on the financial markets. It still is.

The parallel is not perfect. In the First Gilded Age political parties far more than they do now mediated the exchanges that allowed some people to profit from governance. This was not the result of civil service reform in the First Gilded Age. Civil service reform actually enhanced the connections between business and politics. By preventing the parties from exacting contributions from officeholders, reformers increased the party's reliance on business donors. In the Second Gilded Age, businessmen— and politicians—have increasingly broken free of parties. They use them when convenient, and, thanks to Supreme Court decisions, operate independently when it is to their advantage.

The ability of people in the First Gilded Age to use government to turn the flow of people, goods, information, and money into private profit depended on another structural change with parallels in the present. Marx's formulation of this change—"the annihilation of space by time"—was already a cliché in the First Gilded Age. Marx meant steam technology, railroads, and the telegraph. In the Second Gilded Age, the phrase resurfaced to describe the information revolution and the complex of technologies that have produced the internet.

The steam technology of the First Gilded Age seems primitive in comparison to modern technologies, but the two Gilded Ages can be seen as two different phases of a deeper structural change—the transition from muscle, wind, and water power to fossil fuels. Coal enabled both rapid industrialization and urbanization. It powered the increasing productivity of American and European economies.

Industrialization in the First Gilded Age triggered a series of environmental crises. Benjamin Johnson emphasizes the better-known problems with wild lands and conservation, but I think the key crisis came in the cities where sewage, disease, polluted waters, and bad air combined to create an environmental emergency reflected in the decline of human life spans and human heights, increases in epidemic and endemic diseases, and persistently high infant death rates that I mentioned earlier. In both eras the connections between human economies, the natural environment, and human well-being run much deeper than real wages.

Changes in the energy regime of the First Gilded Age yielded the beginning of global warming as the shift to coal increased the production of CO₂ and other greenhouse gases. Climate change links the two Gilded Ages. The First Gilded Age set these changes in motion; the Second Gilded Age with vastly increased petroleum use has increased the scale and consequences of global warming. The period in between the two Gilded Ages also contributed to climate change, but Americans in the Piketty Interlude reaped the benefits of fossil fuels while remaining in blissful ignorance of the disasters that economic and technological change had set in motion. We continue down the path the First Gilded Age forged, but where they mustered ignorance, we rely on denial.

One of the great virtues of thinking historically about periods that encompass one own's life span is that it can render anomalous what has always seemed normal. The Piketty Interlude was the only period in which the United States was not a heavily immigrant nation. People my age grew up with immigrant parents and grandparents, but relatively few of us were immigrants. In terms of immigration, as with so many things, it is easy to regard the period between the Gilded Ages as normal when it is anomalous.

In both Gilded Ages the push and pull factors that generated immigration were largely, but not entirely, economic. In both eras the United States benefited from an influx of people whose labor was in a sense a free gift because American society had

not had to pay the cost of the new workers' upbringing. In both eras, immigration became an important element of economic growth, and many immigrants, then and now, regarded their sojourn in the United States as temporary. They intended to return home having improved their condition. In many cases they did so, but in more cases, the children of immigrants Americanized with startling rapidity. They regarded the United States rather than the places where their parents were born as their homes. Americanization involved far more than immigrants adopting "American" values; immigrants gave as well as received. Both periods have been remarkable for their cultural ferment, particularly in popular culture.

Immigration in both periods has also triggered a ferocious counterreaction in which the real stresses brought by mass immigration have been coupled with a demonization of immigrants. Increasing inequality has made it convenient to blame immigration for quite real social problems. In both periods, xenophobia has grown, and not only the native born but also some immigrants have stigmatized other immigrants. Blaming immigrants for a list of problems—crime, declines in standards of living, competition for jobs, drinking then and drug use now—critics have concluded that these new immigrants are inassimilable. The rhetoric from the First Gilded Age sometimes seems to have been lifted intact for the use in the second. Only the groups under attack have changed.

The First Gilded Age spawned a reform movement—anti-monopoly—whose reach has often been underestimated by seeing it only in terms of separate components: the Populists, the Grangers, the Knights of Labor, and the Farmers' Alliance. All these manifestations of anti-monopoly comprised parts of a larger whole. Both the Democratic and Republican Parties contained strong anti-monopoly wings in. Bryan's takeover of the Democratic Party represented the overthrow of liberal Democrats, while the Republican Party maintained its strong anti-monopoly wing in the Midwest, particularly the upper Midwest. In 1896 Republican anti-monopolists outside the West remained loyal to their party. Anti-monopoly in groups like the Women's Christian Temperance Union overlapped with evangelical reform. Anti-monopoly represented an insurgency from the left, but conservatism—classical liberalism—did not disappear. It found a bastion in the federal courts. This also seems to be happening during the Second Gilded Age.

The Second Gilded Age has also spawned a reform movement. As with anti-monopoly, we can miss the forest for the trees. George Wallace, Patrick Buchanan, Ross Perot, the Tea Party, and the followers of Donald Trump are related; they all harnessed a complicated social rebellion fueled by economic inequity, a desire to retain racial privilege, and devotion to what adherents regard as core American values. These politics overlapped with reforms sought by white evangelical Christians. And, as with Bryan's capture of the Democrats, the reform movement personified by the Tea Party seized the Republican Party before casting its lot with Trump. In this broad sense, the modern political reaction of the Tea Party and Trump voters came in response to structural conditions that provoked nineteenth-century anti-monopoly.

But there are also significant differences. Anti-monopoly politics pushed American governance to the left; Tea Party politics has been part of a move to the right. Anti-monopoly pervaded all the political parties, but even though concerns with economic inequality have also become important in the Democratic Party, Tea Party politics, with strong white nationalist undertones, has concentrated in the Republican Party.

It is tempting to see the 2016 election as a replay of 1896 except with the insurgent, dark horse candidate winning. Bryan's insurgency was from the left; Trump's was from

the right, but like Bryan, Trump attacked the status quo as corrupt, unfair, and rewarding privilege. Unlike Bryan, Trump managed to capture white working class as well as evangelical and rural support.

But in terms of the larger structural comparison between the two eras, the 1896 election in hindsight takes on a different meaning. It was less an epochal ideological clash than it seemed. McKinley was not an anti-monopolist, but neither was he classical liberal. The election did not mean the triumph of liberalism or capital. McKinley depended on Republican anti-monopolists and workers. The reform wing of the Republican Party would soon take it over. No matter who had won in 1896, there was going to be an interventionist state and a greater focus on pressing social problems. The challenge is to discern whether there has been an equivalent shift at this point in our Gilded Age.

Notes

- 1 As is common in special journal issues such as this one, not all papers arrive on time. Some authors drop out, and new ones have to be recruited. As a result, this article does not include all the articles in the issue, only those available when I wrote it.
- 2 This is not an essay on theory, but, like Thomas Sewell, I think it is events that produce history.
- 3 Robert Gordon has real wages rising more rapidly after 1900 than between 1870–1900.
- 4 John McNeil and Peter Engelke, *The Great Acceleration: An Environmental History of the Anthropocene since 1945* (Cambridge, MA: Harvard University Press, 2016), 4, 5.
- 5 Beth Lew Williams, *The Chinese Must Go: Violence, Exclusion, and the Making of the Alien in America* (Cambridge, MA: Harvard University Press, 2018).
- 6 Nicholas Parrillo, *Against the Profit Motive: The Salary Revolution in American Government, 1780–1940* (New Haven, CT: Yale University Press, 2013); Daniel Carpenter, *The Forging of Bureaucratic Autonomy: Reputations, Networks and Policy Innovation in Executive Agencies, 1862–1928* (Princeton, NJ: Princeton University Press, 2001).