

## OUTLINE ON FARMERS MOVEMENTS

1867, the Order of the Patrons of Husbandry, later called the National Grange, founded with largely social and cultural goals.

1873, the “Farmer’s Declaration of Independence” called on farmers to cast off the “tyranny of monopoly.” Middlemen seen as primary cause of farmers’ problems: middlemen raised prices of finished goods sold to farmers and lowered prices they paid to farmers for their crops. Buying and selling cooperatives developed to bypass middlemen. Operators of grain elevators also seen as enemies of farmers. Railroads were the greatest offenders. Even though rail competition lowered rates nationwide, many rural areas served by only one line had high transport rates. Railroads also awarded rebates to large shippers and put small operators at a disadvantage.

Between 1869 and 1874, businessmen and farmers in Illinois, Iowa, Wisconsin, and Minnesota lobbied for state railroad laws. The Granger laws established maximum rates railroads and grain elevators could charge. In some states, railroad pools, rebates, passes, and other discriminatory practices outlawed.

1877, in *Munn v. Illinois*, Supreme Court upheld Granger laws. But state laws could not control long-haul rates, which rose as a result of restrictions on intrastate charges. Issues of what constituted a “fair” rate and who could decide that, what was a reasonable return for a railroad unresolved.

1886, *Wabash v. Illinois*, Supreme Court reversed *Munn* decision and ruled that only Congress could regulate interstate rates.

1887, Interstate Commerce Act: Congress responded to farmers, but also to railroad managers who wanted to regulate fierce competition threatening to bankrupt their companies. Established the first federal regulatory agency, the Interstate Commerce Commission. The ICC found it difficult to define a reasonable rate. Also lacked enforcement power; ICC had to bring offenders into court and initiate lawsuits. Judges suspicious of new federal authority frequently ruled in favor of railroads. Between 1887 and 1906, 16 railroad cases went to the Supreme Court, which decided in the railroads’ favor in 15 of the cases.

Grange declined in late 1870s, but depression of late 1880s and 1890s saw a rebirth of farmers’ organizations. In Midwest (hogs and cattle raised on cheap grain) and East (fruit and vegetables for urban markets), farmers adjusted better to depression and protest was muted. In Great Plains and South, farmers radicalized.

Southern Farmers Alliance organized 2 million farm families in 43 states and became National Farmers Alliance. Demanded radical changes in laws governing money, transportation, and land. “Equal rights to all, special privileges to none.” Alliance sponsored buying and selling cooperatives. Supported legislation to regulate monopolies and large corporations. Supported a national banking system empowered to issue paper

money and increase money supply. Called for better public schools in rural areas; state agricultural colleges, improvement in status of women (the vote?). Alliance included black locals organized into a Colored Farmers Alliance. But white cotton farmers depended on black labor, so alliance between whites and blacks fragile.

1890: The Ocala Program—direct election of U.S. Senate to make federal government more responsive to voters; a lower tariff to reduce prices of manufactured goods; inflationary monetary policy based on paper notes and silver leading to higher prices and a reduction in debt; subtreasury plan, federal warehouse where farmers could store their produce until market prices favored selling. Federal government would lend farmers up to 80 percent of current price for products against future income from sales. Plan would free farmers from credit merchants and depressed prices at harvest time. Other demands, graduated income tax and support for regulation of transportation and communication networks. If regulation failed, government to take over both networks and run for public good.

Alliance members called for independent political party: the People's Party of 1892. Omaha platform: direct primaries, the initiative, referendum, secret ballot. Also planks to enlist support of urban labor: eight-hour workday, immigration restriction, condemnation of Pinkertons. Also government ownership of railroads, telephone, telegraph. Graduated income tax, postal savings banks, direct election of U.S. Senators. Received 8 percent of popular vote.

People's Party failed in South because of its policy of including black farmers. Also failed to attract urban workers who were suspicious of party's plan for raising agricultural prices at a time when urban incomes were lagging behind increases in prices of basic goods and staples.

Party gained substantial support in Rocky Mountain states because of support for silver-based currency. Most Populists were in rural South and Great Plains. Biggest victories in Kansas, South Dakota, Colorado, states unrepresentative of the mainstream in American life. Populists were not necessarily poorer than other farmers, but led more isolated lives. Farmers better integrated with their markets continued to work through their traditional political parties.