



THE
Age of Reform

FROM *BRYAN* TO *F. D. R.*

by

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It was not enough to say that a conspiracy of the money power against the common people was going on. It had been going on ever since the Civil War. It was not enough to say that it stemmed from Wall Street. It was international: it stemmed from Lombard Street. In his preamble to the People's Party platform of 1892, a succinct, official expression of Populist views, Ignatius Donnelly asserted: "A vast conspiracy against mankind has been organized on two continents, and it is rapidly taking possession of the world. If not met and overthrown at once it forebodes terrible social convulsions, the destruction of civilization, or the establishment of an absolute despotism." A manifesto of 1895, signed by fifteen outstanding leaders of the People's Party, declared: "As early as 1865-66 a conspiracy was entered into between the gold gamblers of Europe and America. . . . For nearly thirty years these conspirators have kept the people quarreling over less important matters while they have pursued with unrelenting zeal their one central purpose. . . . Every device of treachery, every resource of statecraft, and every artifice known to the secret cabals of the international gold ring are being made use of to deal a blow to the prosperity of the people and the financial and commercial independence of the country."⁴

The financial argument behind the conspiracy theory was simple enough. Those who owned bonds wanted to be paid not in a common currency but in gold, which was at a premium; those who lived by lending money wanted as high a premium as possible to be put on their commodity by increasing its scarcity. The panics, depressions, and bankruptcies caused by their policies only added to their wealth; such catastrophes offered opportunities to engross the wealth of others through business consolidations and foreclosures. Hence the interests actually relished and encouraged hard times. The Greenbackers had long since popularized this argument, insisting that an adequate

⁴ Frank L. McVey: *The Populist Movement* (New York, 1896), pp. 201-2.

legal-tender currency would break the monopoly of the "Shylocks." Their demand for \$50 of circulating medium per capita, still in the air when the People's Party arose, was rapidly replaced by the less "radical" demand for free coinage of silver. But what both the Greenbackers and free-silverites held in common was the idea that the contraction of currency was a deliberate squeeze, the result of a long-range plot of the "Anglo-American Gold Trust." Wherever one turns in the Populist literature of the nineties one can find this conspiracy theory expressed. It is in the Populist newspapers, the proceedings of the silver conventions, the immense pamphlet literature broadcast by the American Bimetallic League, the Congressional debates over money; it is elaborated in such popular books as Mrs. S. E. V. Emery's *Seven Financial Conspiracies Which Have Enslaved the American People* or Gordon Clark's *Shylock: as Banker, Bondholder, Corruptionist, Conspirator*.

Mrs. Emery's book, first published in 1887, and dedicated to "the enslaved people of a dying republic," achieved great circulation, especially among the Kansas Populists. According to Mrs. Emery, the United States had been an economic Garden of Eden in the period before the Civil War. The fall of man had dated from the war itself, when "the money kings of Wall Street" determined that they could take advantage of the wartime necessities of their fellow men by manipulating the currency. "Controlling it, they could inflate or depress the business of the country at pleasure, they could send the warm life current through the channels of trade, dispensing peace, happiness, and prosperity, or they could check its flow, and completely paralyze the industries of the country."⁵ With this great power for good in their hands, the Wall Street men preferred to do evil. Lincoln's war policy of issuing greenbacks presented them with the dire threat of an adequate supply of currency. So the Shylocks gathered in convention and "perfected" a conspiracy to

⁵ Emery, *op. cit.*, p. 13.

create a demand for their gold.⁶ The remainder of the book was a recital of a series of seven measures passed between 1862 and 1875 which were alleged to be a part of this continuing conspiracy, the total effect of which was to contract the currency of the country further and further until finally it squeezed the industry of the country like a hoop of steel.⁷

Mrs. Emery's rhetoric left no doubt of the sustained purposefulness of this scheme—described as “villainous robbery,” and as having been “secured through the most soulless strategy.”⁸ She was most explicit about the so-called “crime of 1873,” the demonetization of silver, giving a fairly full statement of the standard greenback-silverite myth concerning that event. As they had it, an agent of the Bank of England, Ernest Seyd by name, had come to the United States in 1872 with \$500,000 with which he had bought enough support in Congress to secure the passage of the demonetization measure. This measure was supposed to have greatly increased the value of American four per cent bonds held by British capitalists by making it necessary to pay them in gold only. To it Mrs. Emery attributed the panic of 1873, its bankruptcies, and its train of human disasters: “Murder, insanity, suicide, divorce, drunkenness and all forms of immorality and crime have increased from that day to this in the most appalling ratio.”⁹

“Coin” Harvey, the author of the most popular single document of the whole currency controversy, *Coin's Financial School*, also published a novel, *A Tale of Two Nations*, in which the conspiracy theory of history was in-

⁶ Ibid., pp. 14-18.

⁷ The measures were: the “exception clause” of 1862; the National Bank Act of 1863; the retirement of the greenbacks, beginning in 1866; the “credit-strengthening act” of March 18, 1869; the refunding of the national debt in 1870; the demonetization of silver in 1873; and the destruction of fractional paper currency in 1875.

⁸ Ibid., pp. 25, 43.

⁹ Ibid., pp. 54-5. For a more elaborate statement of this story see Gordon Clark: *Shylock: as Banker, Bondholder, Corruptionist, Conspirator* (Washington, 1894), pp. 88-99.

corporated into a melodramatic tale. In this story the powerful English banker Baron Rothe plans to bring about the demonetization of silver in the United States, in part for his own aggrandizement but also to prevent the power of the United States from outstripping that of England. He persuades an American Senator (probably John Sherman, the *bête noire* of the silverites) to cooperate in using British gold in a campaign against silver. To be sure that the work is successful, he also sends to the United States a relative and ally, one Rogasner, who stalks through the story like the villains in the plays of Dion Boucicault, muttering to himself such remarks as "I am here to destroy the United States—Cornwallis could not have done more. For the wrongs and insults, for the glory of my own country, I will bury the knife deep into the heart of this nation."¹ Against the plausibly drawn background of the corruption of the Grant administration, Rogasner proceeds to buy up the American Congress and suborn American professors of economics to testify for gold. He also falls in love with a proud American beauty, but his designs on her are foiled because she loves a handsome young silver Congressman from Nebraska who bears a striking resemblance to William Jennings Bryan!

One feature of the Populist conspiracy theory that has been generally overlooked is its frequent link with a kind of rhetorical anti-Semitism. The slight current of anti-Semitism that existed in the United States before the 1890's had been associated with problems of money and credit.² During the closing years of the century it grew

¹ W. H. Harvey: *A Tale of Two Nations* (Chicago, 1894), p. 69.

² Anti-Semitism as a kind of rhetorical flourish seems to have had a long underground history in the United States. During the panic of 1837, when many states defaulted on their obligations, many of which were held by foreigners, we find Governor McNutt of Mississippi defending the practice by baiting Baron Rothschild: "The blood of Judas and Shylock flows in his veins, and he unites the qualities of both his countrymen. . . ." Quoted by George W. Edwards: *The Evolution of Finance Capitalism* (New York, 1938), p. 149. Similarly we find Thaddeus Stevens assailing "the Rothschilds, Goldsmiths, and other large

noticeably.³ While the jocose and rather heavy-handed anti-Semitism that can be found in Henry Adams's letters of the 1890's shows that this prejudice existed outside Populist literature, it was chiefly Populist writers who expressed that identification of the Jew with the usurer and the "international gold ring" which was the central theme of the American anti-Semitism of the age. The omnipresent symbol of Shylock can hardly be taken in itself as evidence of anti-Semitism, but the frequent references to the House of Rothschild make it clear that for many silverites the Jew was an organic part of the conspiracy theory of history. Coin Harvey's Baron Rothe was clearly meant to be Rothschild; his Rogasner (Ernest Seyd?) was a dark figure out of the coarsest anti-Semitic tradition. "You are very wise in your way," Rogasner is told at the climax of the tale, "the commercial way, inbred through generations. The politic, scheming, devious way, inbred through generations also."⁴ One of the cartoons in the effectively illustrated *Coin's Financial School* showed a map of the world dominated by the tentacles of an octopus at the site of the British Isles, labeled: "Rothschilds."⁵ In Populist demonology, anti-Semitism and Anglophobia went hand in hand.

The note of anti-Semitism was often sounded openly in the campaign for silver. A representative of the New Jersey Grange, for instance, did not hesitate to warn the members of the Second National Silver Convention of 1892 to watch out for political candidates who represented

money dealers" during his early appeals for greenbacks. See James A. Woodburn: *The Life of Thaddeus Stevens* (Indianapolis, 1913), pp. 576, 579.

³ See Oscar Handlin: "American Views of the Jew at the Opening of the Twentieth Century," *Publications of the American Jewish Historical Society*, no. 40 (June 1951), pp. 323-44.

⁴ Harvey: *A Tale of Two Nations*, p. 289; cf. also p. 265: "Did not our ancestors . . . take whatever women of whatever race most pleased their fancy?"

⁵ Harvey: *Coin's Financial School* (Chicago, 1894), p. 124; for a notable polemic against the Jews, see James B. Goode: *The Modern Banker* (Chicago, 1896), chapter xii.

"Wall Street, and the Jews of Europe."⁶ Mary E. Lease described Grover Cleveland as "the agent of Jewish bankers and British gold."⁷ Donnelly represented the leader of the governing Council of plutocrats in *Cæsar's Column*, one Prince Cabano, as a powerful Jew, born Jacob Isaacs; one of the triumvirate who lead the Brotherhood of Destruction is also an exiled Russian Jew, who flees from the apocalyptic carnage with a hundred million dollars which he intends to use to "revive the ancient splendors of the Jewish race, in the midst of the ruins of the world."⁸ One of the more elaborate documents of the conspiracy school traced the power of the Rothschilds over America to a transaction between Hugh McCulloch, Secretary of the Treasury under Lincoln and Johnson, and Baron James Rothschild. "The most direful part of this business between Rothschild and the United States Treasury was not the loss of money, even by hundreds of millions. It was the resignation of the country itself INTO THE HANDS OF ENGLAND, as England had long been resigned into the hands of HER JEWS."⁹

Such rhetoric, which became common currency in the

⁶ *Proceedings of the Second National Silver Convention* (Washington, 1892), p. 48.

⁷ Mary E. Lease: *The Problem of Civilization Solved*, pp. 319–20; cf. p. 291.

⁸ Donnelly, *op. cit.*, pp. 147, 172, 331.

⁹ Gordon Clark, *op. cit.*, pp. 59–60; for the linkage between anti-Semitism and the conspiracy theme, see pp. 2, 4, 8, 39, 55–8, 102–3, 112–13, 117. There was a somewhat self-conscious and apologetic note in populist anti-Semitism. Remarking that "the aristocracy of the world is now almost altogether of Hebrew origin," one of Donnelly's characters explains that the terrible persecutions to which the Jews had been subjected for centuries heightened the selective process among them, leaving "only the strong of body, the cunning of brain, the long-headed, the persistent . . . and now the Christian world is paying, in tears and blood, for the sufferings inflicted by their bigoted and ignorant ancestors upon a noble race. When the time came for liberty and fair play the Jew was master in the contest with the Gentile, who hated and feared him." *Cæsar's Column*, p. 37. In another fanciful tale Donnelly made amends to the Jews by restoring Palestine to them and making it very prosperous. *The Golden Bottle* (New York and St. Paul, 1892), pp. 280–1.

movement, later passed beyond Populism into the larger stream of political protest. By the time the campaign of 1896 arrived, an Associated Press reporter noticed as "one of the striking things" about the Populist convention at St. Louis "the extraordinary hatred of the Jewish race. It is not possible to go into any hotel in the city without hearing the most bitter denunciation of the Jews as a class and of the particular Jews who happen to have prospered in the world."¹ This report may have been somewhat overdone, but the identification of the silver cause with anti-Semitism did become close enough for Bryan to have to pause in the midst of his campaign to explain to the Jewish Democrats of Chicago that in denouncing the policies of the Rothschilds he and his silver friends were "not attacking a race; we are attacking greed and avarice which know no race or religion."²

It would be easy to misstate the character of Populist anti-Semitism or to exaggerate its intensity. For Populist anti-Semitism was entirely verbal. It was a mode of expression, a rhetorical style, not a tactic or a program. It did not lead to exclusion laws, much less to riots or pogroms. There were, after all, relatively few Jews in the United States in the late 1880's and early 1890's, most of them remote from the areas of Populist strength. It is one thing, however, to say that this prejudice did not go beyond a certain symbolic usage, quite another to say that a people's choice of symbols is of no significance. Populist anti-Semitism does have its importance—chiefly as a symptom of a certain ominous credulity in the Populist mind. It is not too much to say that the Greenback-Populist tradition activated most of what we have of modern popular anti-Semitism in the United States.³ From

¹ Quoted by Edward Flower: *Anti-Semitism in the Free Silver and Populist Movements and the Election of 1896*, unpublished M.A. thesis, Columbia University, 1952, p. 27; this essay is illuminating on the development of anti-Semitism in this period and on the reaction of some of the Jewish press.

² William Jennings Bryan: *The First Battle* (Chicago, 1897), p. 581.

³ I distinguish here between popular anti-Semitism, which is linked with political issues, and upper-class anti-Semitism, which is a variety of snob-

Thaddeus Stevens and Coin Harvey to Father Coughlin, and from Brooks and Henry Adams to Ezra Pound, there has been a curiously persistent linkage between anti-Semitism and money and credit obsessions. A full history of modern anti-Semitism in the United States would reveal, I believe, its substantial Populist lineage, but it may be sufficient to point out here that neither the informal connection between Bryan and the Klan in the twenties nor Thomas E. Watson's conduct in the Leo Frank case were altogether fortuitous.⁴ And Henry Ford's notorious anti-Semitism of the 1920's, along with his hatred of "Wall Street," were the foibles of a Michigan farm boy who had been liberally exposed to Populist notions.⁵

bery. It is characteristic of the indulgence which Populism has received on this count that Carey McWilliams in his *A Mask for Privilege: Anti-Semitism in America* (Boston, 1948) deals with early American anti-Semitism simply as an upper-class phenomenon. In his historical account of the rise of anti-Semitism he does not mention the Greenback-Populist tradition. Daniel Bell: "The Grass Roots of American Jew Hatred," *Jewish Frontier*, Vol. XI (June 1944), pp. 15-20, is one of the few writers who has perceived that there is any relation between latter-day anti-Semites and the earlier Populist tradition. See also Handlin, *op. cit.* Arnold Rose has pointed out that much of American anti-Semitism is intimately linked to the agrarian myth and to resentment of the ascendancy of the city. The Jew is made a symbol of both capitalism and urbanism, which are themselves too abstract to be satisfactory objects of animosity. *Commentary*, Vol. VI (October 1948), pp. 374-78.

⁴ For the latter see Woodward: Tom Watson, chapter xxiii.

⁵ Keith Sward: *The Legend of Henry Ford* (New York, 1948), pp. 83-4, 113-14, 119-20, 132, 143-60. Cf. especially pp. 145-6: "Ford could fuse the theory of Populism and the practice of capitalism easily enough for the reason that what he carried forward from the old platforms of agrarian revolt, in the main, were the planks that were most innocent and least radical. Like many a greenbacker of an earlier day, the publisher of the *Dearborn Independent* was haunted by the will-o'-the-wisp of 'money' and the boggy of 'race.' It was these superstitions that lay at the very marrow of his political thinking." For further illustration of the effects of the Populist tradition on a Mountain State Senator, see Oscar Handlin's astute remarks on Senator Pat McCarran in "The Immigration Fight Has Only Begun," *Commentary*, Vol. XIV (July 1952), pp. 3-4.

III · *The Spirit Militant*

The conspiratorial theory and the associated Anglophobic and Judophobic feelings were part of a larger complex of fear and suspicion of the stranger that haunted, and still tragically haunts, the nativist American mind. This feeling, though hardly confined to Populists and Bryanites, was none the less exhibited by them in a particularly virulent form. Everyone remote and alien was distrusted and hated—even Americans, if they happened to be city people. The old agrarian conception of the city as the home of moral corruption reached a new pitch. Chicago was bad; New York, which housed the Wall Street bankers, was farther away and worse; London was still farther away and still worse. This traditional distrust grew stronger as the cities grew larger, and as they were filled with immigrant aliens. As early as 1885 the Kansas preacher Josiah Strong had published *Our Country*, a book widely read in the West, in which the cities were discussed as a great problem of the future, much as though they were some kind of monstrous malignant growths on the body politic.⁶ Hamlin Garland recalled that when he first visited Chicago, in the late 1880's, having never seen a town larger than Rockford, Illinois, he naturally assumed that it swarmed with thieves. "If the city is miles across," he wondered, "how am I to get from the railway station to my hotel without being assaulted?" While such extreme fears could be quieted by some contact with the city, others were actually confirmed—especially when the farmers were confronted with city prices.⁷ Nativist prejudices were equally aroused by immigration, for which urban manufacturers, with their insatiable demand for labor, were blamed. "We have be-

⁶ Josiah Strong: *Our Country* (New York, 1885), chapter x; for the impact of the city, see Arthur M. Schlesinger: *The Rise of the City* (New York, 1933).

⁷ Hamlin Garland: *A Son of the Middle Border* (New York, ed. 1923), pp. 269, 295.

also establishes a world government to keep the peace.⁸

It is no coincidence, then, that Populism and jingoism grew concurrently in the United States during the 1890's. The rising mood of intolerant nationalism was a nationwide thing, certainly not confined to the regions of Populist strength; but among no stratum of the population was it stronger than among the Populists. Moreover it was on jingoist issues that the Populist and Bryanite sections of the country, with the aid of the yellow press and many political leaders, achieved that rapport with the masses of the cities which they never succeeded in getting on economic issues. Even conservative politicians sensed that, whatever other grounds of harmony were lacking between themselves and the populace of the hinterland, grounds for unity could be found in war.

The first, and for the Populists the preferred, enemy would have been England, the center of the gold power. *Coin's Financial School* closed with a better philippic against England: "If it is claimed we must adopt for our money the metal England selects, and can have no independent choice in the matter, let us make the test and find out if it is true. It is not American to give up without trying. If it is true, let us attach England to the United States and blot her name out from among the nations of the earth. A war with England would be the most popular ever waged on the face of the earth . . . the most just war ever waged by man."⁹ Some leaders of the Republican Party, which had attempted to appease the powerful silver sentiment in 1890 by passing the Sherman Silver Purchase Act, made a strategic move in the troubled year of 1894 to capture Western sentiment. On May 2 there opened in London an unofficial bimetallic

⁸ Ignatius Donnelly: *The Golden Bottle*, pp. 202 ff. "I would be sorry," said Donnelly in his preface, "if any one should be so foolish as to argue that the triumph of the People's Party means a declaration of war against the whole world." What concerns us here, however, is not the Populists' intentions in this sphere, which were doubtless innocent enough, but the emotions laid bare by Donnelly's fantasy.

⁹ *Coin's Financial School*, pp. 131-2.

conference in which American bimetallicists were represented by Brooks Adams and Senator Wolcott of Colorado; fifteen prominent Senators, including outstanding Republicans, cabled their endorsement of international bimetallicism. Senator Lodge proposed in the Senate to blackmail Britain by passing a discriminatory tariff against her if she did not consent to a bimetallic plan, a scheme nicely calculated to hold in line some of the Western silverite jingoes and Anglophobes.¹

This proposal was defeated by the Cleveland Democrats, but the Democratic Party's turn to make capital out of jingo sentiment came the next year with the excessively belligerent conduct of the Venezuela affair, one of the few really popular moves of the Cleveland administration.²

A west-coast newspaper spoke for many Americans when it said: "We are at the mercy of England, as far as our finances go, and [war] is our only way out."³ "War would be a good thing even if we got whipped," declared the silver Senator from Nevada, William M. Stewart, "for it would rid us of English bank rule."⁴ And a Congressman from a strong Populist state wrote to congratulate Secretary of State Olney for having spiked the guns of Populism and anarchism with his vigorous diplomacy.⁵ Olney was also urged by the American consul in Havana to identify the administration and the sound-money Democrats with a strong policy of mediation or intervention in the war in Cuba; it would either get credit for stopping the atrocities, for buying Cuba, if that was the outcome, or for "fighting a successful war, if war there be. In the latter case, the enthusiasm, the applications for service, the employment of many of the

¹ Nevins, *op. cit.*, pp. 608-9.

² On domestic pressures behind this incident, see Nelson M. Blake: "Background of Cleveland's Venezuela Policy," *American Historical Review*, Vol. XLVII (January 1942), pp. 259-77.

³ James A. Barnes: *John G. Carlisle* (New York, 1931), p. 410.

⁴ Nevins, *op. cit.*, p. 641.

⁵ Alfred Vagts: *Deutschland und die Vereinigten Staaten in der Welt-politik* (New York, 1935), Vol. I, p. 511.