

America's Second Gilded Age: More class envy than class conflict

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NEW YORK — “History doesn’t repeat itself,” Mark Twain supposedly observed, “but it often rhymes.”

That may explain why the period that Twain dubbed “the Gilded Age” seems so familiar today.

That time (roughly 1870-1900) shares much with our time: economic inequality and technological innovation; conspicuous consumption and philanthropy; monopolistic power and populist rebellion; two presidential elections in which the popular vote loser won (Hayes in 1876 and Harrison in 1888); and change — constant, exhilarating, frightening.

Historian Richard White, who published a book last year on the period, *The Republic for Which it Stands*, likes to say he was living in the second Gilded Age while writing about the first. The rest of us will get a chance to share that sensation with the debut next year of *Downton Abbey* creator Julian Fellowes’ dramatic TV series, *The Gilded Age*.

This second Gilded Age began sometime around 1990, around the fall of the Berlin Wall and the election of Bill Clinton. But gilded does not mean golden; in both eras, prosperity and progress overlaid poverty, racism, corruption and financial instability.

If the similarities between the periods weren’t sufficiently uncanny, in 2016 the nation elected as president Donald Trump, who personifies the second Gilded Age as much as robber baron industrialists and financiers did the first.

“It’s as if J. P. Morgan had been elected president,” says Boston College historian Patrick Maney. “Donald Trump puts an exclamation point on this Gilded Age.”

Historical Echoes

The prime similarity between the two gilded ages is a widening chasm between rich and poor. Last year, a UBS/PwC report concluded that the nation had “levels of inequality not seen since 1905.”

But there are many others.

► In the Gilded Age, a rabble-rouser from Ohio named Jacob Coxey led a gang of unemployed men — Coxey’s Army — in a march on Washington to demand help from the government.

In the Second Gilded Age, the Occupy Wall Street movement took to the streets to demand an end to preferential treatment of the rich — the 1% — by the government.

Neither got what they wanted.

► In the Gilded Age, philanthropists founded institutions such as the Philadelphia Museum of Art (1876), New York's Metropolitan Opera (1880), the Boston Symphony Orchestra (1881) and Chicago's Field Museum of Natural History (1893). A rich man who dies rich, said industrialist Andrew Carnegie, "dies disgraced."

In the second Gilded Age, the 175 billionaires who've signed The Giving Pledge to give most of their wealth include Microsoft founder Bill Gates, Facebook CEO Mark Zuckerberg, former New York Mayor Michael Bloomberg and investor Warren Buffett (who's also called for higher taxes on the rich).

► In the Gilded Age, John D. Rockefeller formed the greatest monopoly in history – Standard Oil — and railroad tycoons schemed to avoid competition.

In the second Gilded Age, consolidation has led toward oligopoly. According to a UN report, almost half of U.S. industries in 2012 were dominated by their four largest companies. Google, meanwhile, accounts for 87% of all internet searches.

► In the Gilded Age, Alva Vanderbilt's "house warming party" for her "Petit Chateau," a Fifth Avenue mansion that was the city's most sumptuous, cost millions in today's dollars. The costume masquerade ball was attended by 1,000 and established her in New York society.

In the Second Gilded Age, the 40th birthday party of Tyco CEO Dennis Kozlowski's wife in 2001 cost \$2 million, half of which was paid by the publicly-traded company. The affair, held on the island of Sardinia, featured an ice sculpture of Michelangelo's *David* urinating Stolichnaya vodka, and a private concert by Jimmy Buffett.

► In the Gilded Age, companies were ruined, jobs lost and savings wiped out by periodic financial panics (1873, 1893 and 1907). But those behind the companies that failed often emerged unscathed.

In the second Gilded Age, companies were ruined, jobs lost and savings wiped out in the dotcom bubble (2000); the collapse of Enron Corp. (2001); and the housing finance crisis (2008). But those behind the companies that failed often emerged unscathed.

► In the Gilded Age, nativists feared the "yellow peril" of Chinese immigration and the "huddled masses" from southern and eastern Europe.

In the second Gilded Age, immigration fears have prompted calls for a wall across America's Southern border and restrictions on immigration from Muslim nations.

► In the Gilded Age, Thomas Edison invented the phonograph in 1877.

In the second Gilded Age, Steve Jobs introduced the Apple iPhone in 2007.

► In the Gilded Age, white Southerners systematically withdrew the vote from millions of blacks during the rollback of federal Reconstruction from 1876 to 1900.

In the second Gilded Age, dozens of states have adopted measures to restrict or scrutinize voting eligibility.

► In the Gilded Age, Susan B. Anthony, Elizabeth Cady Stanton and Lucy Stone formed the first national suffrage organizations.

In the second Gilded Age, women who endured sexual harassment on the job formed the #MeToo movement.

Not All Gilded Ages Are Equal

For all the similarities, there are many differences between the two eras. Unions, and workers' real wages, were rising then and stagnant or declining now. The current social services safety net, however tattered, was only a dream in the Gilded Age.

Above all, the Gilded Age was one of class conflict. The bloody labor strikes of the 19th century – like one in 1892 at Carnegie's Homestead, Pa., steel works in which 12 people were killed – would be almost unimaginable today.

In the Gilded Age, the rich were regarded with suspicion or contempt. Now, says Maney, when the rich flaunt their wealth as a sign of their success, the strongest emotion they provoke is envy.