In the 50 years between the end of the Civil War and the start of the World War I in Europe, the United States drifted steadily away from its agrarian foundations to become an urbanized, industrialized nation with an economy controlled for the most part by big business. It was, as historian Vernon L. Parrington (1963, 6) described, a time in which “capitalism was master of the country.”

During the three postbellum decades of the nineteenth century, American business transformed itself from the young, agricultural nation into its modern form as a leading industrial giant. During this time the country progressed through post-Civil War Reconstruction, the Gilded Age, and a decade of critical reaction to the way business seemed to be riding roughshod over workers and the national economy, the Progressive era. The Progressives attempted to control business and started a movement toward reform, control of political corruption, and conservation of natural resources that lasted from 1890 to 1917 (Bryant and Dethloff 1990).

The Reconstruction period from the end of the Civil War to about 1877 saw the Union government take control of each of the Confederate states. President Lincoln had proposed reintegrating the South into the national system as soon as possible. His assassination resulted in hardliners gaining control over much of the North’s efforts. Much of the old southern plantation economy in which slaves constituted the labor force was replaced by subsistence agriculture carried out by freed men and women. By the end of the period, two distinct economies had emerged: a slowly industrializing New South in the more
central states, and an agricultural, small-business Old South in those states farthest from the North’s economic leadership. Most difficulties with integrating freed slaves into social, political, and economic life occurred in the Old South states.

The Gilded Age got its name from the many great fortunes created during last decades of the nineteenth century and the way of life that wealth supported. Mark Twain’s novel, *The Gilded Age*, was set in the last decades of the nineteenth century—a time of amassing huge fortunes by business and financial leaders such as John D. Rockefeller, Jay Gould, Andrew Carnegie, and others. Twain saw the way of life made possible by those fortunes as thin glitter gilding on base metal, not anything of real value. Although considered by many of their critics to be *robber barons* for the way they built their businesses, they were behind the tremendous growth in production of iron and steel, gaining access to natural resources such as lumber, gold, and silver, and for the construction of transcontinental railroads. The wealth they acquired was often made possible through ruthless business deals. Their excesses would ultimately lead to a shift in state and the national governments’ dealings with business from a hands-off policy to one of strict control.

The Progressive era emerged near the turn of the century as a series of writings by crusading journalists on the perceived excesses of businesses and public institutions that triggered a demand for government intervention. A landmark Supreme Court case in 1870 established the right of government to regulate private businesses. Responding to demands by farmers, the State of Illinois set maximum rates that owners of grain elevators could charge for storage and distribution of grains. Munn and Scott, owners of a grain elevator in Chicago, refused to accede to the rate regulations, claiming it was an unconstitutional infringement on their rights of property ownership without due process of law. Moreover, the rate setting was an unconstitutional usurpation of the federal government’s right of control over interstate commerce. In deciding the case, *Munn v. Illinois*, in favor of the state, the U.S. Supreme court based their decision on a 1676 decision by the Lord Chief Justice of Britain. The Justice found that if a privately owned wharf was one that all persons used for loading and unloading cargos, it thus became “affected with a public interest.” Therefore, just and reasonable rates had to be charged for its use. The Supreme Court ruled that the Munn and Scott elevator was “affected with a similar public interest” because its use was not restricted to any specific users. It was, therefore, a public warehouse (Barnes 1938). As such, according to the Court’s majority opinion, the decision did not abridge the