**The Growth of the Railroad**

Railroad lines gradually spread from east to west with the expansion of the U.S. The steam railroad tied the country together and facilitated population growth and economic development in the West. The first commercial railroad in the U.S., the Baltimore and Ohio, was founded to compete with the newly opened Erie Canal (1825) and opened its first section in 1830. Railroads gradually extended west. In 1859, they reached the central Missouri River valley. Railroads had become the most common means of transportation and frequently caused tremendous growth in the cities that they connected. Chicago had a 17-fold increase in its population from 1850 to 1880.

Congress encouraged the development of the railroad industry in the West with federal loans and land grants. They chartered the first transcontinental railroad in 1862 (although not much was actually accomplished for a while because of the Civil War). Asian immigration increased because of the need for railway construction workers to complete the western end of the transcontinental railroad. Many Chinese laborers worked on this portion of the line. The Union Pacific Railroad (which built eastward from Omaha, Nebraska) and the Central Pacific Railroad (which built westward from Sacramento, California) were joined at Promontory Point, Utah in 1869, creating the first transcontinental railroad in the U.S.

**The Pony Express and the Telegraph**

The Pony Express was founded in April 1860 in an effort to improve on the poor communication in the Western territories. It relied on fast horses and young riders to carry mail pouches from St. Joseph, Missouri, to Sacramento, California. The service never made money and ended in October 1861, with the establishment of a transcontinental telegraph line. The Pony Express was a unique service that holds a place in Western folklore.

**Western Farmers and Railroad Expansion**

The completion of the transcontinental railroad in 1869 seemed to ensure a ready market for agricultural produce and cattle, and encouraged more Americans to settle in the West. Farming in the West was unlike farming in the Northeast, however. Northeastern agriculture was (for the most part) subsistence farming, which allowed a more independent existence. However, Western agriculture required a market because the number of crops that could be raised was limited due to the drier climate of the area and a shorter growing season. It was more like the American South, with its dependence on cotton and tobacco cash crops. Western farmers depended on wholesalers to buy their farm products and railroads to transport them. In addition, railroads needed farmers to ship their crops by rail to stay in business. This pattern of interdependence meant that the farmer and the railway industry could not exist without each other.

**Western Farmers and Favorable Government Policies**

The U.S. government actively encouraged the settlement of Western lands through a series of land grant laws. These laws gave private property rights to people who would settle the Great Plains. In 1862 Congress passed the Homestead Act, which provided 160 acres of free public land in the West for those who promised to build a home, improve the land, and live on it for five years. The Timber Culture Act of 1873 increased the size of the land that could be purchased by the homesteaders if they planted trees on the land that they purchased, and the Desert Land Act of 1877 sold arid land for farmers to irrigate. Farmers took advantage of the cheap availability of land and the governmental encouragement by settling in the West in large numbers. Land speculators also took advantage of the provisions and bought many acres. Railroad companies had received huge land grants from the government as incentives to build the transcontinental railroad. Thus, after the government, railroad companies were a prime source of land for settlers to purchase. Between 1860 and 1910 the number of farms tripled in the U.S., while the area farmed more than doubled.

**Farm Life**

Although land was cheap and easily available, Western farmers faced hard times. They were forced to specialize in crops like wheat (which could survive the low moisture and short Plains growing season). Windmills thus proved to be important because they pumped water from underground so that it could be used to irrigate fields, thus supplementing what nature provided. Even when farmers had a good year, they sometimes had hard times because they overproduced. That is, they grew more than the markets needed and crop prices fell. The land of the Great Plains is virtually treeless. Thus, there was little or no lumber for building homes or constructing fences. Many people lived in homes made from blocks of grass turf and soil cut from the ground (sod homes) and built barbed-wire fences to keep domestic animals in and protect crops from wild cattle. Plant-eating insects (such as grasshoppers) and droughts often destroyed their crops. Many farm families borrowed money to buy farm machinery and carried a heavy load of debt. To make matters worse, farmers also claimed that railroad companies charged unfairly high rates to ship farm produce to Eastern markets.

**The Granger Movement**

Growth within the railroad industry during the 1870s and 1880s encouraged mergers between railroad companies. This led to powerful, large railroad companies that frequently monopolized the areas through which their tracks ran. They would charge farmers exorbitant rates for transporting their farm products and storage companies also charged high rates for storing the products. To gain government assistance in coping with their problems, farmers took action. In 1867, the Granger movement was started (the word "grange" means farm). The Granger movement was not originally political. However, what drew many farmers to an organization for farmers was the need for action against the railroads and storage companies. Thus, the organization became increasingly political after 1870.

Grangers succeeded in convincing several state legislatures to pass laws limiting what railroads and storage companies could charge. One company convicted under the law challenged the conviction in court. In "Munn v. Illinois" (1877), the Supreme Court ruled that Illinois had the right to pass laws designed to protect the farmer by regulating private property designed for public use. These state laws became known as "Granger laws" and the law cases "Granger cases." The individual state laws were not felt to be strong enough, however, so efforts concentrated on the federal level. These eventually led to the Interstate Commerce Act in 1887, which regulated railroads that passed through more than one state. This was the first federal law to regulate interstate commerce.

**Populism**

Political activism continued with farm organizations and a political movement known as Populism eventually developed. Because farmers believed that neither the Democratic nor the Republican Parties addressed their concerns, they organized a third party in 1892 called the Populist Party (or People's Party). It supported government regulation of the railroads (including the Interstate Commerce Act) and other industries, as well as other reforms. Farmers also wanted the government to put more money into circulation in the hope that crop prices would increase.