

Chapter 30- Wilsonian Progressivism at Home and Abroad

1912-1916

The “Bull Moose” Campaign

- The Democrats needed to capitalize on the Republican brawl at the convention in Chicago
- Such a leader appeared in Woodrow Wilson, a mild conservative turned militant progressive
- Wilson entered politics as New Jersey governor, expected to follow NJ bosses lead
- Wilson waged a reform campaign assailing trusts and promised to turn state gov’t to the people
- He drew forward-looking measures making NJ one of the more liberal states
- Filled with fury, zeal, eloquence, leadership, Wilson appealed to the sovereign people
- Wilson was nominated by the Democrats in 1912 with the aid of William Jennings Bryan
- Roosevelt was thrust to the fore as a candidate for president for the Progressive Republicans
- Symbolizing the rising political status of women, as well as Progressive support for the cause of social justice, settlement-house pioneer Jane Addams placed Roosevelt’s name for nomination
- Roosevelt, nominated, boasted that he felt “as strong as a bull moose”
- Roosevelt and Taft, by dividing the Republican vote, virtually guaranteed a Democratic victory
- The overshadowing question of the 1912 campaign was which two varieties of progressivism would prevail—Roosevelt’s New Nationalism or Wilson’s New Freedom
- Both advocated a more active government role in economic and social affairs
- Roosevelt and Croly (Promise of American Life) both favored continued consolidation of trusts and labor unions, paralleled by growth of powerful regulatory agencies in Washington
- Wilson’s New Freedom favored small enterprise, entrepreneurship, and the free functioning of unregulated and unmonopolized markets—Democrats pinned economic faith on competition
- The keynote of Wilson’s campaign was fragmentation of big industrial combines (antitrust laws)

- Roosevelt was shot in the chest by a fanatic and had to suspend campaigning for two weeks

Woodrow Wilson: A Minority President

- Wilson won handily with 435 electoral votes; Roosevelt finished second, and Taft, last
- Wilson with only 41 percent of the popular vote was clearly a minority president
- Progressivism rather than Wilson was the runaway winner (Wilson and Roosevelt votes)
- Eugene V. Debs also amassed up 900,672 votes as the Socialist candidate
- The Progressive party had no future because it had elected few candidates to state/local offices
- In 1921 Taft became chief justice of the Supreme Court after defeat

Wilson: The Idealist in Politics

- Woodrow Wilson was the second Democratic president since 1861
- From the South, Wilson sympathized w/ Confederacy's gallant attempt to win its independence, a sentiment that inspired his ideal of self-determination for people of other countries
- Wilson shared Jefferson's faith in people and was a moving orator (sincerity and moral appeal)
- Wilson was convinced that Congress could not function properly unless the president led
- Wilson lacked the common touch and could be cold and standoffish in public
- Wilson's burning idealism—his desire to reform ever-present wickedness (compromise difficult)

Wilson Tackles the Tariff

- Wilson called for an assault on "the triple wall of privilege": the tariff, the banks, and the trusts
- Tackling the tariff first, he summoned the Congress in 1913 and appeared in person, presenting his appeal with eloquence and effectiveness (precedent-shattering move, no message)
- The House passed the Underwood Tariff Bill, which provided for a substantial reduction of rates

- The force of public opinion aroused by the president's oratory secured final approval
- The new Underwood Tariff substantially reduced import fees and was a landmark in tax legislations—recently ratified Sixteenth Amendment—graduated income tax

Wilson Battles the Bankers

- A second bastion was the antiquated and inadequate banking and currency system
- Its most serious shortcoming, exposed by the panic of 1907, was the inelasticity of the currency
- Banking reserves were heavily concentrated in cities and could not be mobilized quickly
- In 1908 Congress authorized an investigation headed by senator Aldrich (R) and three years later, the commission recommended a gigantic bank with numerous branches (3rd Bank of US?)
- Louis D. Brandeis' *Other People's Money and How the Bankers Use It* (1914)
- Wilson endorsed Democratic proposals for a decentralized bank in government hands, as opposed to Republican demands for a huge private bank with branches (June 1913)
- In 1913 he signed the Federal Reserve Act under which the Federal Reserve Board oversaw a nationwide system of twelve regional reserve districts, each with its own central bank
- The board was empowered to issue paper money (Federal Reserve Notes) backed commercially
- The Federal Reserve Act carried the nation through the financial crises of the First World War

The President Tames the Trusts

- Early in 1914 Wilson went before Congress again to battle the trusts
- Congress responded with the Federal Trade Commission Act of 1914—the new law empowered an appointed commission to turn a searchlight on industries engaged in interstate commerce
- The Clayton Anti-Trust Act of 1914, which lengthened the Sherman Act's list of business practices that were deemed objectionable (price discrimination, interlocking directorates)
- The Clayton Act also conferred long-overdue benefits on labor and sought to exempt labor and agricultural organizations from antitrust prosecution (legalizing strikes and picketing)

- Under Samuel Gompers the act legally lifted human labor out of the category of “a commodity or article of commerce” but conservative judges continued to slow the union movement

Wilsonian Progressivism at High Tide

- Standing at the peak of his powers at the head of progressive forces, Wilson pressed ahead
- The Federal Farm Loan Act of 1916 made credit available to farmers at low rates of interest
- The Warehouse Act of 1916 authorized loans on the security of staple crops (both Populist ideas)
- Other laws benefited rural America by providing for highway construction and the establishment of agricultural extension work in the state colleges; laborers also made gains from progressivism
- Sailors were given relief by La Follette Seamen’s Act of 1915 that required treatment and living wages on American merchant ships—crippling of America’s merchant marine (freight rates)
- Workingmen’s Compensation Act of 1916 granted assistance to federal civil-service employees during periods of disability—act restricting child labor invalidated by Supreme Court
- The Adamson Act of 1916 established an eight-hour day for all employees on trains in interstate commerce, with extra pay for overtime—Wilson earned the enmity of businesspeople
- Progressive Wilson also nominated Louis D. Brandeis for the Supreme Court (first Jew)
- He appeased businesspeople by making conservative appointments to the Federal Reserve board and the Federal Trade Commission, but devote most of his energies toward progressive support

New Directions in Foreign Policy

- In contrast to Roosevelt and even Taft, Wilson recoiled from an aggressive foreign policy
- Hating imperialism, he was repelled by the big stick and the dollar diplomacy of Taft

- Wilson declared war on dollar diplomacy and proclaimed that gov't would no longer offer special support to American investors in Latin America; American bankers pulled out
- Wilson persuaded Congress to repeal the Panama Canal Tolls Act of 1912, which had exempted American coastwise shipping from tolls and thereby provoked sharp protests from Britain
- In 1916, he signed the Jones Act, which granted to the Philippines the boon of territorial status and promised independence as soon as a stable government could be established (July 4, 1846)
- The California legislature had sought to rid of Japanese settlers and prohibited them from owning land and Tokyo then lodged vigorous protests—Secretary of State Bryan eased tensions
- Disorders came in 1914-1915 in Haiti and Wilson dispatched marines to protect Americans
- In 1916, he concluded a treaty with Haiti providing for U.S. supervision of finances and police
- He also sent marines to quell riots in the Dominican Republic
- In 1917, Uncle Sam purchased from Denmark the Virgin Islands, in the West Indies

Moralistic Diplomacy in Mexico

- Mexico had been exploited by foreign investors in oil, railroads, and mines
- The Mexicans revolted and in 1913, the popular revolutionary president was murdered and in his place, General Victoriano Huerta was installed in the president' chair (↓ road workers, pickers)
- All this chaos accelerated a massive migration of Mexicans to the United States
- The revolutionary bloodshed menaced American lives and property in Mexico—called for war
- President Wilson stood firm against demands to step in on Mexico—could and should not determine foreign policy in the terms of material interest because it was perilous
- Wilson also refused to recognize the gov't of Huerta (allowed arms to reach his enemies)
- At the seaport of Tampico in 1914, a small part of American sailors was arrested and the Mexicans promptly released the captives and apologized, but they refused a salute

- Wilson, determined to eliminate Huerta, asked Congress for authority to use force on Mexico
- Wilson was rescued by offer of mediation from the ABC Powers—Argentina, Brazil, and Chile
- Huerta collapsed in July 1914 and was succeeded by his archrival, Venustiano Carranza
- “Pancho” Villa challenged Carranza’s authority killed miners and Americans in NM
- General John Pershing was ordered to break up the bandits—invading army was withdrawn 1917

Thunder Across the Sea

- A Serb patriot killed the heir to the throne of the Austria-Hungary in Sarajevo in 1914 and an outraged Vienna government presented an ultimatum to neighboring Serbia
- Serbia was backed by Russia, which began to mobilize its war machine; Germany struck suddenly at France through unoffending Belgium—in order to concentrate on Russia
- Great Britain was thus compelled into the conflagration on the side of France
- One side was the Central Powers: Germany, Austria-Hungary, Turkey, and Bulgaria
- The Allies were France, Britain, Russia, and later Japan and Italy (America was safe)

A Precarious Neutrality

- Wilson issued the routine neutrality proclamation and called on Americans to be neutral
- Both sides wooed the United States but Britain had an upper hand with the cables
- The Germans and the Austro-Hungarians counted on the natural sympathies of their countrymen
- Most Americans were anti-German from the outset—Kaiser Wilhelm II seemed the embodiment of arrogant autocracy; image tarnished by attempted violence to American factories and ports
- German plans for industrial sabotage were discovered and publicized—wanted to stay out of war

America Earns Blood Money

- When Europe burst into flames in 1914 the United States was bogged down in business recession
- British and French war orders soon pulled American industry out of the morass of hard times
- Part of this boom was financed by American bankers and J.P. Morgan (\$2.3 billion advanced)
- The Central Powers protested bitterly against the immense trade between America and the Allies
- Trade between Germany and America had to move across the Atlantic but Britain controlled the sea-lanes and the British began forcing American vessels off the high seas into their ports
- The trade between Germany and the United States virtually ceased; in retaliation for the British blockade, Berlin announced a submarine war area around the British Isles in February 1915
- The submarine was a weapon so new that existing international law could not be made to fit it; the old rule that a warship must stop and board a merchantman could not apply
- The marauders posed a dire threat to the US and Wilson continued to claim neutral trading rights
- The German submarines—U-boats—began their deadly work and sank many ships including the British passenger liner *Lusitania* that sank on May 7, 1915 killing 128 Americans
- The eastern US wanted war but the rest of the country showed strong distaste for hostilities
- After another British liner was sunk, Berlin agreed not to sink unarmed and unresisting passenger ships without warning and this pledge was apparently violated with the *Sussex*
- Wilson gave the Germans an ultimatum and threatened to break diplomatic relations; Germans agreed not to sink passenger ships and merchant vessels without giving warning but reused to persuade the Allies to modify what Berlin regarded as their illegal blockade
- Wilson won a temporary but precarious diplomatic victory

Wilson Wins Reelection in 1916

- Both the Progressives and the Republicans met in Chicago and the Progressives renominated Theodore Roosevelt who in refusing to run, sounded the death knell of the Progressive party
- They drafted Supreme Court justice Charles Evans Hughes, an intellectual and governor of NY
- The Republican platform condemned the Democratic tariff, assaults on the trusts, and Wilson's wishy-washiness in dealing with Mexico and Germany; anti-German areas assailed Wilson
- Wilson was nominated by acclamation at the Democratic convention—He kept us out of war
- Democratic orators warned that by electing Charles Hughes, the nation would be electing a fight—with a certain frustrated Rough Rider leading the charge; Hughes swept the East
- Mid-westerners and westerners, attracted by Wilson's progressive reforms and antiwar policies, flocked to the polls for the president—the final result hinged on California, which Wilson won
- The pro-labor Wilson received strong support from the working class and from renegade bull moosers, whom Republicans failed to lure back into their camp—hopeful expectations smashed