American enterprise is not free; the man with only a little capital is finding it harder and harder to get into the field, more and more impossible to compete with the big fellow. Why? Because the laws of this country do not prevent the strong from crushing the weak.

Woodrow Wilson, The New Freedom, 1913

Office-hungry Democrats—the “outs” since 1897—were jubilant over the disruptive Republican brawl at the convention in Chicago. If they could come up with an outstanding reformist leader, they had an excellent chance to win the White House. Such a leader appeared in Dr. Woodrow Wilson, once a mild conservative but now a militant progressive. Beginning professional life as a brilliant academic lecturer on government, he had risen in 1902 to the presidency of Princeton University, where he had achieved some sweeping educational reforms.

Wilson entered politics in 1910 when New Jersey bosses, needing a respectable “front” candidate for the governorship, offered him the nomination. They expected to lead the academic novice by the nose, but to their surprise, Wilson waged a passionate reform campaign in which he assailed the “predatory” trusts and promised to return state government to the people. Riding the crest of the progressive wave, the “Schoolmaster in Politics” was swept into office.

Once in the governor’s chair, Wilson drove through the legislature a sheaf of forward-looking measures that made reactionary New Jersey one of the more liberal states. Filled with righteous indignation, Wilson revealed irresistible reforming zeal, burning eloquence, superb powers of leadership, and a refreshing habit of appealing over the heads of the scheming bosses to the sovereign people. Now a figure of national eminence, Wilson was being widely mentioned for the presidency.
When the Democrats met at Baltimore in 1912, Wilson was nominated on the forty-sixth ballot, aided by William Jennings Bryan's switch to his side. The Democrats gave Wilson a strong progressive platform to run on; dubbed the "New Freedom" program, it included calls for stronger antitrust legislation, banking reform, and tariff reductions.

Surging events had meanwhile been thrusting Roosevelt to the fore as a candidate for the presidency on a third-party Progressive Republican ticket. The fighting ex-cowboy, angered by his recent rebuff, was eager to lead the charge. A pro-Roosevelt Progressive convention, with about two thousand delegates from forty states, assembled in Chicago during August 1912. Dramatically 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 in nomination for the presidency. Roosevelt was applauded tumultuously as he cried in a vehement speech, "We stand at Armageddon, and we battle for the Lord!" The hosanna spirit of a religious revival meeting suffused the convention, as the hoarse delegates sang "Onward Christian Soldiers" and "Battle Hymn of the Republic." William Allen White, the caustic Kansas journalist, later wrote, "Roosevelt bit me and I went mad."

Fired-up Progressives entered the campaign with righteousness and enthusiasm. Roosevelt boasted that he felt "as strong as a bull moose," and the bull moose took its place with the donkey and the elephant in the American political zoo. As one poet whimsically put it,

```
I want to be a Bull Moose,
And with the Bull Moose stand
With antlers on my forehead
And a Big Stick in my hand.
```

Roosevelt and Taft were bound to slit each other's political throats; by dividing the Republican vote, they virtually guaranteed a Democratic victory. The two antagonists tore into each other as only former friends can. "Death alone can take me out now," cried the once-jovial Taft, as he branded Roosevelt a "dangerous egotist" and a "demagogue." Roosevelt, fighting mad, assailed Taft as a "fathead" with the brain of a "guinea pig."

Beyond the clashing personalities, the overshadowing question of the 1912 campaign was which of two varieties of progressivism would prevail—Roosevelt's New Nationalism or Wilson's New Freedom. Both men favored a more active government role in economic and social affairs, but they disagreed sharply over specific strategies. Roosevelt preached the theories spun out by the progressive thinker Herbert Croly in his book *The Promise of American Life* (1910). Croly and TR both favored continued consolidation of trusts and labor unions, paralleled by the growth of powerful regulatory agencies in Washington. Roosevelt and his "bull moosers" also campaigned for woman suffrage and a broad program of social welfare, including minimum-wage laws and "socialistic" social insurance. Clearly, the bull moose Progressives looked forward to the kind of activist welfare state that Franklin Roosevelt's New Deal would one day make a reality.

Wilson's New Freedom, by contrast, favored small enterprise, entrepreneurship, and the free functioning of unregulated and unmonopolized markets. The Democrats shunned social-welfare
proposals and pinned their economic faith on competition—on the “man on the make,” as Wilson put it. The keynote of Wilson’s campaign was not regulation but fragmentation of the big industrial combines, chiefly by means of vigorous enforcement of the antitrust laws. The election of 1912 thus offered the voters a choice not merely of policies but of political and economic philosophies—a rarity in U.S. history.

The heat of the campaign cooled a bit when, in Milwaukee, Roosevelt was shot in the chest by a fanatic. The Rough Rider suspended active campaigning for more than two weeks after delivering, with bull moose gameness and a bloody shirt, his scheduled speech.

Woodrow Wilson: A Minority President

Former professor Wilson won handily, with 435 electoral votes and 6,296,547 popular votes. The “third-party” candidate, Roosevelt, finished second, receiving 88 electoral votes and 4,118,571 popular votes. Taft won only 8 electoral votes and 3,486,720 popular votes (see the map on p. 690).

The election figures are fascinating. Wilson, with only 41 percent of the popular vote, was clearly a minority president, though his party won a majority in Congress. His popular total was actually smaller than Bryan had amassed in any of his three defeats, despite the increase in population. Taft and Roosevelt together polled over 1.25 million more votes than the Democrats. Progressivism rather than Wilson was the runaway winner. Although the Democratic total obviously included many conservatives in the solid South, the combined progressive vote for Wilson and Roosevelt exceeded the tally of the more conservative Taft. To the progressive tally must be added some support for the Socialist candidate, persistent Eugene V. Debs, who rolled up 900,672 votes, or more than twice as many as he had netted four years earlier. Starry-eyed Socialists dreamed of being in the White House within eight years.

Roosevelt’s lone-wolf course was tragic both for himself and for his former Republican associates. Perhaps, to rephrase William Allen White, he had bitten himself and gone mad. The Progressive party, which was primarily a one-man show, had no future because it had elected few candidates to state and local offices; the Socialists, in contrast, elected more than a thousand. Without patronage plums to hand out to the faithful workers, death by slow starvation was inevitable for the upstart party. Yet the Progressives made a tremendous showing for a hastily organized third party and helped spur the enactment of many of their pet reforms by the Wilsonian Democrats.

As for the Republicans, they were thrust into unaccustomed minority status in Congress for the next six years and were frozen out of the White House for eight years. Taft himself had a fruitful old age. He taught law for eight pleasant years at Yale University and in 1921 became chief justice of the Supreme Court—a job for which he was far more happily suited than the presidency.

Wilson: The Idealist in Politics

(Thomas) Woodrow Wilson, the second Democratic president since 1861, looked like the ascetic intellectual he was, with his clean-cut features, pinched-on eyeglasses, and trim figure. Born in Virginia

<table>
<thead>
<tr>
<th>Candidate</th>
<th>Party</th>
<th>Electoral Vote</th>
<th>Popular Vote</th>
<th>Approximate Percentage</th>
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<td>Democratic</td>
<td>435</td>
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<td>41%</td>
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<tr>
<td>Theodore Roosevelt</td>
<td>Progressive</td>
<td>88</td>
<td>4,118,571</td>
<td>27</td>
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<td>William H. Taft</td>
<td>Republican</td>
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<td>3,486,720</td>
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</tr>
<tr>
<td>Eugene V. Debs</td>
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<td>—</td>
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<td>6</td>
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<tr>
<td>E. W. Chafin</td>
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<td>1</td>
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<td>A. E. Reimer</td>
<td>Socialist-Labor</td>
<td>—</td>
<td>28,750</td>
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</tr>
</tbody>
</table>
shortly before the Civil War and reared in Georgia and the Carolinas, the professor-politician was the first man from one of the seceded southern states to reach the White House since Zachary Taylor, sixty-four years earlier.

The impact of Dixieland on young “Tommy” Wilson was profound. He sympathized with the Confederacy’s gallant attempt to win its independence, a sentiment that partly inspired his ideal of self-determination for people of other countries. Steeped in the traditions of Jeffersonian democracy, he shared Jefferson’s faith in the masses—if they were properly informed.

Son of a Presbyterian minister, Wilson was reared in an atmosphere of fervent piety. He later used the presidential pulpit to preach his inspirational political sermons. A moving orator, Wilson could rise on the wings of spiritual power to soaring eloquence. Skillfully using a persuasive voice, he relied not on arm-waving but on sincerity and moral appeal. As a lifelong student of finely chiseled words, he turned out to be a “phraseocrat” who coined many noble epigrams. Someone has remarked that he was born halfway between the Bible and the dictionary and never strayed far from either.

A profound student of government, Wilson believed that the chief executive should play a dynamic role. He was convinced that Congress could not function properly unless the president, like a kind of prime minister, got out in front and provided leadership. He enjoyed dramatic success, both as governor and as president, in appealing over the heads of legislators to the sovereign people.

Splendid though Wilson’s intellectual equipment was, he suffered from serious defects of personality. Though jovial and witty in private, he could be cold and standoffish in public. Incapable of unbending and acting the showman, like “Teddy” Roosevelt, he lacked the common touch. He loved humanity in the mass rather than the individual in person. His academic background caused him to feel most at home with scholars, although he had to work with politicians. An austere and somewhat arrogant intellectual, he looked down his nose through pince-nez glasses upon lesser minds, including journalists. He was especially intolerant of stupid senators, whose “bungalow” minds made him “sick.”

Wilson’s burning idealism—especially his desire to reform ever-present wickedness—dove him forward faster than lesser spirits were willing to go. His sense of moral righteousness was such that he often found compromise difficult; black was black, wrong was wrong, and one should never compromise with wrong. President Wilson’s Scottish Presbyterian ancestors had passed on to him an inflexible stubbornness. When convinced that he was right, the principled Wilson would break before he would bend, unlike the pragmatic Roosevelt.
He tackled the tariff first, summoning Congress into special session in early 1913. In a precedent-shattering move, he did not send his presidential message over to the Capitol to be read loudly by a bored clerk, as had been the custom since Jefferson's day. Instead he appeared in person before a joint session of Congress and presented his appeal with stunning eloquence and effectiveness.

Moved by Wilson's aggressive leadership, the House swiftly passed the Underwood Tariff Bill, which provided for a substantial reduction of rates. When a swarm of lobbyists descended on the Senate seeking to disembowel the bill, Wilson promptly issued a combative message to the people, urging them to hold their elected representatives in line. The tactic worked. The force of public opinion, aroused by the president's oratory, secured late in 1913 final approval of the bill Wilson wanted.

The new Underwood Tariff substantially reduced import fees. It also was a landmark in tax legislation. Under authority granted by the recently ratified Sixteenth Amendment, Congress enacted a graduated income tax, beginning with a modest levy on incomes over $3,000 (then considerably higher than the average family's income). By 1917 revenue from the income tax shot ahead of receipts from the tariff. This gap has since been vastly widened.

A second bastion of the "triple wall of privilege" was the antiquated and inadequate banking and currency system, long since outgrown by the Republic's lusty economic expansion. The country's financial structure, still creaking along under the Civil War National Banking Act, revealed glaring defects. Its most serious shortcoming, as exposed by the panic of 1907, was the inelasticity of the currency. Banking reserves were heavily concentrated in New York and a handful of other large cities and could not be mobilized in times of financial stress into areas that were badly pinched.

In 1908 Congress had authorized an investigation headed by a mossback banker, Republican senator Aldrich. Three years later Aldrich's special commission recommended a gigantic bank with numerous branches—in effect, a third Bank of the United States.
For their part, Democratic banking reformers heeded the findings of a House committee chaired by Congressman Arsene Pujo, which traced the tentacles of the “money monster” into the hidden vaults of American banking and business. President Wilson’s confidant, progressive-minded Massachusetts attorney Louis D. Brandeis, further fanned the flames of reform with his incendiary though scholarly book *Other People’s Money and How the Bankers Use It* (1914).

In June 1913, in a second dramatic personal appearance before both houses of Congress, the president delivered a stirring plea for sweeping reform of the banking system. He ringingly endorsed Democratic proposals for a decentralized bank in government hands, as opposed to Republican demands for a huge private bank with fifteen branches.

Again appealing to the sovereign people, Wilson scored another triumph. In 1913 he signed the epochal Federal Reserve Act, the most important piece of economic legislation between the Civil War and the New Deal. The new Federal Reserve Board, appointed by the president, oversaw a nationwide system of twelve regional reserve districts, each with its own central bank. Although these regional banks were actually bankers’ banks, owned by member financial institutions, the final authority of the Federal Reserve Board guaranteed a substantial measure of public control. The board was also empowered to issue paper money—“Federal Reserve Notes”—backed by commercial paper, such as promissory notes of businesspeople. Thus the amount of money in circulation could be swiftly increased as needed for the legitimate requirements of business.

The Federal Reserve Act was a red-letter achievement. It carried the nation with flying banners through the financial crises of the First World War of 1914–1918. Without it, the Republic’s progress toward the modern economic age would have been seriously retarded.

Nine months and thousands of words later, Congress responded with the Federal Trade Commission Act of 1914. The new law empowered a presidentially appointed commission to turn a searchlight on industries engaged in interstate commerce, such as the meatpackers. The commissioners were expected to crush monopoly at the source by rooting out unfair trade practices, including unlawful competition, false advertising, mislabeling, adulteration, and bribery.

The knot of monopoly was further cut by the Clayton Anti-Trust Act of 1914. It lengthened the shopworn Sherman Act’s list of business practices that were deemed objectionable, including price discrimination and interlocking directorates (whereby the same individuals served as directors of supposedly competing firms).

The Clayton Act also conferred long-overdue benefits on labor. Conservative courts had unexpectedly been ruling that trade unions fell under the antimonopoly restraints of the Sherman Act. A classic case involved striking hatmakers in Danbury, Connecticut, who were assessed triple damages of more than $250,000, which resulted in the loss of their savings and homes. The Clayton Act therefore sought to exempt labor and agricultural organizations from antitrust prosecution, while explicitly legalizing strikes and peaceful picketing.

Union leader Samuel Gompers hailed the act as the Magna Carta of labor because it legally lifted human labor out of the category of “a commodity or article of commerce.” But the rejoicing was premature, as conservative judges in later years continued to clip the wings of the union movement.

The Federal Reserve Act was a red-letter achievement. It carried the nation with flying banners through the financial crises of the First World War of 1914–1918. Without it, the Republic’s progress toward the modern economic age would have been seriously retarded.

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**The President Tames the Trusts**

Without pausing for breath, Wilson pushed toward the last remaining rampart in the “triple wall of privilege”—the trusts. Early in 1914 he again went before Congress in a personal appearance that still carried drama.

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**Organization of Holding Companies**

Keep in mind that the voting stock of a corporation is often only a fraction of the total stock.
Wilsonian Progressivism at High Tide

Energetically scaling the “triple wall of privilege,” Woodrow Wilson had treated the nation to a dazzling demonstration of vigorous presidential leadership. He proved nearly irresistible in his first eighteen months in office. For once, a political creed was matched by deed, as the progressive reformers racked up victory after victory.

Standing at the peak of his powers at the head of the progressive forces, Wilson pressed ahead with further reforms. The Federal Farm Loan Act of 1916 made credit available to farmers at low rates of interest—as long demanded by the Populists. The Warehouse Act of 1916 authorized loans on the security of staple crops—another Populist idea. Other laws benefited rural America by providing for highway construction and the establishment of agricultural extension work in the state colleges.

Sweaty laborers also made gains as the progressive wave foamed forward. Sailors, treated brutally from cat-o’-nine-tails days onward, were given relief by the La Follette Seamen’s Act of 1915. It required decent treatment and a living wage on American merchant ships. One unhappy result of this well-intentioned law was the crippling of America’s merchant marine, as freight rates spiraled upward with the crew’s wages.

Wilson further helped the workers with the Workingmen’s Compensation Act of 1916, granting assistance to federal civil-service employees during periods of disability. In the same year, the president approved an act restricting child labor on products flowing into interstate commerce, though the stand-pat Supreme Court soon invalidated the law. Railroad workers, numbering about 1.7 million, were not sidetracked. 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 and bigots but endeared himself to progressives when in 1916 he nominated for the Supreme Court the prominent reformer Louis D. Brandeis—the first Jew to be called to the high bench. Yet even Wilson’s progressivism had its limits, and it clearly stopped short of better treatment for blacks. The southern-bred Wilson actually presided over accelerated segregation in the federal bureaucracy. When a delegation of black leaders personally protested to him, the schoolmasterish president virtually froze them out of his office.

Despite these limitations, Wilson knew that to be reelected in 1916, he needed to identify himself clearly as the candidate of progressivism. He appeased businesspeople by making conservative appointments to the Federal Reserve Board and the Federal Trade Commission, but he devoted most of his energies to cultivating progressive support. Wilson’s election in 1912 had been something of a fluke, owing largely to the Taft-Roosevelt split in the Republican ranks. To remain in the White House, the president would have to woo the bull moose voters into the Democratic fold.

New Directions in Foreign Policy

In one important area, Wilson chose not to answer the trumpet call of the bull moosers. In contrast to Roosevelt and even Taft, Wilson recoiled from an aggressive foreign policy. Hating imperialism, he
was repelled by TR’s big stickism. Suspicious of Wall Street, he detested the so-called dollar diplomacy of Taft.

In office only a week, Wilson declared war on dollar diplomacy. He proclaimed that the government would no longer offer special support to American investors in Latin America and China. Shivering from this Wilsonian bucket of cold water, American bankers pulled out of the Taft-engineered six-nation loan to China the next day.

In a similarly self-denying vein, Wilson persuaded Congress in early 1914 to repeal the Panama Canal Tolls Act of 1912, which had exempted American coastwise shipping from tolls and thereby provoked sharp protests from injured Britain. The president further chimed in with the anti-imperial song of Bryan and other Democrats when he signed the Jones Act in 1916. It granted to the Philippines the boon of territorial status and promised independence as soon as a “stable government” could be established. That glad day came thirty years later, on July 4, 1946.

Wilson also partially defused a menacing crisis with Japan in 1913. The California legislature, still seeking to rid the Golden State of Japanese settlers, prohibited them from owning land. Tokyo, understandably irritated, lodged vigorous protests. At Fortress Corregidor, in the Philippines, American gunners were put on around-the-clock alert. But when Wilson dispatched Secretary of State William Jennings Bryan to plead with the California legislature to soften its stand, tensions eased somewhat.

Political turmoil in Haiti soon forced Wilson to eat some of his anti-imperialist words. The climax of the disorders came in 1914–1915, when an outraged populace literally tore to pieces the brutal Haitian president. In 1915 Wilson reluctantly dispatched marines to protect American lives and property. In 1916 he stole a page from Roosevelt’s corollary to the Monroe Doctrine and concluded a treaty with Haiti providing for U.S. supervision of finances and the police. In the same year, he sent the leather-necked marines to quell riots in the Dominican Republic, and that debt-cursed land came under the shadow of the American eagle’s wings for the next eight years. In 1917 Wilson purchased from Denmark the Virgin Islands, in the West Indies, tightening the grip of Uncle Sam in these shark-infested waters. Increasingly, the Caribbean Sea, with its vital approaches to the now navigable Panama Canal, was taking on the earmarks of a Yankee preserve.

Moralistic Diplomacy in Mexico

Rifle bullets whining across the southern border served as a constant reminder that all was not quiet in Mexico. For decades Mexico had been sorely
exploited by foreign investors in oil, railroads, and mines. By 1913 American capitalists had sunk about a billion dollars into the underdeveloped but generously endowed country.

But if Mexico was rich, the Mexicans were poor. Fed up with their miserable lot, they at last revolted. Their revolution took an ugly turn in 1913, when a conscienceless clique murdered the popular new revolutionary president and installed General Victoriano Huerta, an Indian, in the president’s chair. All this chaos accelerated a massive migration of Mexicans to the United States. More than a million Spanish-speaking newcomers tramped across the southern border in the first three decades of the twentieth century. Settling mostly in Texas, New Mexico, Arizona, and California, they swung picks building highways and railroads or followed the fruit harvests as pickers. Though often segregated in Spanish-speaking enclaves, they helped to create a unique borderland culture that blended Mexican and American folkways.

The revolutionary bloodshed also menaced American lives and property in Mexico. Cries for intervention burst from the lips of American jingoes. Prominent among those chan ting for war was the influential chain-newspaper publisher William Randolph Hearst, whose views presumably were colored by his ownership of a Mexican ranch larger than Rhode Island. Yet President Wilson stood firm against demands to step in. It was “perilous,” he declared, to determine foreign policy “in the terms of material interest.”

But though he refused to intervene, Wilson also refused to recognize officially the murderous government of “that brute” Huerta, even though most foreign powers acknowledged Huerta’s bloody-handed regime. “I am going to teach the South American republics to elect good men,” the former professor declared. He put his munitions where his mouth was in 1914, when he allowed American arms to flow to Huerta’s principal rivals, white-bearded

The United States in the Caribbean
This map explains why many Latin Americans accused the United States of turning the Caribbean Sea into a Yankee lake. It also suggests that Uncle Sam was much less “isolationist” in his own backyard than he was in faraway Europe or Asia.

A Republican congressman voiced complaints against Wilson’s Mexican policy in 1916:
“It is characterized by weakness, uncertainty, vacillation, and uncontrollable desire to intermeddle in Mexican affairs. He has not had the courage to go into Mexico nor the courage to stay out. . . . I would either go into Mexico and pacify the country or I would keep my hands entirely out of Mexico. If we are too proud to fight, we should be too proud to quarrel. I would not choose between murderers.”
Venustiano Carranza and the firebrand Francisco (“Pancho”) Villa.

The Mexican volcano erupted at the Atlantic seaport of Tampico in April 1914, when a small party of American sailors was arrested. The Mexicans promptly released the captives and apologized, but they refused the affronted American admiral’s demand for a salute of twenty-one guns. Wilson, heavy-hearted but stubbornly determined to eliminate Huerta, asked Congress for authority to use force against Mexico. Before Congress could act, Wilson ordered the navy to seize the Mexican port of Vera Cruz. Huerta as well as Carranza hotly protested against this high-handed Yankee maneuver.

Just as a full-dress shooting conflict seemed inevitable, Wilson was rescued by an offer of mediation from the ABC Powers—Argentina, Brazil, and Chile. Huerta collapsed in July 1914 under pressure from within and without. He was succeeded by his archrival, Venustiano Carranza, still fiercely resentful of Wilson’s military meddling. The whole sorry episode did not augur well for the future of United States–Mexican relations.

“Pancho” Villa, a combination of bandit and Robin Hood, had meanwhile stolen the spotlight. He emerged as the chief rival to President Carranza, whom Wilson now reluctantly supported. Challenging Carranza’s authority while also punishing the gringos, Villa’s men ruthlessly hauled sixteen young American mining engineers off a train traveling through northern Mexico in January 1916 and killed them. A month later Villa and his followers, hoping to provoke a war between Wilson and Carranza, blazed across the border into Columbus, New Mexico, and murdered another nineteen Americans.

General John J. (“Black Jack”) Pershing, a grim-faced and ramrod-erect veteran of the Cuban and Philippine campaigns, was ordered to break up the bandit band. His hastily organized force of several thousand mounted troops penetrated deep into rugged Mexico with surprising speed. They clashed with Carranza’s forces and mauled the Villistas but missed capturing Villa himself. As the threat of war with Germany loomed larger, the invading army was withdrawn in January 1917.

Thunder Across the Sea

Europe’s powder magazine, long smoldering, blew up in the summer of 1914, when the flaming pistol of a Serb patriot killed the heir to the throne of Austria-Hungary in Sarajevo. An outraged Vienna government, backed by Germany, forthwith presented a stern ultimatum to neighboring Serbia.

An explosive chain reaction followed. Tiny Serbia, backed by its powerful Slav neighbor Russia, refused to bend the knee sufficiently. The Russian tsar began to mobilize his ponderous war machine, menacing Germany on the east, even as his ally,

*So called from his earlier service as an officer with the crack black Tenth Cavalry.*
France, confronted Germany on the west. In alarm, the Germans struck suddenly at France through unoffending Belgium; their objective was to knock their ancient enemy out of action so that they would have two free hands to repel Russia. Great Britain, its coastline jeopardized by the assault on Belgium, was sucked into the conflagration on the side of France.

Almost overnight most of Europe was locked in a fight to the death. On one side were arrayed the Central Powers: Germany and Austria-Hungary, and later Turkey and Bulgaria. On the other side were the Allies: principally France, Britain, and Russia, and later Japan and Italy.

Americans thanked God for the ocean moats and self-righteously congratulated themselves on having had ancestors wise enough to have abandoned the hell pits of Europe. America felt strong, snug, smug, and secure—but not for long.

Both sides wooed the United States, the great neutral in the West. The British enjoyed the boon of close cultural, linguistic, and economic ties with America and had the added advantage of controlling most of the transatlantic cables. Their censors sheared away war stories harmful to the Allies and drenched the United States with tales of German bestiality.

The Germans and the Austro-Hungarians counted on the natural sympathies of their transplanted countrymen in America. Including persons with at least one foreign-born parent, people with blood ties to the Central Powers numbered some 11 million in 1914. Some of these recent immigrants expressed noisy sympathy for the fatherland, but most were simply grateful to be so distant from the fray.

Most Americans were anti-German from the outset. With his villainous upturned mustache, Kaiser Wilhelm II seemed the embodiment of arrogant autocracy, an impression strengthened by Germany’s ruthless strike at neutral Belgium. German and Austrian agents further tarnished the image of the Central Powers in American eyes when they resorted to violence in American factories and ports. When a German operative in 1915 absent-mindedly left his briefcase on a New York elevated car, its documents detailing plans for industrial sabotage were quickly discovered and publicized. American opinion, already ill disposed, was further

A Precarious Neutrality

President Wilson’s grief at the outbreak of war was compounded by the recent death of his wife. He sorrowfully issued the routine neutrality proclamation and called on Americans to be neutral in thought as well as deed. But such scrupulous evenhandedness proved difficult.
inflamed against the kaiser and Germany. Yet the great majority of Americans earnestly hoped to stay out of the horrible war.

**America Earns Blood Money**

When Europe burst into flames in 1914, the United States was bogged down in a worrisome business recession. But as fate would have it, British and French war orders soon pulled American industry out of the morass of hard times and onto a peak of war-born prosperity. Part of this boom was financed by American bankers, notably the Wall Street firm of J.P. Morgan and Company, which eventually advanced to the Allies the enormous sum of $2.3 billion during the period of American neutrality. The Central Powers protested bitterly against the immense trade between America and the Allies, but this traffic did not in fact violate the international neutrality laws. Germany was technically free to

## Principal Foreign Elements in the United States (census of 1910; total U.S. population: 91,972,266)

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<tr>
<th>Country of Origin</th>
<th>Foreign-Born</th>
<th>Natives with Two Foreign-Born Parents</th>
<th>Natives with One Foreign-Born Parent</th>
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<td>Central Powers</td>
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<tr>
<td>Germany</td>
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<td>3,911,847</td>
<td>1,869,590</td>
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<td>852,610</td>
<td>1,158,474</td>
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<td>Allied Powers</td>
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<td>(Ireland)*</td>
<td>1,352,155</td>
<td>2,141,577</td>
<td>1,010,628</td>
<td>4,504,360</td>
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<td>Italy</td>
<td>1,343,070</td>
<td>695,187</td>
<td>60,103</td>
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<td>TOTAL (for all foreign countries, including those not listed)</td>
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<td>12,916,311</td>
<td>5,981,526</td>
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<td>Percentage of total U.S. population</td>
<td>14.5</td>
<td>14.0</td>
<td>6.5</td>
<td>35.0</td>
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*Ireland was not yet independent.*
trade with the United States. It was prevented from doing so not by American policy but by geography and the British navy. Trade between Germany and America had to move across the Atlantic; but the British controlled the sea-lanes, and they threw a noose-tight blockade of mines and ships across the North Sea, gateway to German ports. Over the unavailing protests of American shippers, farmers, and manufacturers, the British began forcing American vessels off the high seas and into their ports. This harassment of American shipping proved highly effective, as trade between Germany and the United States virtually ceased.

Hard-pressed Germany did not tamely consent to being starved out. In retaliation for the British blockade, in February 1915 Berlin announced a submarine war area around the British Isles. 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 hardly apply to submarines, which could easily be rammed or sunk if they surfaced.

The cigar-shaped marauders posed a dire threat to the United States—so long as Wilson insisted on maintaining America's neutral rights. Berlin officials declared that they would try not to sink neutral shipping, but they warned that mistakes would probably occur. Wilson now determined on a policy of calculated risk. He would continue to claim profitable neutral trading rights, while hoping that no high-seas incident would force his hand to grasp the sword of war. Setting his peninsular jaw, he emphatically warned Germany that it would be held to "strict accountability" for any attacks on American vessels or citizens.

The German submarines (known as U-boats, from the German Unterseeboot, or "undersea boat") meanwhile began their deadly work. In the first months of 1915, they sank about ninety ships in the war zone. Then the submarine issue became acute when the British passenger liner Lusitania was torpedoed and sank off the coast of Ireland on May 7, 1915, with the loss of 1,198 lives, including 128 Americans.

The Lusitania was carrying forty-two hundred cases of small-arms ammunition, a fact the Germans used to justify the sinking. But Americans were swept by a wave of shock and anger at this act of "mass murder" and "piracy." The eastern United States, closer to the war, seethed with talk of fighting, but the rest of the country showed a strong distaste for hostilities. The peace-loving Wilson had no stomach for leading a disunited nation into war. He well remembered the mistake in 1812 of his fellow Princetonian, James Madison. Instead, by a series of increasingly strong notes, Wilson attempted to bring the German warlords sharply to book. Even this measured approach was too much for Secretary of State Bryan, who resigned rather than sign a protestation that might spell shooting. But Wilson resolutely stood his ground. "There is such a thing,"

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**U.S. Exports to Belligerents, 1914–1916**

<table>
<thead>
<tr>
<th>Belligerent</th>
<th>1914</th>
<th>1915</th>
<th>1916</th>
<th>1916 Figure as a Percentage of 1914 Figure</th>
</tr>
</thead>
<tbody>
<tr>
<td>Britain</td>
<td>$594,271,863</td>
<td>$911,794,954</td>
<td>$1,526,685,102</td>
<td>257%</td>
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<tr>
<td>France</td>
<td>159,818,924</td>
<td>369,397,170</td>
<td>628,851,988</td>
<td>393</td>
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<td>Italy*</td>
<td>74,235,012</td>
<td>184,819,688</td>
<td>269,246,105</td>
<td>363</td>
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<tr>
<td>Germany</td>
<td>344,794,276</td>
<td>28,863,354</td>
<td>288,899</td>
<td>0.08</td>
</tr>
</tbody>
</table>

*Italy joined the Allies in April 1915.
he declared, “as a man being too proud to fight.” This kind of talk incensed the war-thirsty Theodore Roosevelt. The Rough Rider assailed the spineless simperers who heeded the “weasel words” of the pacifistic professor in the White House.

Yet Wilson, sticking to his verbal guns, made some diplomatic progress. After another British liner, the Arabic, was sunk in August 1915, with the loss of two American lives, Berlin reluctantly agreed not to sink unarmed and unresisting passenger ships without warning.

This pledge appeared to be violated in March 1916, when the Germans torpedoed a French passenger steamer, the Sussex. The infuriated Wilson informed the Germans that unless they renounced the inhuman practice of sinking merchant ships without warning, he would break diplomatic relations—an almost certain prelude to war.

Germany reluctantly knuckled under to President Wilson’s Sussex ultimatum, agreeing not to sink passenger ships and merchant vessels without giving warning. But the Germans attached a long string to their Sussex pledge: the United States would have to persuade the Allies to modify what Berlin regarded as their illegal blockade. This, obviously, was something that Washington could not do. Wilson promptly accepted the German pledge, without accepting the “string.” He thus won a temporary but precarious diplomatic victory—precarious because Germany could pull the string whenever it chose, and the president might suddenly find himself tugged over the cliff of war.

Wilson Wins Reelection in 1916

Against this ominous backdrop, the presidential campaign of 1916 gathered speed. Both the bull moose Progressives and the Republicans met in Chicago. The Progressives uproariously renominated Theodore Roosevelt, but the Rough Rider,
who loathed Wilson and all his works, had no stomach for splitting the Republicans again and ensuring the reelection of his hated rival. In refusing to run, he sounded the death knell of the Progressive party.

Roosevelt’s Republican admirers also clamored for “Teddy,” but the Old Guard detested the renegade who had ruptured the party in 1912. Instead they drafted Supreme Court justice Charles Evans Hughes, a cold intellectual who had achieved a solid liberal record when he was governor of New York. The Republican platform condemned the Democratic tariff, assaults on the trusts, and Wilson’s wishy-washiness in dealing with Mexico and Germany.

The thick-whiskered Hughes (“an animated feather duster”) left the bench for the campaign stump, where he was not at home. In anti-German areas of the country, he assailed Wilson for not standing up to the kaiser, whereas in isolationist areas he took a softer line. This fence-straddling operation led to the jeer, “Charles Evasive Hughes.”

Hughes was further plagued by Roosevelt, who was delivering a series of skin-‘em-alive speeches against “that damned Presbyterian hypocrite Wilson.” Frothing for war, TR privately scoffed at Hughes as a “whiskered Wilson”; the only difference between the two, he said, was “a shave.”

Wilson, nominated by acclamation at the Democratic convention in St. Louis, ignored Hughes on the theory that one should not try to murder a man

During the 1916 campaign, J. A. O’Leary, the head of a pro-German and pro-Irish organization, sent a scorching telegram to Wilson condemning him for having been pro-British in approving war loans and ammunition traffic. Wilson shot back an answer:

“Your telegram received. I would feel deeply mortified to have you or anybody like you vote for me. Since you have access to many disloyal Americans and I have not, I will ask you to convey this message to them.”

President Wilson’s devastating and somewhat insulting response probably won him more votes than it lost.
who is committing suicide. His campaign was built on the slogan, “He Kept Us Out of War.”

Democratic orators warned that by electing Charles Evans Hughes, the nation would be electing a fight—with a certain frustrated Rough Rider leading the charge. A Democratic advertisement appealing to the American working people read,

You are Working;
—Not Fighting!
Alive and Happy;
—Not Cannon Fodder!
Wilson and Peace with Honor?
or
Hughes with Roosevelt and War?

On election day Hughes swept the East and looked like a surefire winner. Wilson went to bed that night prepared to accept defeat, while the New York newspapers displayed huge portraits of “The President-Elect—Charles Evans Hughes.”

But the rest of the country turned the tide. Midwesterners and westerners, attracted by Wilson’s progressive reforms and antiwar policies, flocked to the polls for the president. The final result, in doubt for several days, hinged on California, which Wilson carried by some 3,800 votes out of about a million cast.

Wilson barely squeaked through, with a final vote of 277 to 254 in the Electoral College, and 9,127,695 to 8,533,507 in the popular column. 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. Wilson had not specifically promised to keep the country out of war, but probably enough voters relied on such implicit assurances to ensure his victory. Their hopeful expectations were soon rudely shattered.
Wilson was so worried about being a lame duck president in a time of great international tensions that he drew up a plan whereby Hughes, if victorious, would be appointed secretary of state, Wilson and the vice president would resign, and Hughes would thus succeed immediately to the presidency.

1912 Wilson defeats Taft and Roosevelt for presidency

1913 Underwood Tariff Act
Sixteenth Amendment (income tax) passed
Federal Reserve Act
Huerta takes power in Mexico
Seventeenth Amendment (direct election of senators) passed

1914 Clayton Anti-Trust Act
Federal Trade Commission established
U.S. occupation of Vera Cruz, Mexico
World War I begins in Europe

1915 U.S. Marines sent to Haiti

1916 Sussex ultimatum and pledge
Workingmen's Compensation Act
Federal Farm Loan Act
Warehouse Act
Adamson Act
Pancho Villa raids New Mexico
Brandeis appointed to Supreme Court
Jones Act
U.S. Marines sent to Dominican Republic
Wilson defeats Hughes for presidency

1917 United States buys Virgin Islands from Denmark
Debate about progressivism has revolved mainly around a question that is simple to ask but devilishly difficult to answer: who were the progressives? It was once taken for granted that progressive reformers were simply the heirs of the Jeffersonian-Jacksonian-Populist reform crusades; they were the oppressed and downtrodden common folk who finally erupted in wrath and demanded their due.

But in his influential *Age of Reform* (1955), Richard Hofstadter astutely challenged that view. Progressive leaders, he argued, were not drawn from the ranks of society's poor and marginalized. Rather, they were middle-class people threatened from above by the emerging power of new corporate elites and from below by a restless working class. It was not economic deprivation, but "status anxiety," Hofstadter insisted, that prompted these people to become reformers. Their psychological motivation, Hofstadter concluded, rendered many of their reform efforts quirky and ineffectual.

By contrast, "New Left" historians, notably Gabriel Kolko, argue that progressivism was dominated by established business leaders who successfully directed "reform" to their own conservative ends. In this view government regulation (as embodied in new agencies like the Federal Reserve Board and the Federal Tariff Commission, and in legislation like the Meat Inspection Act) simply accomplished what two generations of private efforts had failed to accomplish: dampening cutthroat competition, stabilizing markets, and making America safe for monopoly capitalism.

Still other scholars, notably Robert H. Wiebe and Samuel P. Hays, argue that the progressives were neither the psychologically or economically disadvantaged nor the old capitalist elite, but were, rather, members of a rapidly emerging, self-confident social class possessed of the new techniques of scientific management, technological expertise, and organizational know-how. This "organizational school" of historians does not see progressivism as a struggle of the "people" against the "interests," as a confused and nostalgic campaign by status-threatened reformers, or as a conservative coup d'état. The progressive movement, in this view, was by and large an effort to rationalize and modernize many social institutions, by introducing the wise and impartial hand of government regulation.

This view has much to recommend it. Yet despite its widespread acceptance among historians, it is an explanation that cannot adequately account for the titanic political struggles of the progressive era over the very reforms that the "organizational school" regards as simple adjustments to modernity. The organizational approach also brushes over the deep philosophical differences that divided progressives themselves—such as the ideological chasm that separated Roosevelt's New Nationalism from Wilson's New Freedom. Nor can the organizational approach sufficiently explain why, as demonstrated by Otis Graham in *An Encore for Reform*, so many progressives—perhaps a majority—who survived into the New Deal era criticized that agenda for being too bureaucratic and for laying too heavy a regulatory hand on American society.

Recently scholars such as Robyn Muncy, Linda Gordon, and Theda Skocpol have stressed the role of women in advocating progressive reforms. Building the American welfare state in the early twentieth century, they argue, was fundamentally a gendered activity inspired by a "female dominion" of social workers and "social feminists." Moreover, in contrast to many European countries where labor movements sought a welfare state to benefit the working class, American female reformers promoted welfare programs specifically to protect women and children.