

# The presidency of Woodrow Wilson 1913–21

The high point of the Progressive era came with the election of Woodrow Wilson. For the first time in decades, a Democrat took up residence in the White House. Wilson had successfully managed to bring together the very different elements that made up the Democratic Party: the deeply conservative and openly racist South, the liberal élite and the industrial working class from the Northern cities.

William Bryan (see page 119) also aided Wilson's election by appealing to former Populists, helping to prevent the Democrats from being just a conservative group of Southerners obsessed with race. Wilson's victory was also helped by the Republicans splitting badly between Taft and Roosevelt, who stood as a third-party candidate. Wilson had gained a reputation as a reformer in his position as governor of New Jersey, where he had copied many of the ideas of La Follette of Wisconsin (see page 117). He dominated government, but took great care not to offend Congress and tried hard to win its co-operation. Although distracted later by foreign policy and war, he helped pass a remarkable list of acts of Congress, as well as major Constitutional Amendments.

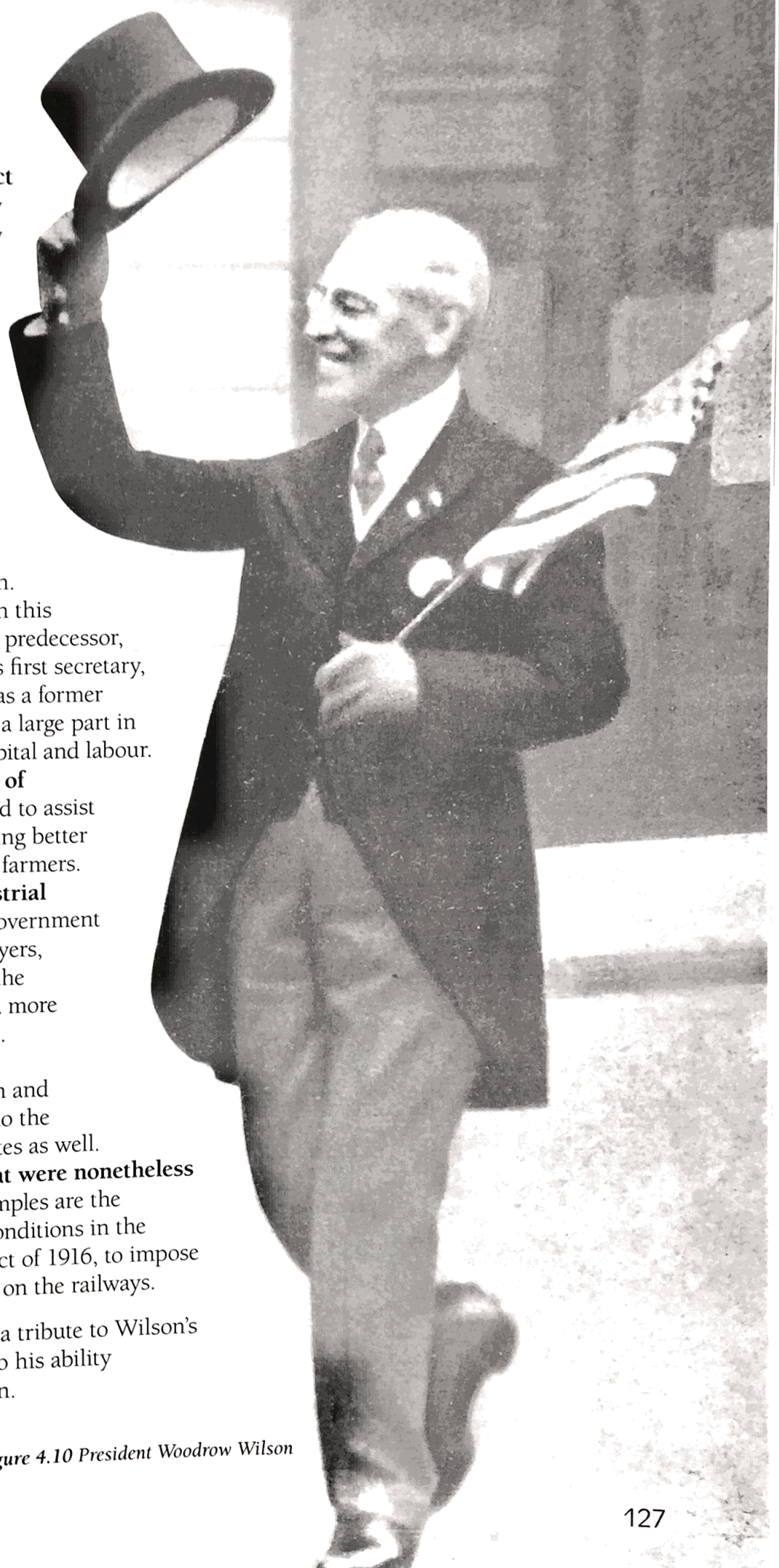
These are some of the major changes put through during Wilson's presidency:

- **The Federal Reserve Act of 1913:** this was an act typical of Woodrow Wilson, as it maintained a balance between the interests of big business and the needs of the wider community. It set up a Federal Reserve Board to oversee the banking system, and aimed to ensure that money was available where and when needed. Many see this as one of Wilson's most important campaigns, as it was hoped it would put a stop to 'Panics' like that of 1907 and bring stability to the banking system.
- **The Underwood Tariff Act of 1913:** tariffs had been a major political issue for decades. Wilson and the Democrats, who had a majority in Congress, reduced tariffs in this act. Many people regarded this as an attack on big business, which favoured high tariffs, and an aid to smaller businessmen and farmers.
- **The introduction of income tax:** income tax was intended to replace the government income lost when tariffs were reduced or abolished. Initially, income tax only had to be paid by those with an income of over \$4000, which at the time was over four times a good industrial wage. The income tax gave the federal government a major source of income.
- **The Clayton Act of 1914:** this gave more powers to those enforcing the Sherman Anti-Trust Act in order to break up monopolies and trusts.



- **The Federal Trade Commission Act of 1914:** this act created a regulatory body for business that covered every possible dubious business action. Many felt it was not strong enough, but it established an important principle of federal regulation.
- **The first Federal Child Labour Act in 1916:** ultimately, this was struck down by the Supreme Court, but it made a start in dealing with the 2 million children under 16 who were known to be in work and were often deprived of education.
- **The Department of Labor:** although this department was created by Wilson's predecessor, Taft, Woodrow Wilson appointed its first secretary, William Wilson. William Wilson was a former miner and union leader who played a large part in helping resolve disputes between capital and labour.
- **Reorganisation of the Department of Agriculture:** this development aimed to assist all those involved in farming, ensuring better credit and distribution networks for farmers.
- **More federal intervention in industrial disputes:** traditionally, the federal government had intervened on the side of employers, if at all; however, examples such as the Colorado Mining Disputes showed a more involved and even-handed approach.
- **The Revenue Act of 1916:** this act continued the plan of taxing the rich and redistributing wealth, expanding into the taxation of business profits and estates as well.
- **A large number of smaller acts that were nonetheless important to national reform:** examples are the Seamen's Act, to regulate working conditions in the merchant navy, and the Adamson Act of 1916, to impose an eight-hour day for those working on the railways.

The list of changes is enormous and is a tribute to Wilson's progressive reforming zeal, as well as to his ability to persuade Congress to pass legislation.



*Figure 4.10 President Woodrow Wilson*



Business is in a situation in America which it was never in before; it is in a situation to which we have not adjusted our laws. Our laws are still meant for business done by individuals; they have not been satisfactorily adjusted to business done by great combinations, and we have got to adjust them. I do not say we may or may not; I say we must; there is no choice. If your laws do not fit your facts, the facts are not injured, the law is damaged; because the law, unless I have studied it amiss, is the expression of the facts in legal relationships. Laws have never altered the facts; laws have always necessarily expressed the facts; adjusted interests as they have arisen and have changed toward one another.

Politics in America is in a case which sadly requires attention. The system set up by our law and our usage doesn't work,—or at least it can't be depended on; it is made to work only by a most unreasonable expenditure of labor and pains. The government, which was designed for the people, has got into the hands of bosses and their employers, the special interests. An invisible empire has been set up above the forms of democracy.

An extract from a campaign speech given by Woodrow Wilson in 1912.

## Constitutional changes

Pressure from the Progressives led not only to a large number of laws that resulted in greater government regulation, but also in changes to the US Constitution itself.

### 16th Amendment: the raising of an income tax 1913

The USA's Founding Fathers (see page 101) had not envisaged that the federal government would need a substantial income; they had felt that tariffs would be sufficient. However, by 1900 many were arguing that tariffs were harmful to trade and the economy. It was also felt that the federal government was now expected to involve itself in areas other than defence and foreign policy, such as economic regulation and welfare, and it needed a source of income to deal with that. Many Progressives advocated income tax, as it could be structured to fall most heavily on those best equipped to pay. The Supreme Court had ruled earlier that income tax was unconstitutional, so a change in the Constitution was required.

### 17th Amendment: direct election of senators 1913

The original US Constitution required that the two senators from each state were chosen by the state's own legislature. Often a single party (and sometimes just one 'boss') controlled the state legislature. There were also states where the railway or oil trusts were very powerful, and they ensured that the senators sent by that state to Congress worked primarily in the interests of the trusts rather than the people. This change to direct election of senators meant that these politicians, like congressmen, were directly chosen by the population of their state. Many states introduced primary elections, where voters had the chance to elect the party candidates before the main election, where they chose between the different party candidates. This system survives to the present day, and has played an important part in making the Senate a more accountable and democratic body.



## 18th Amendment: prohibition of alcoholic beverages 1919

Elements of the Progressive Movement had always been strong opponents of the ‘saloon’ culture in many states; these Progressives linked alcohol consumption to many social problems. By 1914, several states had gone ‘dry’ (had banned the consumption of alcohol) and Congress had attempted legislation that banned the transport of alcohol from ‘wet’ states into ‘dry’ states. The pressure continued throughout Wilson’s presidency, and finally, in 1919, the Constitution was amended to ban altogether the sale and transport of alcohol in the United States. Arguably, this proved to be one of the less successful of the Progressive measures, particularly in the light of later events in the 1920s, when a large illegal industry grew up to provide for Americans who still wanted a drink.

Figure 4.11 Workers demonstrating against prohibition in the streets of New York



### Note:

It should be noted that not all Progressives supported Prohibition. Many felt that it was too great an intrusion into people’s private lives.

## 19th Amendment: votes for women 1920

A serious campaign for female suffrage had begun before 1900, and by 1920 several states had already granted women the right to vote. The pressure for female suffrage was strengthened in this period by the growth in education for women and the increased number of women working outside the home – rising to 25% of women by 1914. Over 1.5 million women worked in war industries during the First World War, and by the end of the conflict the pressure for the vote was unstoppable. Wilson, sympathetic rather than enthusiastic, helped to get the Amendment through Congress.

### Note:

A greater proportion of women in the USA went to college than anywhere else in the world in the last quarter in the 19th century.