

SECTION  
5

# Wilson's New Freedom

## MAIN IDEA

Woodrow Wilson established a strong reform agenda as a progressive leader.

## WHY IT MATTERS NOW

The passage of the Nineteenth Amendment during Wilson's administration granted women the right to vote.

## Terms & Names

- Carrie Chapman Catt
- Clayton Antitrust Act
- Federal Trade Commission (FTC)
- Federal Reserve System
- Nineteenth Amendment

## One American's Story

On March 4, 1913, the day of Woodrow Wilson's inauguration, 5,000 woman suffragists marched through hostile crowds in Washington, D.C. Alice Paul and Lucy Burns, the parade's organizers, were members of the National American Woman Suffrage Association (NAWSA). As police failed to restrain the rowdy gathering and congressmen demanded an investigation, Paul and Burns could see the momentum building for suffrage.

By the time Wilson began his campaign for a second term in 1916, the NAWSA's president, **Carrie Chapman Catt**, saw victory on the horizon. Catt expressed her optimism in a letter to her friend Maud Wood Park.

### A PERSONAL VOICE CARRIE CHAPMAN CATT

"I do feel keenly that the turn of the road has come. . . . I really believe that we might pull off a campaign which would mean the vote within the next six years if we could secure a Board of officers who would have sufficient momentum, confidence and working power in them. . . . Come! My dear Mrs. Park, gird on your armor once more."

—letter to Maud Wood Park

Catt called an emergency suffrage convention in September 1916, and invited President Wilson, who cautiously supported suffrage. He told the convention, "There has been a force behind you that will . . . be triumphant and for which you can afford. . . . to wait." They did have to wait, but within four years, the passage of the suffrage amendment became the capstone of the progressive movement.



Carrie Chapman Catt

## Wilson Wins Financial Reforms

Like Theodore Roosevelt, Woodrow Wilson claimed progressive ideals, but he had a different idea for the federal government. He believed in attacking large concentrations of power to give greater freedom to average citizens. The prejudices of his Southern background, however, prevented him from using federal power to fight off attacks directed at the civil rights of African Americans.

**WILSON'S BACKGROUND** Wilson spent his youth in the South during the Civil War and Reconstruction. The son, grandson, and nephew of Presbyterian ministers, he received a strict upbringing. Before entering politics, Wilson worked as a lawyer, a history professor, and later as president of Princeton University. In 1910, Wilson became the governor of New Jersey. As governor, he supported progressive legislation programs such as a direct primary, worker's compensation, and the regulation of public utilities and railroads.

As America's newly elected president, Wilson moved to enact his program, the "New Freedom," and planned his attack on what he called the triple wall of privilege: the trusts, tariffs, and high finance.

**TWO KEY ANTITRUST MEASURES** "Without the watchful . . . resolute interference of the government," Wilson said, "there can be no fair play between individuals and such powerful institutions as the trusts. Freedom today is something more than being let alone." During Wilson's administration, Congress enacted two key antitrust measures. The first, the **Clayton Antitrust Act** of 1914, sought to strengthen the Sherman Antitrust Act of 1890. The Clayton Act prohibited corporations from acquiring the stock of another if doing so would create a monopoly; if a company violated the law, its officers could be prosecuted.

The Clayton Act also specified that labor unions and farm organizations not only had a right to exist but also would no longer be subject to antitrust laws. Therefore, strikes, peaceful picketing, boycotts, and the collection of strike benefits became legal. In addition, injunctions against strikers were prohibited unless the strikers threatened damage that could not be remedied. Samuel Gompers, president of the American Federation of Labor (AFL), saw great value to workers in the Clayton Act. He called it a Magna Carta for labor, referring to the English document, signed in 1215, in which the English king recognized that he was bound by the law and that the law granted rights to his subjects.

The second major antitrust measure, the Federal Trade Commission Act of 1914, set up the **Federal Trade Commission (FTC)**. This "watchdog" agency was given the power to investigate possible violations of regulatory statutes, to require periodic reports from corporations, and to put an end to a number of unfair business practices. Under Wilson, the FTC administered almost 400 cease-and-desist orders to companies engaged in illegal activity. **A**

**A NEW TAX SYSTEM** In an effort to curb the power of big business, Wilson worked to lower tariff rates, knowing that supporters of big business hadn't allowed such a reduction under Taft.

Wilson lobbied hard in 1913 for the Underwood Act, which would substantially reduce tariff rates for the first time since the Civil War. He summoned Congress to a special session to plead his case, and established a precedent of delivering the State of the Union message in person. Businesses lobbied too, looking to block tariff reductions. When manufacturing lobbyists—people hired by manufacturers to present their case to government officials—descended on the capital to urge senators to vote no, passage seemed unlikely. Wilson denounced the lobbyists and urged voters to monitor their senators' votes. Because of the new president's use of the bully pulpit, the Senate voted to cut tariff rates even more deeply than the House had done.

### Vocabulary

**injunction:** a court order prohibiting a party from a specific course of action

### MAIN IDEA

### Summarizing

**A** What was the impact of the two antitrust measures?

**NOW & THEN**

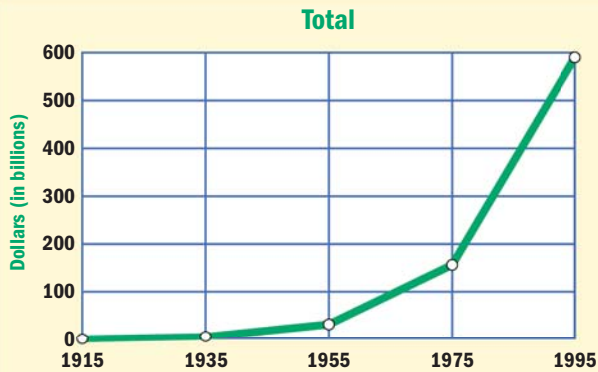
**DEREGULATION**

In recent years the railroad, airline, and telecommunications industries have all been deregulated, or permitted to compete without government control. It is hoped that this will improve their efficiency and lower prices.

During the Progressive Era, reformers viewed regulation as a necessary role of government to ensure safety and fairness for consumers as well as industrial competitors. Opponents of regulation, however, believed that government regulation caused inefficiency and high prices.

Modern critics of deregulation argue that deregulated businesses may skimp on safety. They may also neglect hard-to-serve populations, such as elderly, poor, or disabled people, while competing for more profitable customers.

## Revenue from Individual Federal Income Tax, 1915–1995



Sources: *Historical Statistics of the United States*; *Statistical Abstract of the United States*, 1987, 1995, 1999

### SKILLBUILDER Interpreting Graphs

1. About what year did income tax revenues first begin to rise sharply?
2. About how much revenue did the income tax bring in 1995?

**FEDERAL INCOME TAX** With lower tariff rates, the federal government had to replace the revenue that tariffs had previously supplied. Ratified in 1913, the Sixteenth Amendment legalized a federal income tax, which provided revenue by taxing individual earnings and corporate profits.

Under this graduated tax, larger incomes were taxed at higher rates than smaller incomes. The tax began with a modest tax on family incomes over \$4,000, and ranged from 1 percent to a maximum of 6 percent on incomes over \$500,000. Initially, few congressmen realized the potential of the income tax, but by 1917, the government was receiving more money on the income tax than it had ever gained from tariffs. Today, income taxes on corporations and individuals represent the federal government's main source of revenue.

### Background

See *taxation* on page R46 in the Economics Handbook.

**FEDERAL RESERVE SYSTEM** Next, Wilson turned his attention to financial reform. The nation needed a way to strengthen the ways in which banks were run, as well as a way to quickly adjust the amount of money in circulation. Both credit availability and money supply had to keep pace with the economy.

Wilson's solution was to establish a decentralized private banking system under federal control. The Federal Reserve Act of 1913 divided the nation into 12 districts and established a regional central bank in each district. These "banker's banks" then served the other banks within the district.

The federal reserve banks could issue new paper currency in emergency situations, and member banks could use the new currency to make loans to their customers. Federal reserve banks could transfer funds to member banks in trouble, saving the banks from closing and protecting customers' savings. By 1923, roughly 70 percent of the nation's banking resources were part of the **Federal Reserve System**. One of Wilson's most enduring achievements, this system still serves as the basis of the nation's banking system. **B**

### MAIN IDEA

#### Evaluating

**B** Why were tariff reform and the Federal Reserve System important?

## Women Win Suffrage

While Wilson pushed hard for reform of trusts, tariffs, and banking, determined women intensified their push for the vote. The educated, native-born, middle-class women who had been active in progressive movements had grown increasingly impatient about not being allowed to vote. As of 1910, women had federal voting rights only in Wyoming, Utah, Colorado, Washington, and Idaho.

Determined suffragists pushed on, however. They finally saw success come within reach as a result of three developments: the increased activism of local groups, the use of bold new strategies to build enthusiasm for the movement, and the rebirth of the national movement under Carrie Chapman Catt.

**LOCAL SUFFRAGE BATTLES** The suffrage movement was given new strength by growing numbers of college-educated women. Two Massachusetts organizations, the Boston Equal Suffrage Association for Good Government and the College Equal Suffrage League, used door-to-door campaigns to reach potential



supporters. Founded by Radcliffe graduate Maud Wood Park, the Boston group spread the message of suffrage to poor and working-class women. Members also took trolley tours where, at each stop, crowds would gather to watch the unusual sight of a woman speaking in public.

Many wealthy young women who visited Europe as part of their education became involved in the suffrage movement in Britain. Led by Emmeline Pankhurst, British suffragists used increasingly bold tactics, such as heckling government officials, to advance their cause. Inspired by their activism, American women returned to the United States armed with similar approaches in their own campaigns for suffrage.

**CATT AND THE NATIONAL MOVEMENT** Susan B. Anthony's successor as president of NAWSA was Carrie Chapman Catt, who served from 1900 to 1904 and resumed the presidency in 1915. When Catt returned to NAWSA after organizing New York's Women Suffrage Party, she concentrated on five tactics: (1) painstaking organization; (2) close ties between local, state, and national workers; (3) establishing a wide base of support; (4) cautious lobbying; and (5) gracious, ladylike behavior.

Although suffragists saw victories, the greater number of failures led some suffragists to try more radical tactics. Lucy Burns and Alice Paul formed their own more radical organization, the Congressional Union, and its successor, the National Woman's Party. They pressured the federal government to pass a suffrage amendment, and by 1917 Paul had organized her followers to mount a round-the-clock picket line around the White House. Some of the picketers were arrested, jailed, and even force-fed when they attempted a hunger strike.

These efforts, and America's involvement in World War I, finally made suffrage inevitable. Patriotic American women who headed committees, knitted socks for soldiers, and sold liberty bonds now claimed their overdue reward for supporting the war effort. In 1919, Congress passed the **Nineteenth Amendment**, granting women the right to vote. The amendment won final ratification in August 1920—72 years after women had first convened and demanded the vote at the Seneca Falls convention in 1848. **C**

#### MAIN IDEA

#### Analyzing Events

**C** Why do you think women won the right to vote in 1920, after earlier efforts had failed?

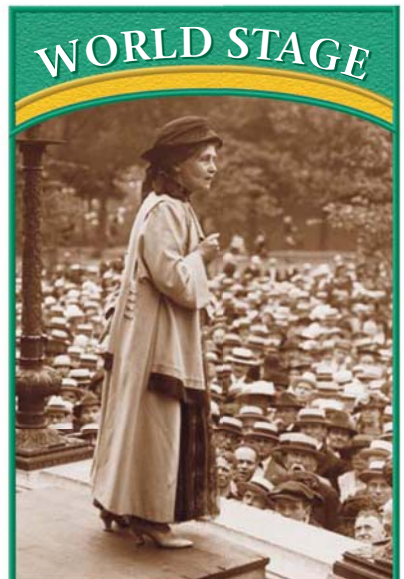
#### Vocabulary

**appease:** pacify by granting concessions

## The Limits of Progressivism

Despite Wilson's economic and political reforms, he disappointed Progressives who favored social reform. In particular, on racial matters Wilson appeased conservative Southern Democratic voters but disappointed his Northern white and black supporters. He placed segregationists in charge of federal agencies, thereby expanding racial segregation in the federal government, the military, and Washington, D.C.

**WILSON AND CIVIL RIGHTS** Like Roosevelt and Taft, Wilson retreated on civil rights once in office. During the presidential campaign of 1912, he won the support of the NAACP's black intellectuals and white liberals by promising to treat blacks equally and to speak out against lynching.



#### EMMELINE PANKHURST

American women struggling for suffrage received valuable tutoring from their English counterparts, whose bold maneuvers had captured media coverage.

The noted British suffragist Emmeline Pankhurst, who helped found the National Women's Social and Political Union, often engaged in radical tactics. Pankhurst and other suffragists staged parades, organized protest meetings, endured hunger strikes, heckled candidates for Parliament, and spat on policemen who tried to quiet them. They were often imprisoned for their activities, before Parliament granted them the right to vote in 1928.

### FROM SPLENDOR TO SIMPLICITY

The progressive movement, which influenced numerous aspects of society, also impacted the world of American architecture. One of the most prominent architects of the time was Frank Lloyd Wright, who studied under the renowned designer Louis Sullivan. In the spirit of progressivism, Wright sought to design buildings that were orderly, efficient, and in harmony with the world around them.



▲ Architecture of the Gilded Age featured ornate decoration and detail, as seen here in this Victorian-style house built between 1884 and 1886. Wright rejected these showy and decorative styles in favor of more simplistic designs.



▲ Wright's "prairie style" design features a low, horizontal, and well-defined structure made predominantly of wood, concrete, brick, and other simple materials. Shown here is the Robie House (1909), one of Wright's most famous prairie-style structures, which incorporates these architectural qualities.

#### SKILLBUILDER Interpreting Visual Sources

1. What are the most striking differences between the two houses? Cite examples that contrast the two buildings.
2. How does Wright's style reflect the progressive spirit?



SEE SKILLBUILDER HANDBOOK, PAGE R23.

As president, however, Wilson opposed federal antilynching legislation, arguing that these crimes fell under state jurisdiction. In addition, the Capitol and the federal offices in Washington, D.C., which had been desegregated during Reconstruction, resumed the practice of segregation shortly after Wilson's election.

Wilson appointed to his cabinet fellow white Southerners who extended segregation. Secretary of the Navy Josephus Daniels, for example, proposed at a cabinet meeting to do away with common drinking fountains and towels in his department. According to an entry in Daniel's diary, President Wilson agreed because he had "made no promises in particular to negroes, except to do them justice." Segregated facilities, in the president's mind, were just.

African Americans and their liberal white supporters in the NAACP felt betrayed. Oswald Garrison Villard, a grandson of the abolitionist William Lloyd Garrison, wrote to Wilson in dismay, "The colored men who voted and worked for you in the belief that their status as American citizens was safe in your hands are deeply cast down." Wilson's response—that he had acted "in the interest of the negroes" and "with the approval of some of the most influential negroes I know"—only widened the rift between the president and some of his former supporters.

On November 12, 1914, the president's reception of an African-American delegation brought the confrontation to a bitter climax. William Monroe Trotter, editor-in-chief of the *Guardian*, an African-American Boston newspaper, led the delegation. Trotter complained that African Americans from 38 states had asked the president to reverse the segregation of government employees, but that segregation had since increased. Trotter then commented on Wilson's inaction.

### A PERSONAL VOICE WILLIAM MONROE TROTTER

**“Only two years ago you were heralded as perhaps the second Lincoln, and now the Afro-American leaders who supported you are hounded as false leaders and traitors to their race. . . . As equal citizens and by virtue of your public promises we are entitled at your hands to freedom from discrimination, restriction, imputation, and insult in government employ. Have you a ‘new freedom’ for white Americans and a new slavery for your ‘Afro-American fellow citizens’? God forbid!”**

—address to President Wilson, November 12, 1914

#### MAIN IDEA

#### Analyzing Effects

**D** What actions of Wilson disappointed civil rights advocates?

Wilson found Trotter's tone infuriating. After an angry Trotter shook his finger at the president to emphasize a point, the furious Wilson demanded that the delegation leave. Wilson's refusal to extend civil rights to African Americans pointed to the limits of progressivism under his administration. America's involvement in the war raging in Europe would soon reveal other weaknesses. **D**

**THE TWILIGHT OF PROGRESSIVISM** After taking office in 1913, Wilson had said, “There's no chance of progress and reform in an administration in which war plays the principal part.” Yet he found that the outbreak of World War I in Europe in 1914 demanded America's involvement. Meanwhile, distracted Americans and their legislators allowed reform efforts to stall. As the pacifist and reformer Jane Addams mournfully reflected, “The spirit of fighting burns away all those impulses . . . which foster the will to justice.”

International conflict was destined to be part of Wilson's presidency. During the early years of his administration, Wilson had dealt with issues of imperialism that had roots in the late 19th century. However, World War I dominated most of his second term as president. The Progressive Era had come to an end.



## ASSESSMENT

**1. TERMS & NAMES** For each term or name, write a sentence explaining its significance.

- Carrie Chapman Catt
- Clayton Antitrust Act

- Federal Trade Commission (FTC)

- Federal Reserve System
- Nineteenth Amendment

### MAIN IDEA

#### 2. TAKING NOTES

Create a time line of key events relating to Progressivism during Wilson's first term. Use the dates already plotted on the time line below as a guide.



Write a paragraph explaining which event you think best demonstrates progressive reform.

### CRITICAL THINKING

#### 3. ANALYZING PRIMARY SOURCES

Wilson said, “Without the watchful . . . resolute interference of the government, there can be no fair play between individuals and . . . the trusts.” How does this statement reflect Wilson's approach to reform? Support your answer. **Think About:**

- the government's responsibility to the public
- the passage of two key antitrust measures

#### 4. ANALYZING MOTIVES

Why do you think Wilson failed to push for equality for African Americans, despite his progressive reforms? **Think About:**

- progressive presidents before Wilson
- Wilson's background
- the primary group of people progressive reforms targeted