

TAFT AND WILSON'S FIRST TERM 1909-1917

TAFT'S CAREER AND CHARACTER

Before he became President, William Howard Taft, had demonstrated his ability as a judge in Ohio and in the federal courts, and as an attorney. Under Roosevelt he served as the first civil governor of the Philippines and then served as Secretary of War, until Roosevelt chose him for the presidential succession and the carrier of the reform torch in America.

Taft was trained as a lawyer and his experience had been in legal and judicial capacities; he had not engaged in politics in the sense of campaigning for office until nominated for the Presidency; he detested politics as such. He was conservative in character in that he did not assert the power of the office of his office to personally fight for reforms and dramatize issues as Roosevelt had done. He was more concerned with legal limits of laws where Roosevelt was not. These characteristics made Taft seem timid and conservative. Lacking Roosevelt's political shrewdness, he made political blunders that people did not expect from a President chosen by Roosevelt. These qualities alienated him from the Progressive reformers, lost him the friendship of Roosevelt, and gave him a reputation for ineffectiveness. In reality he was mild Progressive and his administration succeeded in accomplishing numerous reforms.

TAFT'S POLITICAL INEPTNESS

A series of events and laws cost Taft his initial popularity.

THE PAYNE-ALDRICH TARIFF

Taft called a special session of Congress to legislate tariff reductions. The House passed a bill with moderate reductions but in the Senate tariff rates were revised upward to suit the views of the wealthy industrialist senators. Progressive Republican insurgents led by Senator La Follette strongly opposed the bill, but the House and President accepted it. Taft's defense of the tariff bill led to many Progressives dropping their support of him.

THE DISMISSAL OF PINCHOT

In another incident Taft lost more support from the Progressives when he gave the impression he had joined the anti-conservationists. Gifford Pinchot, who was Roosevelt's right hand man in the conservation crusade and head of the Forest Service, criticized his superior in office and, in published articles, protested the return to private interests of certain waterpower sites and coal lands. In publicly criticizing the actions of the Secretary of Interior, R.A. Ballinger, whom the Progressives felt was an anti-conservationist, Pinchot was guilty of insubordination. As a result, Taft fired Pinchot from his job at the Forest Service. Many people, including Roosevelt could not see the administrative logic of Taft's action; they only saw that a friend of the conservation movement, and of Roosevelt's had been fired.

THE FIGHT AGAINST "CANNONISM"

Under Taft the Speaker of the House, Joseph G. Cannon, an ultra-conservative, used the powers of his office to block progressive legislation. The Progressive Republicans led by George Norris of Nebraska joined the Progressive Democrats in a revolt to reduce the powers of the office of the Speaker. They were successful in making fundamental changes that reduced the Speaker's power of appointing committee members. They freed members of the House from a large degree of party discipline. The House members looked to Taft for leadership in presenting the case to the American people. However, citing that he did not have the constitutional authority to get involved in matters in Congress of this nature, Taft refused to make in public announcement of the fight against "Cannonism." Again the Progressives felt abandoned by Taft. Taft's loss of popularity not only hurt him, but also hurt the Republican Party, which lost control of both houses of Congress in the congressional election of 1910.

DOLLAR DIPLOMACY

The Taft administration followed a foreign policy around the world of encouraging and protecting American investments. The Progressives, however, viewed this, as a pro-big business policy of Taft since the only people profiting from this policy was big business. When political unrest threatened American investments in China, Cuba and Nicaragua, Taft sent in military forces to protect the American money there. Progressives argued that Taft was using the military so that John Rockefeller could make another billion dollars. This would lead to the Progressives wanting the United States to isolate itself from the rest of the world and reduce the size of the military.

ACHIEVEMENTS OF TAFT

Solid but seemingly minor achievements of Taft in the Progressive program were overlooked because of his political ineptitude.

THE MANN-ELKINS ACT (1910)

This law sponsored by Taft greatly increased the powers of the Interstate Commerce Commission. Most important, it extended its jurisdiction to include telephone, telegraph and cable lines.

CONSERVATION

Taft withdrew oil lands from public entry and bought back forestlands from private companies. Public land laws were strengthened to better punish violators on federal lands. In all, Taft set aside more acres per year for conservation than did Roosevelt.

PROSECUTION OF TRUSTS

Taft brought more than twice as many antitrust suits against monopolies than did Roosevelt. The Supreme Court dissolved both the Standard Oil Company and the American Tobacco Company under the eye of the Taft administration. Because of his knowledge of the law, Taft was able to get the Supreme Court to adopt Roosevelt's "rule of reason" when judging on antitrust cases.

OTHER PROGRESSIVE MEASURES

The establishment of the postal savings system provided for a safe haven for and returned interest on small savings of individuals. This measure provided tangible benefits to the common man, especially in areas where banks did not exist.

The parcel post was liberalized to permit the delivery of large packages on rural routes; this act enabled farmers to escape the monopoly of small town merchants in the day before automobiles became common; the liberalized parcel post stimulated the growth of the great mail order houses.

The Department of Labor was made independent of the Department of Commerce. The eight-hour workday was provided for workers on government contracts. Compulsory school attendance was mandated for children under the age of 16 to keep them from working in the factories. The income tax was legalized by ratification of the Sixteenth Amendment to the Constitution. Popular election of United States senators was introduced by the Seventeenth Amendment.

THE ELECTION OF 1912

This contest is of unusual significance and interest because of the personalities and parties involved and the outcomes.

SCHISM AMONG THE REPUBLICANS

Well before the nominating convention, Robert M. La Follette organized the Progressive Republicans into an impressive league of voters. The Progressive strengthened their stand on the end of rule by political bosses and organization of farmers, workers and small businessmen. Mainly, they were against Taft receiving the nomination to seek a second term

Roosevelt had supported the anti-Taft insurgents since his return from Africa, but he refused to support La Follette, who had not, according to Roosevelt, supported Pinchot enough. Instead, Roosevelt announced his own candidacy for the Republican nomination.

THE REPUBLICAN CONVENTION

Roosevelt's entry into the race threw the Progressives into disarray. Unable to reconcile Roosevelt and La Follette, the Progressives were easily defeated by the Taft delegation. On the first ballot, Taft won the Republican nomination for President in 1912.

THE BULL MOOSE PARTY

The defeated Progressives withdrew because of their unwillingness to support Taft and later met as the Progressive Party to nominate Roosevelt. The new party became known as the "Bull Moose" Party because of the expression used by Roosevelt at the convention. La Follette was bitterly disappointed at having been pushed aside after his strenuous efforts in organizing the Progressives. Outwardly he supported the Roosevelt candidacy, however, he did not use his power to help Roosevelt.

THE DEMOCRATIC PARTY

The split among the Republicans assured the Presidency to the Democratic nominee and led to a strenuous fight at the Democratic convention. The contest was not resolved until the 46th ballot. Champ Wilson of Missouri, William Jennings Bryan and Woodrow Wilson of New Jersey fought for the nomination. It was not until Bryan shifted his support to Wilson that the conflict was resolved. To keep from the same fate as the Republicans, Wilson chose Thomas Marshall, Clark's best friend, as his Vice Presidential candidate.

RESULTS OF THE ELECTION

The split among the Republicans helped give the victory to Wilson, but the Democrats also kept control of both houses of Congress. Roosevelt finished second and Taft third. The strength of three reform candidates running for the Presidency, signaled the social unrest that prevailed throughout the country. Also, millions of voters had shown their willingness to violate the anti-third term tradition by voting for Roosevelt.

THE WILSON ADMINISTRATION

Wilson labeled his program of reform the "New Freedom." His first term saw the fulfillment of most of the reforms desired by the Progressives.

WILSON'S CAREER AND CHARACTER

Woodrow Wilson was born in a Presbyterian minister's family in Virginia; he was the first Southerner to be elected President since pre-Civil War days. Before entering politics he had enjoyed a successful teaching career as a professor of government and history. From the presidency of Princeton University he moved to the governor's office in New Jersey. As governor he aroused enough public pressure against the indifferent state legislature to pass a program of popular reform legislation. Hence, he was promoted for the Presidency and elected in 1912, the first and only earned Ph.D. to hold that office.

Wilson's upbringing in a minister's family made him probably the most religious person in the presidency. His language and his policies reflected religious upbringing and much concern for the morality of his actions. As a very superior person intellectually, he unfortunately made others conscious of his contempt for their intellectual inferiority. His cold, self-righteous personality further handicapped him in

interpersonal political relationships. He loved people in the abstract rather than as individuals. He exercised remarkable political skill with groups but ultimately alienated all his personal friends. The domestic reforms he won corrected some of the existing evils and deficiencies, improved government and helped preserve equality of opportunity for individuals. However, because of his southern upbringing, Wilson did not believe the equality of opportunity applied to black individuals and worked to deny blacks opportunities in federal government positions.

WILSON'S PROGRAM OF REFORM

Wilson exerted strong presidential leadership, in the tradition of Jackson and Roosevelt, to secure passage of a large program of legislation.

THE UNDERWOOD TARIFF (1913)

The new President called a special session of Congress to deal immediately with the need to lower tariff duties. In order to dramatize the issue, he addressed Congress in person, the first person to do so since John Adams. Lobbyists representing special interests threatened to promote the logrolling that had wrecked so many earlier attempts to reform tariffs. Wilson and his allies in Congress exposed their unsavory methods (contributions to campaign funds, scholarships, etc) by publicity and squelched them by threatening punitive action. Substantial reductions were made; the resulting losses in revenue were made up by the passage of the graduated income tax as permitted by the Sixteenth Amendment.

THE FEDERAL RESERVE ACT (1913)

The next fulfillment of Wilson's program brought a much-needed revision of the nation's money and banking system, which gave the government control over the money supply and away from private businessmen.

In the background of the Federal Reserve Act, the panic of 1907 had emphasized the need to create a more elastic money system by which credit and the money supply could be expanded and contracted accordingly to the needs of trade and of different regions of the country. To the investigation of the National Monetary Commission controlled by the Republicans was added the investigation by the Democratic-controlled Pujo Committee. The Pujo Committee revealed the operations of the Wall Street "money trust" and its tie with the dominant business corporations (J.P. Morgan) of the country. The investigations disclosed weaknesses to be remedied and studied features of more advanced central banking systems in several foreign countries.

The Federal Reserve System was devised mainly by Senator Carter Glass of Virginia, a longtime Senate specialist in banking legislation. The provisions of the Act follow. 1) It created 12 regional Federal Reserve banks in as many districts drawn along economic and geographical lines. These districts avoided the danger of a highly centralized system and thus achieved some Democratic consistency with Jacksonian tradition. 2) The Federal Reserve banks were to be "banker's banks." Private bankers subscribed to the stock to found them and the system served banks, not individuals. 3) Control of the system was placed under a Board of Governors, some chosen by member banks and others appointed by the President. 4) Banks were to accept deposits and make loans to member banks. 5) The Federal Reserve banks issued a new uniform currency, the Federal Reserve notes. The notes in time constituted about 90 percent of the nation's currency in circulation and superceded the national bank notes. The Federal Reserve note passed into circulation when loans were made to member banks. This feature provided the needed elasticity since money could be expanded with borrowings and contracted by their repayment. 6) Numerous services were provided to the nation's banks and the United States government.

THE CLAYTON ANTITRUST ACT (1914)

Experience had revealed the need for further improvements in anti-monopoly laws. This new law 1) defined in detail unfair practices in business competition. 2) Certain types of interlocking directorates and holding companies were forbidden. 3) Labor unions were exempted from the antitrust laws. The provisions of this act are difficult to generalize since they were numerous, technical and highly qualified, but the act had the effect of tightening the loopholes of the Sherman Antitrust Act.

THE FEDERAL TRADE COMMISSION (1914)

Created by Congress in the pattern of the Interstate Commerce Commission, this agency received extensive powers to enforce fair trade practices defined by the Clayton Act. It operates by issuing “cease and desist” orders to stop violations of fair competition. Injunctions can be issued against business firms by the federal courts if the Commission’s orders are not obeyed. Such companies may appeal decisions of the Commission to the Circuit Court of Appeals.

PROHIBITION AND WOMAN SUFFRAGE

In Wilson’s second term reform idealism helped secure passage of two more reforms by constitutional amendment. The Eighteenth Amendment was passed by Congress in 1917 and ratified by the states in 1919; it prohibited “the manufacture, sale or transportation of intoxicating liquors.” The Volstead Act of 1919 spelled out the details of prohibition.

The Nineteenth Amendment passed by Congress in 1919 and the states in 1920 gave the right to vote to women; more exactly, it prohibited the denial of suffrage in any election on account of gender.

WILSON’S FOREIGN POLICY

Wilson, like his Progressive predecessors, continued a policy of intervention to protect American interests in Latin America.

THE PANAMA CANAL TOLLS ACT (1912)

Looking forward to the completion of the canal, Congress passed a schedule of tolls for the ships that would use it. American vessels in coastwide trade were exempted from payment of tolls. Great Britain strongly opposed the exemption saying it violated the spirit of the treaty of the two nations in 1851 to jointly build a canal in Central America. Wilson made a urgent plea before Congress for repeal of the exemption. Congress complied. It was understood that the British in return would support Wilson’s policy in dealing with the revolutionary troubles in Mexico. Also, Wilson wanted to ensure the friendship of Britain in troubled Europe.

THE REVOLUTION IN MEXICO

Chronic revolutionary unrest and instability marked Mexico’s history since independence in 1821. 1876 the despot Porfirio Diaz placed himself at the head of a dictatorship that lasted until 1910. Diaz, who preserved safety of property and life, retained the support of foreign investors and wealthy proprietors, especially American, in Mexico.

THE OVERTHROW OF DIAZ

In 1910 an idealistic young liberal, Francisco Madero, led the successful revolt against Diaz and, among other reforms, worked to distribute great estates to the landless peons. However, this policy disturbed foreign investors who did not like the lack of stability of the Madero regime. In 1913, General Victoriano Huerta led a conservative counter-revolution of the landholders and murdered Madero.

THE “WATCHFUL WATCHING” POLICY OF WILSON

While 25 other countries were quick to recognize the Huerta regime, which was friendly to foreign investors, Wilson branded him a murderer and refused to recognize the him. Wilson argued that Huerta represented the businessmen of Mexico and not the people of Mexico.

Huerta made reprisals against Americans hoping to push Wilson into recognizing him. In 1914, he arrested a small force of American sailors at Tampico. Wilson demanded an apology and later captured the city of Veracruz to prevent German arms shipments from reaching Huerta. To prevent a certain war, the ABC powers (Argentina, Brazil and Chile) offered mediation. Wilson accepted the offer, but Huerta

refused. Huerta now began to lose the support of other Latin American countries and was forced to flee. The United States then removed its troops.

WILSON AND CARRANZA

Meanwhile, the United States had been supporting a counter-counter-revolution being led by Pancho Villa and Hector Carranza. When Huerta was forced out, Wilson recognized Carranza as the new leader of Mexico. However, this angered Villa who felt he should be the rightful leader of Mexico. To defy Carranza and Wilson, Villa began launching raids in Northern Mexico. Wilson told Carranza that to get the full support of the United States he must capture Villa. In March 1916, in retaliation for American support of Carranza, Villa crossed the border and killed 17 Americans in Columbus, New Mexico in a border raid to get money. Wilson ordered an American force under the leadership of General John Pershing to capture Villa. Carranza objected and again the United States and Mexico seemed to be on the brink of war. However, the war in Europe and the impending American involvement in the war forced Wilson to withdraw the troops from Mexico without capturing Villa.