

## Section 4: Roosevelt's Square Deal

Focus Question: What did Roosevelt think the government should do for citizens?

- I. Background - Roosevelt was a well liked, energetic person. He was chosen to be the Vice President of McKinley as a way for him to disappear from politics and New York in particular. He became President when McKinley was assassinated.
- II. Trustbusting and Regulating
  - A. PA Coal Miner's Strike - stepped in as arbitrator. Told owners they were going to listen to mediation or he was going to take over the mines. Miners got a raise and a nine hour workday. For the first time, the government stepped in on the side of the workers
  - B. Railroads - The ICC was created in 1887, but it had no real power to regulate the railroads.
    1. Elkins Act - imposed fines on railroads that gave special rates to favored shippers.
    2. Hepburn Act - gave the ICC the power to set and limit shipping costs. It set max prices for ferries, tolls, and oil pipelines.
  - C. Sherman Anti-Trust Act - Roosevelt believed that there were good trusts and bad trusts. A bad trust was one that had hurt the people by cheating them, but thought that a big business was more efficient than smaller ones. He was the first president to actually use the Act to break up trusts.
  - D. The Jungle - after the book was published, Roosevelt urged Congress to pass the Meat Inspection Act and the Pure Food and Drug Act. The Meat Inspection Act was about having all meats federally inspected that was transported across state lines. The Pure Food and Drug Act extended those laws to other foods. It banned shipment of impure food and the mislabeling of foods and drugs. This is the forerunner of the FDA.
- III. The Environment - Roosevelt was a big environmentalist.
  - A. Preserved is the belief that the environment needs to be left as is. this was advocated by John Muir He convinced Roosevelt to put away 100 million acres of land
  - B. Conservation is the belief that land should be saved for future use. he used this belief in his forest policy. He appointed Gifford Pinchot to be the head of the Division of Forestry in the US Department of Agriculture. He wanted to let trees grow so that when mature they could be used for logging and building of houses. For the most part, this is what shaped future policy.
  - C. Water Policy - water is a scarce natural resource in the southwest. Although Native Americans and Mexican Americans had always had ways of irrigating their fields, this was criticized when big mining businesses needed large quantities of water.
    1. National Reclamation Act - also known as the Newlands Act - this allowed the government to decide where and how water would be distributed. They would build and manage dams that would create reservoirs, generate power, and direct water flow. This allowed one states water to be used by another state that didn't have a natural water source.
- IV. Roosevelt and Taft - Roosevelt served two terms which was the norm at the time. He hand picked William Howard Taft to replace him believing that Taft would continue on with his progressive policies.

- A. Taft on his own - although he had made promises to Roosevelt, he had his own agenda.
    - 1. Payne Aldrich Tariff - this lowered tariffs, but not as much as the Progressives wanted.
    - 2. Mann-Elkins Act - this gave the government control over telephone and telegraph rates
    - 3. Income tax - introduced this concept and got it passed
  - B. Trustbuster - good and bad trusts - there was not distinction between the two - he thought all trusts were bad and set out to prove it. He busted the Standard Oil Company
  - C. Split with the Republicans/Progressives - the final straw was when he fired Gifford Pinchot for speaking out against Secretary Richard Ballinger who opposed conservation and wanted to sell off lands meant for preservation.
- V. The Election of 1912
- A. Formation of the Bull Moose Party- Roosevelt was upset with Taft and challenged him for the Republican nomination, but he was passed over and it was given to Taft. As a result, Roosevelt formed his own Party the Progressive Party or the Bull Moose Party.
  - B. the Candidates - GOP - Taft, Progressive - Roosevelt, Democratic - Wilson, Socialist - Debs
  - C. New Nationalism vs New Freedom - Roosevelt's platform was called the New Nationalism, Wilson was the New Freedom. Both were extremely similar - the biggest difference had to do with the economy.
  - D. The Winner - Wilson and the Democrats win. A lot of this is because the Republican votes were split between Taft and Roosevelt. Wilson had 435 electoral votes, Roosevelt 88, Taft 8 and Debs had 900,000 votes, but no Electoral votes.

## Section 5: Wilson's New Freedom

Focus Question: What steps did Wilson take to increase the government's role in the economy?

- I. Triple Wall of Privilege - Wilson Regulates the Economy - the largest forces of the New Freedom was a variety of programs to attack, trusts, tariffs, and banks.
  - A. Tariffs - wanted to make sure businesses weren't charging high prices/unfair prices. to do this, they wanted to control tariffs. So they passed the Underwood Tariff - this lowered the tariff rate.
    - 1. Sixteenth Amendment - this had been passed under Taft, but the Underwood Tariff included a plan to implement it. The revenue made up for the loss from lowering the tariff.
  - B. Banking - this was the next goal of Wilson. There was no centralized banking so rates for loans would fluctuate. If they fluctuated to much then there would not be the money to give to the depositors.
    - 1. Federal Reserve Act - this set up the Federal Reserve Board which set up 12 regional banks. They set the interest rates and held the commercial banks reserves.
  - C. Trusts - Wilson felt that all trusts were bad

1. Federal Trade Commission they monitored business practices that might lead to monopoly. they made sure there was truth in advertising and kept them from abusive business activities. Today they also regulate buying on the internet.
2. Clayton Antitrust Act - this strengthened the Sherman Anti Trust Act. It actually said what a trust was - this was never defined in the Sherman Anti Trust Act. It also stopped unions from being attacked under the Sherman Anti-Trust Act.

## II. Worker's Rights

- A. Workingman's Compensation Act 1916 - this gave wages to temporarily disabled civil service employee.
- B. Adamson Act limited railroad employees workdays to eight hours - this came about because a strike was threatening to not stop all movement of coal and food. Since they wouldn't listen to mediation, Congress passed this law giving the workers what they wanted.
- C. Ludlow Massacre - Wilson didn't support all actions of organized labor. In 1913, there was a strike in Ludlow, Co. When their demands were not met they walked off the job and set up a tent city. The military came in and opened fire. Wilson eventually sent in the troops to break up the strike. The right to unionize failed.

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