

# Antitrust Legislation of the USA 1913-1915 <sup>1</sup>

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## ABSTRACT

The article discusses the process of creating social legislation in the United States of America at the beginning of the 20th century. This legislation in the country was created later than in European countries. It was issued during the presidency of Woodrow Wilson. The process of reviewing these bills in the US Congress, as well as the political struggle associated with their development and adoption, the analysis of the documents themselves are the focus of this article.

**Keywords:** congress, president Wilson, administration, Sherman Act, Clayton Act, trade unions

At the beginning of the twentieth century, the United States entered a new stage of its development. This had manifested itself in the economic, political and, to an even greater extent, legal spheres.

Woodrow Wilson was elected president in 1912 in the face of the growing crisis of the two-party *Republican-Democrat* system established after the Civil War. The frantic pace of industrial growth, the emergence of large banks, trusts, on the one hand, and the sharp increase in the number of employees, the social stratification of society, on the other, made it obvious that the existing parties no longer reflected the interests of the main groups of the population. As a result, the stratification of these parties began.

This was especially true for the Republicans. The right wing of the party, led by the President in office of that time, Taft, became the representative of the interests of large monopolistic capital, the financial oligarchy. The other wing, which saw the danger of such a policy based on an overwhelming minority of the population, considered it necessary to express the interests not only of the monopolies, but also of the broad strata in order to avoid a social explosion and strengthening the position of the socialists. "Serious reforms are needed, but they should not be left to the left", believed representatives of this wing, who called themselves progressivists. By the time of the election, their leader and presidential candidate was the popular at the time ex-President Theodore Roosevelt.

The Democratic Party was less affected by the stratification — there was no split. But even there, there was no complete unity. The left wing, led by a former trade union leader, Brian, took radical positions, sometimes little different from those of the Socialists. But the party also had its right wing that wanted to pursue the overdue reforms in close agreement with Wall Street. The unity of the party was significantly strengthened by the nomination of Wilson at the party convention, who, both at the convention and during the election campaign, managed to convince both wings of his commitment to reforms, on the one hand, and his intention to coordinate them with large capital, on the other. Not everyone agreed with this ambivalent position of Wilson, but the unity of the party was preserved.

The voters preferred Wilson to the progressivists, despite the fact that their programs had a lot in common. Although at its core Wilson's program, despite the Democratic rhetoric, was more moderate than the views of the progressive leaders of Theodore Roosevelt and especially the more radical senator La Follette.

There are three reasons for this. First reason was the traditional fatigue of the voters from the lasting rule of one party – the Republicans. Second, the population believed more in the promises of the new man in politics, Princeton professor Wilson, than in the progressivists, who were still perceived as former Republicans, although it would be more accurate to call them Republican apostates. And finally, third, the position of the mass media, which created the image of Wilson as a statesman of a new breed, a fighter against monopolies and a supporter of the policy of "equal opportunities", affected the result. The newspaper owners made a bet on him precisely because the ruling elite saw Wilson as the person who could prevent an explosion of discontent and at the same time carry out reforms without harming it. Wilson's populist speeches caused mostly no fear among the oligarchs, unlike the speeches of the unpredictable and impulsive ex-president, whom the ruling class had always disliked. And they were not mistaken.

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After the election, the progressivists made an absolutely conscious alliance with Wilson, supporting his program, the main points of which were tariffs, the reserve system, and antitrust legislation. There was a constant contact between their leader, La Follette, and the President. Roosevelt had already faded into the background after the election. It is known that there was a bad blood between him and Wilson. In general, the progressives were hopeful that their program would be successfully implemented by the new president.

March 5, 1913, was President Wilson's first working day since his inauguration the day before. In the Oval Office of the White House, all the members of the new government gathered. But this first meeting did not set out the grandiose plans for the reforms promised to voters during the election campaign. These plans had already been worked out by Wilson, and he did not need to agree with the members of his cabinet. It was not in his nature. In general, government meetings under Wilson were always a formality. He made all the drastic decisions himself or in the company of his closest advisers. He always treated the members of the government as technical workers who were called to carry out the will of the president. He believed that ministers should not even participate in global political decision-making and could have absolute power only within their ministries.

Wilson also believed that his task was to establish firm control over the activities of his party's representatives in Congress. In his opinion, the duty of the party leader was to keep democratic congressmen and senators under his command, imposing on them the duty to strictly follow him, strictly supporting his policies in the highest legislative body of the country. To this end, as a tool of pressure, he widely used the caucuses (general meetings of the party faction in the House of Representatives and the Senate). As a result, immediately after taking office Wilson put an iron hand on his party in Congress.

All this spoke of the authoritarian management methods that were inherent in Wilson at all stages of his life. As a young man, he came to the conclusion that the first place in the political life of the United States had to belong not to the Congress, but to the president. Only in this case, he believed, the state mechanism would function properly. Therefore, Wilson simply could not imagine the scenario where the Congress would not approve his proposals. But at the same time, he was more insightful than his predecessors and understood that such a result would not be achieved automatically. Therefore, Wilson did not distance himself from Congress, but, on the contrary, established the most intimate contact relations with its committees (and the power of committees in congress was indisputable — to this conclusion Wilson came a long time ago). Wilson's strategy combined flexibility and indomitability. These specific methods of Wilson played an important role in his work as the President of the United States, and especially in the implementation of social policy and the creation of antitrust legislation.

The first action in this direction can hardly be considered a credit to Wilson, since the law on the reorganization of the Department of Commerce and Labor into two independent ministries was put into effect on the last day of the Taft administration. Wilson simply supported the measure and implemented it. The result was the formation of an independent Social Ministry of Labor and the entry of the Minister of Labor into the Cabinet. The first social minister was the former trade unionist William Wilson, a namesake of the president, who had previously been secretary-treasurer of the United Union of Mineworkers, and from 1910 he was a member of the House of Representatives from the Democratic Party and headed the labor committee there.

The next step of the new administration was the Newlands Act, signed by Wilson in July 1913, at the height of the tariff struggle. According to this law, a mediation department was created to prevent conflicts between railway companies and hired workers (the official name was the Mediation and Reconciliation Department). According to the ideology of the law, this instance was supposed to protect employees from obvious harassment by companies. The first head of the department was the famous lawyer Frank Walsh. These were only the first steps, which arguably did not solve the whole complex of problems, but marked the beginning of a serious process of legislative registration of workers' rights, which stretched, however, for several decades.

The president behaved differently in the issue of control over the use of child labor in the workplace. By 1913, 35 states had passed laws setting an age minimum for children working in businesses. Most of these laws provided for restrictions on working hours for teenagers. Therefore, the progressivists raised the question of the need for a similar child labor law to be passed by the new administration, which would oblige all states to bring their legislation in this area into line with the federal one. But the administration took its time with this decision.

Then a member of the House of Representatives, Palmer, introduced a draft bill on child labor in Congress on January 26, 1914<sup>2</sup>. But this project ran into a misunderstanding on the part of the president.

<sup>2</sup> Congressional Record. 64th Congress. Vol. 51, p. 850

Wilson refused to listen to the committee's representatives and described the bill as unconstitutional. The President explained his position by the inadmissibility of federal interference in state legislation and the need to adopt such laws at the state level, the demographic and social situation in which is heterogeneous<sup>3</sup>.

In such a step, Wilson's apparent reluctance to encourage the introduction of such innovations on a national scale was evident. It seems that during this period, the agreements reached between the President and representatives of the business community had an impact. It's no secret that they were frequent guests at the White House, where the political bargaining between them and the authorities took place. The government could not ignore the monopolists – otherwise, all the reforms would be threatened, and the President could lose the much-needed support from the press.

However, the Democrats had to fulfill their campaign promises in one way or another. During the presidential campaign of 1912, a magnificent declaration against monopolies was proclaimed in the party platform. It said: "Private monopoly is intolerable and in no way justified. We therefore advocate a vigorous strengthening of the criminal and civil laws against trusts and trust officials, and demand the introduction of such additional legislation as will be necessary to make it impossible for a private monopoly to exist in the United States"<sup>4</sup>.

It is worth mentioning that Wilson himself immediately came out with a more moderate position, since in his heart he professed the idea of non-interference of the state in the affairs of private business. He had repeatedly stated that he was opposed to the regulation of trusts, but at the same time was not a supporter of monopolies. His position was repeatedly demonstrated during the election campaign and consisted in putting forward the thesis of absolutely free enterprise, which meant, on the one hand, the preservation of large corporations, and on the other — ensuring conditions for competition. Just a month before the election, Wilson said in a campaign speech in Indiana: "The Democratic Party is a friend of business, but only of free business. It is an absolute, open, implacable enemy of a monopoly of any kind."<sup>5</sup>

According to Wilson, the development of large corporations could not and should not have hindered competition and the activity of small enterprises. Thus, Wilson proposed to combine the incompatible. This position of the presidential candidate was not some kind of idealism, rather, it was explained by the pragmatism of the Democratic leader, who tried to please various party circles and thereby preserve the unity of the party, to oppose the split Republicans with a single democratic monolith. Wilson was never an opponent of big capital, and his denunciations were always forced, for tactical reasons, which he immediately declared in a narrow circle to the same monopolists and representatives of the right wing of the party.

But publicly, the president promised his constituents to destroy monopoly and restore free competition, which in itself was a utopia at the beginning of the twentieth century. Only for this reason, after coming to power, he had to take the initiative to revise the existing antitrust legislation. This was the last of the three main points of Wilson's program. In November 1913, when the tariff bill was already approved, and the climax of the struggle for the Federal Reserve Act was also over, the administration launched a teeming activity in Congress to develop new antitrust laws, trying first of all not to let the situation get out of control.

Formally, the bill was prepared by the House Judiciary Committee, which was headed by Congressman Clayton. However, the President intervened in the work of lawmakers as actively as in the development of the previous two laws. This was reflected in the President's lengthy meetings with Clayton, other lawmakers, and experts. Wilson was deeply convinced that legislation should not be left to congressional committees, which he had retained distrust of from a young age. He also had little confidence in the administration officials, who had always played only a supporting role in the administration's bargaining process with lawmakers. The President himself played a key role.

As a result of the joint work of the congressmen and the administration, general principles were developed that were to form the basis of the future bill. First of all, it was proposed to differentiate the various forms of monopolies, define them, and clearly explain which of them play a destructive role by restricting free trade, and which do not. It was proposed to introduce a rule that established the presumption of guilt when considering claims for violation of freedom of competition — proving of innocence in violation of the law would have to be assigned to the defendant in the claim.

It was also intended to prohibit the system of overlapping directorates, which led to the so-called hidden monopolism. In order to control the decisions of the courts to dissolve the trusts, it was proposed

<sup>3</sup> Link A. Woodrow Wilson and the Progressive Era (1910-1917). N. Y., 1963, p. 59.

<sup>4</sup> National Party Platforms. Urbana, 1956, p. 169.

<sup>5</sup> Baker, R. S. Woodrow Wilson. Life and Letters. Vol. 1-6. Garden City, 1927. Vol. 4, p. 356.

to establish an interstate industrial commission, accountable exclusively to the state. At first glance, these measures were impressive. In addition, the press constantly declared the President's support for these measures, that the bill being prepared was precisely his brainchild, capable of opening a new page in the history of the country<sup>6</sup>.

On December 2, 1913, the President delivered his first annual message to the Congress, and political circles wondered what position he would take on the issue of drafting and passing antitrust legislation, whether the press was interpreting his position correctly, or whether it was one of the elements of the propaganda campaign of the democratic administration. Wilson, however, did not go into much detail on the subject. He once again assured the congressmen of his commitment to the program of "new democracy" and casually dropped the following phrase: "It is extremely important," he stressed, "that the business community of our country receive clear instructions in the legislation on their enterprises and investments, on which path they can follow without fear"<sup>7</sup>. In addition, Wilson stressed: "We must leave the Sherman Antitrust Law unchanged"<sup>8</sup>. This was an obvious nod in the direction of the business.

Here it is necessary to make a digression and explain what Sherman's law is. It was adopted as early as 1890, also in order to combat monopolies. But according to its norms, workers' organizations were also equated with monopolies. Its drafters believed that trade unions also discouraged competition in hiring labor. This enabled employers to pursue trade unions and their leaders with the help of courts that were obedient to them. Therefore, the Sherman act immediately caused discontent in the labor movement. Its partial revision was supported by the progressivists and the left wing of the Democratic Party, not to mention the trade unions themselves.

Therefore, the attitude to the worker's articles of the Sherman act meant to be a kind of test for the new administration and Wilson personally to find out their plans for reforming the antitrust legislation. The above-mentioned phrases of the President in his message to Congress were very revealing. The fears of the left came true — the government did not want fundamental reforms and a real change in the balance of power between employers and employees.

However, the authorities did not want to aggravate relations with those forces that still supported the administration. Therefore, they began to actively look for a way out of the situation. It was decided to pass amendments to the Sherman Act, which would recognize the legal status of workers' organizations and any other organizations that do not have capital. This would have somewhat complicated the then existing practice of banning workers' organizations through the courts. It was proposed to formalize all this in the upcoming Clayton bill, designed to accumulate all the proposals for changing the antitrust legislation that existed at that time.

So let's go back to the process of drafting and passing the Clayton bill. The President, who wanted to keep his finger on the pulse of the legislative process, decided to give a more detailed account of his vision of the relationship between power and capital in a speech to the second session of Congress on January 20, 1914. Wilson said: "There is no more antagonism between the business and the government. The government and the business community are ready to accommodate each other and regulate business practices with the help of both public opinion and the law. Just like us, the best representatives of the business world condemn the methods, actions and consequences of monopoly, and they are instinctively followed by a huge number of businessmen. We will now act as their representatives"<sup>9</sup>.

Wilson stressed that "nothing hurts business more than uncertainty," and suggested that Congress develop and approve bills that could streamline existing antitrust legislation. For this purpose, he proposed to prohibit the system of overlapping directorates by law, to create a special industrial commission, and to expand the functions of the Interstate Trade Commission.<sup>10</sup> All of these proposals were reflected in the upcoming Clayton bill.

The bill itself was being considered in Congress from May to October 1914. It was introduced there on May 23 and immediately caused a storm of discontent. But if conservative dissatisfaction with the norms that provided for sanctions for violating antitrust laws in the form of fines and even imprisonment was quite predictable, the accusations of progressivists turned out to be a rather unpleasant surprise for Wilson. Despite all sorts of references from the administration to the fact that the president was above the fray, and the main authors of the law was the Senate committee, few people were convinced.

<sup>6</sup> The New York Times. December, 11. 1913. Vol. 1. Pp. 75–76.

<sup>7</sup> The Papers of Woodrow Wilson. Vol. 1–2. Princeton, 1966.

<sup>8</sup> Ibid. Vol. 1, p. 75.

<sup>9</sup> Ibid. Vol. 1. Pp. 82–83.

<sup>10</sup> Ibid. Vol. 1, p. 85.

In political circles, it was obvious to everyone that President Wilson was playing an active, if not leading, role in drafting key bills, which was fundamentally different from his predecessors.

But not only the paragraphs containing sanctions, but also the main “worker’s” paragraphs caused a heated debate. The fact was that at that time, most congressmen and senators were convinced that concessions to workers were inevitable. However, they saw the limit of these concessions in differently. For example, Senator Ashurst of Arkansas came up with very left-wing ideas. “Labor,” he said, “cannot be regarded as property; it is precisely labor that creates this property.”<sup>11</sup> The senator stressed that the main task of the state at this stage was to ensure “social justice” and “industrial freedom”, but only for those who “would leave their habits of laziness and wastefulness.”<sup>12</sup> By the latter, he meant the strikers. The position of the senator from Arkansas was very characteristic of the supporters of the Clayton law.

On July 8, Wilson hosted a delegation from the Chicago Association of Entrepreneurs, who demanded that the president limited antitrust measures, softening the sanctions provided for by the draft for employers. At the same time, the entrepreneurs said that they generally approved of the “workers’ paragraphs” in the form in which they are presented in the bill, and would not object to the legalization of trade unions<sup>13</sup>.

Let’s consider the main articles of the bill, which caused a mixed reaction. For example, Article 6 declared that “human labor is not a commodity or an object of trade”. The article went on to state that it was unacceptable to “prohibit the existence and activities of workers’, agricultural and horticultural organizations established for the purpose of mutual assistance, which do not own monetary shares and do not make a profit”.<sup>14</sup>

Article 8 prohibited the practice of overlapping directorates, which had long been sought by trade unions, and not only by trade unions<sup>15</sup>. This article was not put into execution together with the law, but two years later. This is exactly what was provided for in the project.

Article 20 is interesting not only because of its content, but also because it perhaps demonstrates a cross-section of Wilson’s policy in this area, conducted on the principle that “both the wolves have eaten much and the sheep have not been touched”. On the one hand, there is a provision in this article that forbade the courts to decide on the use of force against workers during conflicts between entrepreneurs and hired workers. But at the same time, another rule imposed responsibility on trade unions in the event of damage to the property of entrepreneurs by workers. In this case, the latter were given the right to appeal to the court with claims, the defendants in which were trade unions<sup>16</sup>. The similar wording of this and other “worker’s” articles quite satisfied employers and even trade unions, whose leader Gompers called these articles “the great charter of labor”<sup>17</sup>.

It is noteworthy that these and other articles provided that the decision on the presence or absence of an offense, as well as the degree of punishment, could be made exclusively by the court. Given that relations between oligarchs and the judiciary were not always disinterested in practice, the law, of course, did not establish any guarantees against corporations circumventing many of its constructive norms.

By the time of final approval, the Clayton Bill had undergone significant editorial amendments. They were not of fundamental importance, but still contributed to a significant weakening of its assertive nature. All this caused discontent not only in the camp of the left, but even in the circles of the ruling party. There was a famous phrase of a democratic senator Reed of Missouri, which he said publicly: “Everything we do here is a hopeless farce”<sup>18</sup>.

However, the significance of the law should not be underestimated. Its main merit was that it contributed to the preservation of political balance in the country, relative social peace. After all, those radical manifestations of discontent on the part of the working people were still not mass and did not find the support of the majority of wage workers, no matter how much the researchers of the Soviet period tried to prove it. Another merit of the law was the long-awaited prohibition of the overlapping directorate. And of course, the strongest component of the bill was the so-called “workers’ articles”, which not only declared that labor in principle could not be traded, but also for the first time created mechanisms, albeit insufficiently reliable, to comply with these norms.

<sup>11</sup> Supra note 2. Vol. 51, p. 13667.

<sup>12</sup> Ibid. Vol. 51, p. 13668.

<sup>13</sup> The New York Times. July 9, 1914.

<sup>14</sup> Antitrust Laws with Amendments, 1890-1937. Wash., 1938, p. 25.

<sup>15</sup> Ibid. P. 26.

<sup>16</sup> Ibid. P. 31.

<sup>17</sup> Gompers S. Seventy Years of Life and Labor. N. Y., 1957. P. 299.

<sup>18</sup> Supra note 2. Vol. 1, p. 16161.

The second item in Wilson's antitrust program was the Federal Industrial Commission Bill. It was not Wilson's idea, or even his party's idea. This law was first intended by Louis Brandeis and George Rublee. The Federal Industrial Commission was conceived as a strong government body to regulate the economic processes in the country. It could issue orders to suspend or even ban the activities of individual corporations. Of course, such decisions could still be challenged in court, and this was the right thing to do. But still, the commission had too broad powers in the sphere of regulating economic life by the standards of that time.

When the bill was considered in the House of Representatives, it changed little, but when it was discussed in the Senate, it began to acquire a huge number of amendments. As a result, the commission's powers have significantly narrowed. Now it was only supposed to collect and publish information about the illegal activities of corporations. It could also provide this information to the Attorney General. On behalf of the President or Congress, the commission could investigate the activities of corporations that violated antitrust laws, and submit its results to these bodies. All these provisions were declared in Article 6 of the law, which, without exaggeration, can be considered the key article of the document.

The final decision in all cases was made by the judicial authorities, from the district Court to the US Supreme Court. Such an optimal solution from the today's perspective caused serious dissatisfaction in the left-wing political forces and among the trade unions. The reason for this discontent was not only the distrust of the judiciary, but also the unwillingness of trade unions to seek justice in an open competitive process — it was much preferable for them to exert pressure on members of the state commission who were close to them in their views and spirit.

No less dissatisfaction was caused by Article 5, to which the senators adopted an amendment on the need for broad and thorough judicial supervision of the activities of the Federal Industrial Commission. This amendment, of course, was the result of lobbying by the business community, which influence in the Senate was quite high.

Opponents of the final version of the law argued that in this way the judicial authorities were placed above the law, as they were able, using procedural tricks, to reduce the entire value of the law to zero<sup>19</sup>. It seems to be an exaggeration. Once again, from today's perspective, the priority of the decisions of the judicial authorities in relation to any other authorities is normal. Another thing is that the procedural aspects do often prevail, but not over the law as a whole, but over the substantive law. As for the political critics of the Federal Industrial Commission bill, most of them did not so much criticize the specific provisions of the law, as they could not forgive Wilson for the phrase in which he made it clear that he would like to see an "adviser and friend" of entrepreneurs in the established commission<sup>20</sup>. So it's hard to agree with mister Arthur Link on this.

The third item in Wilson's antitrust program was the Rayburn Bill. It was more narrowly focused than the previous two, and intended to give the Interstate Commerce Commission the right to control the financial operations of the railways. It was approved by the House of Representatives, but the senators, among whom there were many outspoken and hidden lobbyists, had a mixed reaction. Therefore, the Senate took advantage of the war in Europe that began in the summer of 1914 and did not consider this bill, postponing it until better days. The better days, as it happens, never came.

Thus, Wilson's antitrust program was implemented only basically. However, this was quite consistent with Wilson's ideas about the need for cooperation between power and capital, but it disappointed many of his now former supporters from the camp of the left. At the same time, the President has significantly strengthened his position in business circles. Big capital realized that it was wrong to fear Wilson's radical plans. The President was able to pursue a policy aimed at protecting their interests and at the same time easing the discontent of the general population.

The main task of the democratic administration was to make serious concessions to the left, but at the same time to try not to go beyond the Sherman Act adopted twenty-three years ago. It was impossible to achieve a perfect compromise, especially in such an area, so someone had to give in. In this case, the left had to give in, but not all of them immediately realized this. Therefore, the antitrust legislation can be considered the least successful of all the compromises reached by Wilson in those years.

Researchers name various reasons for the evolution of antitrust legislation in the process of its development and adoption. For example, Arthur Link believed that "the weakening of the antitrust government program was the first sign of an increased reaction that, since 1914, has increasingly influenced the President and the government."<sup>21</sup>

<sup>19</sup> Supra note 3. P. 74.

<sup>20</sup> Ibid.

<sup>21</sup> Ibid. P. 75.

This seemed to be the case. Moreover, with each passing month, the monopolists had more and more levers of pressure on the government. In 1914, signs of an economic crisis began to be evident — unemployment increased, the level of production fell, and the number of bankruptcies increased compared to the previous year. The opposition, of course, blamed the government and the new tariffs for everything, and at any moment the oligarchs could join these voices, creating the mood they needed in society together with the Republicans. In these circumstances, Wilson decided not to aggravate relations, and if possible to negotiate with the oligarchs, sacrificing the radical norms of antitrust laws. As a result, the Clayton and Federal Industrial Commission laws were not so radical, but they also contributed to defusing the rather tense situation in relations between workers and employers.

Therefore, the behavior of Wilson and his administration in the current conditions was quite predictable, and the point here was not at all in the reactionary amendments of the senators, introduced allegedly against the will of the President. It is well known how Wilson was able to influence the legislative process, at least in the first years of his tenure. Any decision undesirable to the administration simply could not be made until the opposition began to prevail in the legislature in 1919.

In this regard, the president's letter to the leader of the Democratic faction of the lower house of Congress, Underwood, sent before the closing of the 1914 session, on the eve of the midterm elections, is indicative. In the letter, Wilson expressed satisfaction with the two years of work of the Congress, and most importantly, the results of this work. Customs legislation was reformed, the Federal Reserve System was created, and antitrust laws were adopted. In this regard, the President declared the program of the "new democracy" completed. "It was a great program" — he wrote — "and I feel the deepest satisfaction in remembering how effectively it was conducted<sup>22</sup>."

Wilson stressed that all the laws adopted were based on the intention to eliminate private control and ensure freedom of enterprise. All of this was directly related to the highest goal of the American state, the president argued, namely, the assertion of individual freedom and initiative "against any kind of private domination<sup>23</sup>." Wilson's believed the only drawback to be that the agricultural producers never received the Farm Credit Act promised by the Democrats during the 1912 election campaign. However, the existence of a well-functioning banking system, which the Federal Reserve Act should have contributed a lot to, could, in the president's opinion, correct the situation<sup>24</sup>.

The New York Times published this letter on October 19, two weeks before the congressional elections. The campaign part of the letter, in which Wilson calls his party "a model of strength and cohesion" that is "completely free from the tangled alliances that made the Republican Party absolutely unable to carry out any reforms even before its split,"<sup>25</sup> drew particular attention.

Of course, Wilson was not completely honest here. He himself made alliances with the business community, only these alliances were not as public as those of the Republicans. Moreover, Wilson managed to convince the monopolists of the need for change in order to preserve social peace and stability in the country. True, they themselves were beginning to understand this, but they did not have a single position on the question of what should be done. The democratic administration managed to walk on a knife edge and create rules of the game, though not perfect, but acceptable to the majority of society. And in order for them to be such for the general population, a fine and well-coordinated work of the mass media was necessary, which in such conditions actually turned into mass propaganda media. Wilson was one of the first, if not the first, to understand this among politicians of this level.

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<sup>22</sup> Supra note 7. Vol. 1, p. 187.

<sup>23</sup> Ibid. Vol. 1, p. 190.

<sup>24</sup> Ibid. Vol. 1, p. 192.

<sup>25</sup> Ibid. Vol. 1, p. 194.