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SUPPLEMENT TO
"AN AMERICAN HISTORY"

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PRESIDENT WILSON'S ADMINIS- TRATION

On the fourth of March, 1913, Woodrow Wilson delivered his brief inaugural address as twenty-seventh president of the United States to an immense and enthusiastic throng gathered before the east front of the Capitol at Washington. He spoke of the abundant forces material and moral, in American life, of the evil that had come in with the good, the inexcusable waste amid the unparalleled riches. He characterized the task of the new day as the elevation of all that concerns our national life to the high plane of the enlightened individual conscience. He abjured all spirit of partisanship, and in words recalling Abraham Lincoln's immortal speech at Gettysburg he declared: "This is not a day of triumph; it is a day of dedication." He summoned "all patriotic forward-looking men" to his side, and promised not to fail them if they would but counsel and sustain him. The address was distinguished for its spirit of reasonableness joined with lofty idealism, of firm conviction without a trace of partisanship, all expressed in language well-nigh faultless.

875. Wilson's
inaugural,
March 4, 1913

Practical politicians had some misgivings as to how this "scholar in politics," this "theorist" and "schoolmaster," would manage men at the Capitol. Cartoonists pictured him in cap and gown shaking his ruler at Congress. He had broken up the machine in New Jersey, to be sure, but he would find Washington a far different place from Trenton. Little by little skepticism yielded to admiration, as the "scholar," with a quiet confidence and unruffled tenacity, established his power over cabinet, Senate, House, and lobby, and before six months were past made himself the most complete master of Congress since the days of Thomas Jefferson. Foreign observers anticipated a "fair and just order of things under his wise, gifted

876. The new
President

leadership." "He is a man of fresh, virile, original mind," wrote the London *Chronicle*, "who should leave his name and work deeply impressed in history."

877. The cabinet

The chief place in the cabinet was given to William J. Bryan, whose influence in the Baltimore convention had secured Wilson's nomination. Two of the President's selections were considered exceptionally good: Lindley M. Garrison of New Jersey, Secretary of War, and Franklin K. Lane of California, Secretary of the Interior. Secretary Lane, who had had a very distinguished career in his state, and had been for seven years a member of the Interstate Commerce Commission, was thought by many to be the strongest man in the cabinet. His excellent work for conservation, the encouragement of our industrial life, the improvement of our waterways, and the development of Alaska has been eclipsed in the popular mind by the more spectacular questions of foreign diplomacy and war.¹

878. "The New Freedom"

Wilson, like Jackson, Lincoln, Cleveland, and Roosevelt, considered the presidency a great popular trust, and conceived his duty to be the leadership of the American democracy. At the moment of his assumption of office he published his program in a volume entitled "The New Freedom," made up of the most constructive passages of his campaign speeches. It was a kind of expanded inaugural address to the whole American people. "I take my stand absolutely, where every progressive ought to take his stand," he said, "on the proposition that private monopoly is indefensible and intolerable." "You are willing to act *for* the people, but you are not willing to act *through* the

¹ Bryan resigned the Secretaryship of State in the midsummer of 1915 because he thought Wilson's tone to Germany in the second *Lusitania* note (p. xvii) too belligerent. He was succeeded by Robert Lansing of New York. Garrison resigned the war portfolio in February, 1916, for the opposite reason: he wanted a strong national army in place of the militia system. He was replaced by Newton D. Baker of Ohio. James C. McReynolds of Tennessee, the Attorney-General, was promoted to the Supreme Bench in August, 1914, and his place taken by Thomas W. Gregory of Texas. The other cabinet officers remained unchanged through Wilson's first administration: William G. McAdoo (Treasury), Josephus Daniels (Navy), A. S. Bursleson (Postmaster-General), Wm. C. Redfield (Commerce), D. F. Houston (Agriculture), and William B. Wilson (Labor).

people," was his challenge to the leaders of the invisible government of special privilege; "now we propose to act for ourselves." It was an economic Declaration of Independence.

On April 7 President Wilson called Congress together in extra session for the revision of the tariff. Believing that the relations between the executive and the legislative should be close and harmonious, Wilson revived the custom, in abeyance since the days of John Adams, of appearing in person to read

879. The Underwood Tariff Bill



© Clinedinst, Washington

President Wilson and his Cabinet

his "messages" to Congress. In this first brief address of April 8, 1913, he spoke of the revision of the tariff alone. He declared that we must abolish everything that had "even the semblance of privilege or artificial advantage" and make our business men and producers "better workers and masters than any in the world" by constantly sharpening American wits in competition with the wits of the rest of the world. The tariff bill, bearing the name of Oscar Underwood of Alabama, Chairman of the Ways and Means Committee, passed the House, May 8, by a vote of 281 to 139, and the Senate, in

the following September, by a vote of 44 to 37, the Louisiana senators standing out against it for its provision for free sugar after three years. Wilson signed the bill with great satisfaction, declaring that "a fight for the people and for free business, which had lasted a long generation through, had at last been won handsomely and completely."

The Underwood Bill reduced the average of duties to 26 per cent, from 39.4 per cent under the Wilson-Gorman Act of 1894, and 40.12 per cent under the Payne-Aldrich Act of 1909. Luxuries like diamonds, furs, ivory, silks, perfumes, wines, tobacco, automobiles, were either put on the taxed list or left there unchanged; but a great number of necessities and comforts, including food, farm implements, wool, sugar, lumber, coal, cottons, cattle, eggs, were either put on the free list or greatly reduced. To make up for the loss in revenue from these objects, a progressive income tax was levied (see p. 562, note 1). Net incomes above \$3000 for a single person, or \$4000 for a married couple, were subject to a tax of 1 per cent up to \$20,000, 2 per cent from \$20,000 to \$50,000, and so on by degrees until the additional tax reached 6 per cent on incomes above \$500,000. For 1917 the minimum rate was raised from 1 per cent to 2 per cent, and there is a probability that limit of exemption will be greatly reduced (perhaps to \$1200) in view of the need for increased taxation to finance our war with Germany (1917).¹ How the Underwood tariff as a whole would have affected business and prices in America under normal conditions, it is impossible to say. The advent of the great war in Europe the year after the bill was passed created an unprecedented demand for American foodstuffs and manufactures, sending our foreign trade from about \$4,500,000,000 in 1913 up to nearly \$8,000,000,000 in 1916.

¹ The receipts from the income tax in 1914 were \$60,000,000, while \$610,000,000 were collected from customs and internal revenue duties. Great Britain collects six times as much from her income and inheritance taxes as we do from our income tax. In Germany incomes above \$225 are taxed, although the state has a revenue of over \$300,000,000 from the lease of her forests, mines, and water rights.

Second only to the tariff in the President's mind was the reform of our currency and banking system. Every year of the rapid development of our agriculture and manufactures that followed the Spanish War revealed the inadequacy both of the volume and of the flexibility of our currency to meet the business needs of the country. Most of the business of the country is done on credit, and the extent to which the banks could furnish credit was limited by the fact that they could issue currency only on the basis of government bonds (see p. 453). Periods of prosperity and business expansion, when the demand for credit at the banks was greatest, were naturally just the periods in which the government bonds stood highest, and offered the least attractive investment for the banks. The difficulty, under these conditions, of securing credit for the legitimate business enterprises of the country led to the charge of a "money trust" or "credit trust," monopolizing the fluid capital of the country. A committee of the House (the Pujo Committee), appointed to investigate this charge, reported just at the close of the Taft administration, finding evidence of such a trust; but the bankers replied by a circular, published by Mr. Morgan, attributing the evils to "a clumsy and outgrown banking system" rather than to "the schemes of men."

Various remedies were proposed for this "outgrown system" dating from the Civil War. The Aldrich-Vreeland Act was passed, May 30, 1908, creating "national currency associations," which were allowed to issue emergency currency in times of need, based on other securities than national bonds, but the scheme did not work smoothly or satisfactorily. In the midsummer of 1913 Carter Glass of Virginia introduced a Currency and Banking Bill into the House, on which he had been working for a year and in which President Wilson and Secretaries McAdoo and Bryan had a part. Senator Owen of Oklahoma took charge of the measure in the Upper House. The Glass-Owen Bill, known as the Federal Reserve Act, was passed by substantial majorities in both houses, and signed by

880. The banking and currency problem

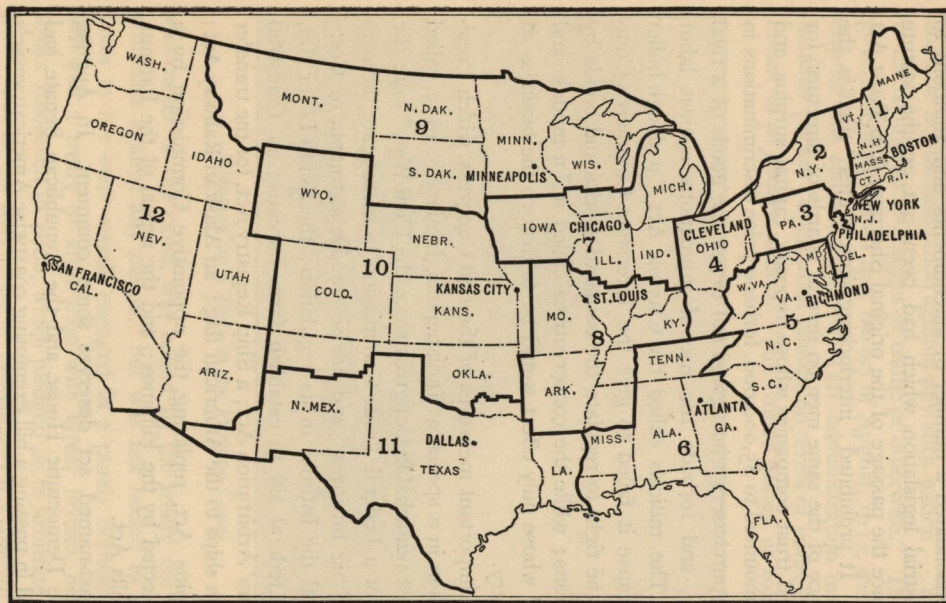
881. The Glass-Owen Bill, December 23, 1913

President Wilson, December 23, 1913. It divides the United States into twelve federal districts, in each of which is a central city with a federal reserve bank. Every national bank of the district is obliged to enter the federal reserve system, subscribing 6 per cent of its capital to form the capital of the Federal Reserve Bank. These subscribing banks are called "member banks." The management of the Federal Reserve Banks is vested in a central committee, called the Federal Reserve Board, consisting of the Secretary of the Treasury, the Comptroller of the Currency, and five other members appointed by the President.¹ The powers of the board are ample, including the inspection of the Federal Reserve Banks, the determination of what kinds of "paper" the member banks may discount, the transfer of funds from one district to another, the establishment of branches in foreign countries, and the fixing of rates of interest on loans. The system has been a complete success during its short period of operation. The weekly report of the Federal Reserve Board, issued April 14, 1917, showed holdings of \$949,870,000 in gold by the Federal Reserve Banks, and the issue of \$10,000,000 of notes by the New York bank alone. The new banks undertook the management of the immense government loan of the spring of 1917 for financing the war with Germany.

882. The
Clayton Anti-
Trust Act,
October, 1914

The extra session of Congress called by Wilson in April, 1913, lasted through the summer and autumn and merged into the regular session of December, before the Glass-Owen Bill was signed; still the President kept Congress at work like a "schoolmaster" for another eight months without interruption. In the continuous session of 567 days, whose reported debates fill 18,000 pages of the *Congressional Record*, many important bills were put through besides the major acts of the tariff and

¹ The board, with Charles S. Hamlin of Massachusetts as president, took office August 10, 1914, and the reserve banks were opened November 16. The great European war had broken out early in August, so that the new system came just in time to help steady the finances of the country, which were much disturbed by the war.



Map showing Federal Reserve Districts, with Changes by Federal Reserve Board

BANK AND DISTRICT	NO. OF MEMBERS	PAID CAPITAL *	BANK AND DISTRICT	NO. OF MEMBERS	PAID CAPITAL *
No. 1. Boston	435	\$5,134,000	No. 7. Chicago	987	\$6,632,000
No. 2. New York	615	10,987,000	No. 8. St. Louis	466	2,782,000
No. 3. Philadelphia	628	5,267,000	No. 9. Minneapolis	730	2,489,000
No. 4. Cleveland	764	5,944,000	No. 10. Kansas City	954	3,023,000
No. 5. Richmond	506	3,358,000	No. 11. Dallas	648	2,764,000
No. 6. Atlanta	385	2,417,000	No. 12. San Francisco	529	3,931,000

* This is one half of the subscribed capital, October 1, 1915.

the currency. The Clayton Anti-Trust Bill, signed in October, 1914, consolidated a number of amendments and additions to the industrial legislation which had been put on the statute books since the passage of the original Sherman Anti-Trust Act of 1890. It prohibited "interlocking directorates" (that is, the appearance of the same men on several boards of directors) for banks and trust companies whose deposits, capital, surplus, and profits amounted to \$5,000,000, forbade price discriminations in favor of purchasers who agreed not to use the goods of a rival company, and forbade the use of injunctions against labor unions. The radicals called the Clayton Act "a dough-bullet bill," because it failed to give the Interstate Commerce Commission the right to regulate the issues of stocks and bonds by corporations; while the conservatives called it "a muddle and a sham" whose only effect would be to disturb the business of the country.

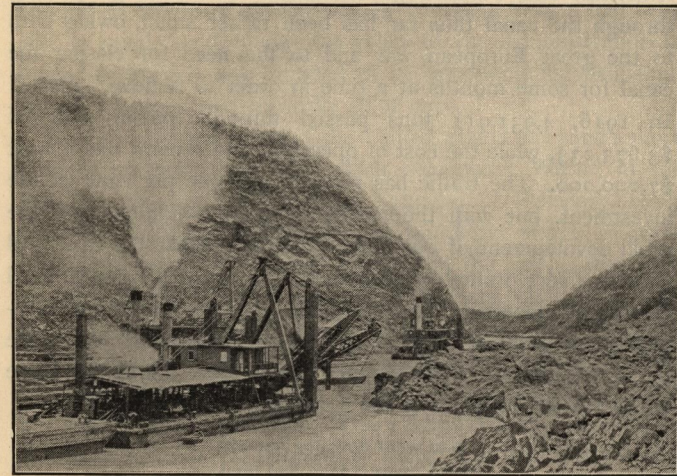
883. Other measures of the 63d Congress

Other important measures of the 63d Congress, which President Wilson in a speech at Indianapolis, January 8, 1915, called "the most remarkable Congress since the Civil War," were the creation of a Federal Trade Commission to investigate the conduct of "big business" and advise the Departments of Commerce and the Interior in its regulation; the Smith-Lever Act, granting federal aid to establish farm bureaus; an Industrial Employers' Arbitration Act; a Ship Registry Act, for the transfer of foreign ships to the American flag; an Alaskan Railway Act; a Philippine Act, replacing the appointive Commission by a Senate elected by the Filipinos; and the repeal of the Panama Canal Tolls Act.

884. The repeal of the Panama Canal Tolls Act, March, 1914

The last-named act deserves some comment. In August, 1912, the Democratic House and the Republican Senate had concurred in passing a bill exempting coastwise American vessels from paying tolls through the Panama Canal, which was rapidly nearing completion. The third clause of the Hay-Pauncefote Treaty of 1901 with Great Britain (see p. 600) reads: "The canal shall be free and open to the vessels of commerce and

war of all nations . . . on terms of entire equality, so that there shall be no discrimination against any such nation . . . in respect to the conditions or charges or traffic or otherwise." The British government protested that the act of August, 1912, was a violation of this clause; while the Taft administration maintained that the phrase "open to all nations on terms of entire equality" meant to all *foreign* nations. The United States, as sole builder



Clearing up a Slide in the Panama Canal

and owner of the canal, was bound by the treaty not to "discriminate against any nation," but was not bound to refuse a favor to her own vessels engaged in a purely domestic trade. We had a treaty of arbitration with Great Britain, negotiated under Roosevelt in 1908, which pledged us to arbitrate the dispute. But in the first week of March, 1914, President Wilson came before Congress, and in a speech of less than three minutes' duration urged, almost commanded, the repeal of the act. "I ask this of you," he said, "in support of the foreign policy of the Administration. I shall not know how to deal with

other matters of even greater delicacy and nearer consequence, if you do not grant it to me in ungrudging measure." Without asking what the "President's secret" was, Congress repealed the act.

The canal was opened for world traffic in August, 1914, when the American steamer *Ancon* went through the locks with her decks thronged with officials and distinguished guests of the American and Panama governments. The tonnage passing through the canal thus far has been rather small, owing both to the great European war and to the need for closing the canal for some months at a time in order to remove "slides." In 1916, 4,931,911 tons passed through, paying tolls of \$3,673,233, while the cost of operation and repairs was almost \$7,000,000. The traffic has not yet paid one per cent on the investment, but with the return to peace conditions and the rapid development of our South American trade, the canal will become a very profitable investment.¹ In January, 1914, Colonel George W. Goethals, "the prophet engineer" who had completed this greatest work on the Western continent, was made the first Governor of the Panama Canal Zone. Percy MacKaye wrote the ode in honor of the occasion:

A man went down to Panama
Where many a man had died,
To slit the sliding mountains
And lift the eternal tide.
A man stood up in Panama,
And the mountains stood aside.

The mid-term elections, which followed only ten days after the adjournment of the long session of the 63d Congress, resulted, as usual, in a reaction against the Administration.

¹ Our exports to Latin-American countries grew from \$108,000,000 in 1907 to \$321,000,000 in 1913. The foreign trade of the western coast of South America, amounting to some \$700,000,000 a year, goes chiefly to Europe. The canal brings these regions several thousand miles nearer the ports of the United States. So anxious are we to enjoy the favor of the South American republics that we are even contemplating paying Colombia \$25,000,000 as an indemnity for the loss she suffered by the revolt of Panama.

885. The
Panama
Canal

886. The
elections of
1914

Republican governors were chosen in New York, New Jersey, Connecticut, Pennsylvania, and other states, while the Democratic majority in Congress was reduced to twenty-eight in the House and nine in the Senate. The tariff and trust legislation offered many points for criticism. Bryan's conduct of the State Department was severely censured. A terrible strike war had been raging for nearly a year in the mining regions of Colorado, which neither the state militia furnished by Governor Ammons nor the six troops of cavalry sent by President Wilson had been able to quell. And, finally, the policy of the Administration in regard to Mexico was branded by its opponents as vacillating, stupid, arbitrary, and cowardly all at once.

Seldom has a president of the United States inherited a more difficult problem than that which confronted Wilson in the Mexican situation. On the last Saturday of February, 1913, President Madero of Mexico was murdered and a week of turmoil followed, with fierce fighting in the very streets and squares of the Mexican capital. A ruthless, dissipated, revolutionary general, with Indian blood in his veins, fought his way to power—Valeriano Huerta, the reputed murderer of Madero. Although twenty-six foreign nations recognized Huerta, and our ambassador to Mexico, Henry Lane Wilson, advised the Administration at Washington to follow suit, President Wilson refused to do so. He sent John Lind of Minnesota as his special agent to Mexico to propose terms for the settlement of the anarchy reigning there. The United States promised to recognize the Mexican government after a general and free election should be held, in which Huerta should not be a candidate. Huerta replied that he had the allegiance of twenty-two of the twenty-seven states of Mexico with an army of 80,000 men, and that he could easily put down the rebellion. He asked the United States to ignore the disturbances and to send an ambassador to his government. Huerta's real character came out, however, when on October 10, two weeks before the general elections in Mexico, he invaded the Assembly with an

887. The
Mexican
revolution

armed force, arrested and imprisoned a hundred deputies, and proclaimed himself dictator. England, France, and Germany, recognizing America's paramount interests in Mexico and respecting the Monroe Doctrine, urged this country to act in safeguarding foreign lives and property across our southern border.

Wilson's policy of "watchful waiting" until Mexico should straighten out her own tangled affairs grew more and more difficult to maintain. An embargo on the export of arms to Mexico

888. Our
intervention
in Mexico



Funeral of the Marines killed at Vera Cruz

had been laid in 1912, which Wilson raised in February, 1914, in behalf of General Carranza, who was fighting to overthrow Huerta. The murder of an Englishman named Benton, about the same time, increased the pressure put on our government to restore order in Mexico. On April 10, 1914, a boatload of American sailors from the launch *Dolphin* landed at Tampico to buy gasoline. The launch was flying the American flag, but one of Huerta's officers seized the entire party and carried them off to jail amid the hoots and jeers of the crowd. Rear Admiral Mayo demanded the release of the sailors and an apology for

the insult in the shape of a formal salute to our flag. Huerta disavowed the act of his officer, released the men, but refused to salute the flag. Eleven warships and three cruisers of the Atlantic fleet were ordered to Tampico. On April 20, President Wilson came before Congress, asking permission to use force against Huerta "to maintain the dignity and authority of the United States." The vote was 337 to 37. On the same day our forces were ordered to occupy Vera Cruz on the Gulf of Mexico. Admiral Fletcher landed a detachment of marines and seized the customs house, while the battleships *Utah* and *Florida* shelled the arsenal from the harbor. Seventeen American lives were lost before Fletcher had control of the seaport.

To avert war between Mexico and the United States, the greater republics of South America now offered their mediation. Representatives from Argentina, Brazil, and Chile (the "A B C powers") met the delegates of Huerta and the United States at Niagara Falls, Canada, in May, and urged Huerta to resign. He departed from Mexico on the German cruiser *Dresden* in July, and in September President Wilson withdrew our forces from Vera Cruz and returned to his policy of "watchful waiting," declaring that it was none of our business how Mexico settled her own troubles. But anarchy continued in Mexico while Carranza slowly fought his way to power against the bandit Villa. Carranza made himself master of the capital in July, 1915, and as his fortunes improved, his antagonist Villa grew more desperate. Finally, on March 10, 1916, Villa's ruffians crossed our border with cries of "Death to Americans!" and raided the town of Columbus, New Mexico, killing seven soldiers and twelve civilians, and wounding a score of others. We were obliged to send a punitive force into Mexico (with Carranza's permission) in pursuit of Villa. But the clever bandit eluded our soldiers, and before long Carranza, charging us with designs on his power, demanded our withdrawal. The troops came back from their wild-goose chase over the hot plains of northern Mexico without Villa and with little glory.

889. Car-
ranza and
Villa

890. America
and the Euro-
pean war

President Wilson asked nothing more than to be allowed to go on with the program of social and industrial reform which he outlined in his speech to Congress in December, 1914. But the great war was already under way in Europe, which, in spite of our declaration of strict neutrality, was affecting our commerce, arousing our sympathies and protests, and absorbing our attention to the exclusion of all other interests. It almost monopolized the labors of our government during the remainder of Wilson's first term of office, and at the opening of his second term drew us into its angry vortex (April 6, 1917).

891. The
origin of the
war

On the 28th of June, 1914, the heir to the Austrian throne was assassinated in the Bosnian capital of Serajevo by a Serbian youth named Prinzip. Holding the anti-Teutonic propaganda of Serbian revolutionary societies responsible for the murder, Austria, backed by her powerful ally Germany, started to punish Serbia by invading her territory and bombarding her capital. The Czar of Russia mobilized his troops on the Austrian border to protect his fellow Slavs in the Balkans and check the German "push to the east" (*Drang nach Osten*). France was Russia's ally, and Great Britain was on the friendliest terms (*Entente*) with France. When, therefore, Germany ordered Russia to demobilize within twelve hours, it looked as though all the great powers of Europe would be drawn into the Austro-Serbian quarrel over the assassination of a prince. In vain did the foreign ministers in the great capitals of Europe labor to avert the terrible catastrophe of a general war, in the last week of July, 1914. In vain did they plead for time, for the submission of the dispute to the Hague Tribunal or to the arbitration of the four great powers of Great Britain, France, Germany, and Italy. Germany had for years been nourishing the belief that England, France, and Russia were hemming her in with an iron ring of jealous hatred, to crush her industrial and commercial expansion. She had prepared the most mighty military engine the world has ever seen, and determined now to strike before she was struck. Self-defense was her plea, but to

the majority of the nations her action looked like a deliberate piece of aggression to win "a place in the sun" for her colonial ambitions and to impose her "Kultur" on Europe by force of arms. Her first military move, the ruthless invasion of Belgium, whose neutrality Prussia had guaranteed with the other great powers in the Treaty of 1839, provoked a storm of protest on both sides of the Atlantic.¹

The United States government declared its strict neutrality, but the people of the United States were not neutral. Their sympathies were overwhelmingly on the side of the Entente Allies against the Central Powers.² The pressure of public opinion naturally affected our policy. When, for example, Great Britain, mistress of the seas, blockaded the coasts of Germany by mines sown in the North Sea, arbitrarily extended the list of contraband goods, seized our vessels and cargoes, the protests from Washington were so friendly that the German government accused us of being virtually England's ally. When Germany, on the other hand, resorted to the submarine and drew a "war zone" around the British Isles in order to starve them into submission, we insisted on maintaining the freedom of the high seas. Germany's offense against neutral rights was incomparably more serious than England's, because the submarine refused to respect the accepted principles of international law. It is a frail instrument of defense, being easily rammed by a powerful ship or destroyed by a single shot from a moderate-sized gun. Hence it will not expose itself to destruction by observing the rules of visit and search. It has no way of placing in safety

892. The
submarine
peril

¹ Von Bethmann-Hollweg, the German Chancellor, confessed in a speech to the Reichstag that the invasion of Belgium was "contrary to the dictates of international law," and promised to make reparation for the wrong when the German "military object" was obtained. "Necessity knows no law," was his plea. The "necessity" in this case was the rapid march on Paris by the most favorable route. He found the Treaty of 1839 only "a scrap of paper" in the way.

² Germany and Austria, the "central powers," were joined by Bulgaria and Turkey, while the roster of nations on the side of the "Entente" had grown by the month of April, 1917, to include Great Britain, France, Russia, Serbia, Montenegro, Rumania, Italy, Portugal, Belgium, Japan, Cuba, and the United States.

the crew and passengers of a ship carrying contraband, before destroying ship and cargo. It strikes quickly, sending its torpedo on its swift and secret mission of death. It has been called "the stiletto of the seas." The British seizures of ships and cargoes violated the rules of international law, but the German destruction of neutral and noncombatant lives outraged the dictates of humanity.

893. The
Lusitania
torpedoed,
May 7, 1915

It was inevitable that American lives should be lost if Germany persisted in this kind of warfare, unless American citizens renounced their privilege of traveling on the high seas and American ships remained moored to their wharves as in the days of Jefferson's embargo. Our government dispatched a note to Germany immediately after the war zone was traced (February 10, 1915), declaring that we should hold the Imperial Government to a "strict accountability" if an American vessel or the lives of American citizens were destroyed. Germany replied that it was not her intention to harm neutrals, but that the destruction of England was necessary. She "expressly declined all responsibility for such accidents and their consequences" as might happen if neutral vessels entered the zone. On May 7, 1915, the civilized world was horrified by the news that the magnificent Cunarder *Lusitania* had been torpedoed off the Irish coast without warning, and sent to the bottom with the loss of nearly 1200 lives, including 114 Americans. Germany defended this shocking act on the ground that the *Lusitania* had hidden guns below decks, was listed in the British navy, and was carrying thousands of tons of ammunition. The German government expressed regret that American lives were lost, but insisted that their blood was on England's head.¹

¹ In further extenuation of the sacrifice of American lives the German government called attention to the warning which the German embassy at Washington had published in the American newspapers against neutrals sailing to the war zone on ships of Great Britain or her allies. This action was a gross breach of diplomatic courtesy. "A foreign minister is here," says John Bassett Moore, "to correspond with the Secretary of State. . . . He has no authority to communicate his sentiments to the people by publication, and any attempt to do so is contempt of this government" (*Digest of International Law*, Vol. IV, p. 68).

It refused, and still refuses, to disavow the sinking of the *Lusitania*, declaring that "the German government has no guilt therein."

President Wilson labored to keep the peace, expostulating with Germany in note after note, while public opinion in this country turned more and more to questions of military preparedness and national defense. Scattered cases of unprovoked attacks on merchant ships, in which American lives were lost, added to the tension. In December, 1915, the recall of the military and naval attachés of the German embassy in Washington was demanded by our government for suspected implication in plots to interfere with legitimate business in the United States. When on March 24, 1916, a German submarine torpedoed the French Channel steamer *Sussex* (on which it was thought Earl Kitchener was crossing to France), with the loss of several American lives, President Wilson served an ultimatum on Germany. He recalled the patience of the American government, which had "hoped against hope that it would prove possible for the Imperial Government so to order and control the acts of its naval commanders as to square its policy with the recognized principles of humanity." That hope proving vain, there was but one course to pursue: "Unless the Imperial Government should now immediately declare and effect an abandonment of its present methods of submarine warfare against passenger and freight-carrying vessels, the United States can have no choice but to sever diplomatic relations with the German Empire altogether." President Wilson was congratulated for having at last by patience won a diplomatic victory, when Germany replied that she was "prepared to confine the operations of the war for the rest of its duration to the fighting forces of the belligerents," and promised that "merchant vessels . . . should not be sunk without warning and without saving human lives, unless the ship attempted to escape or offer resistance." At the same time Germany disavowed the act of the naval commander who sank the *Sussex*, punished

894. The
Sussex pledge,
May, 1916

him, and offered indemnity for the loss of American lives. It was hoped that the *Sussex* pledge had removed the danger of war between the United States and Germany.

The presidential campaign of 1916 was at hand. Though the Democratic platform of 1912 had declared against a second term, there was no thought of replacing Wilson. There were several aspirants for the Republican nomination, including Senator La Follette, the millionaire automobile manufacturer Henry Ford (who had financed the "Peace Ship" — a Utopian expedition to the neutral countries in the late autumn of 1915 to get the soldiers "out of the trenches by Christmas"), Charles Evan Hughes (a justice of the Supreme Court), and Theodore Roosevelt. For although the latter had not formally severed his connection with the Progressive party, he had been for some time drawing closer to the regular Republican organization. The Progressives, who held their convention in Chicago in the same June days of 1916 as the Republicans, nominated Roosevelt only a few minutes before the Republicans nominated Hughes. Roosevelt immediately sent a telegram from Oyster Bay, refusing to accept the Progressive nomination until he knew "the attitude of the candidate of the Republican party on the vital questions of the day," which meant that he would support Hughes if he was strong enough on preparedness and the assertion of American rights. The "defection" of Roosevelt made the Progressives withdraw from the presidential race. Hughes was a strong man with an enviable record. As governor of New York from 1907 to 1910 he had devoted his administration with great energy to liberal measures, breaking up the monopoly of private interests, fighting for open primaries against the party machine, and urging the creation of public service boards for the control of public utilities. He had resigned in the last year of his second term as governor to accept an appointment by President Taft to the Supreme Court, and in his six years of service on that high tribunal he had written over one hundred and fifty opinions, all noteworthy

895. The
presidential
campaign
of 1916

for their sound legal knowledge and judicial temper. Former Vice President Charles W. Fairbanks was named as his running mate.

Although the long session of the 64th Congress, which adjourned only a few weeks before the election (September 8, 1916), produced plenty of legislation,¹ the campaign was waged almost wholly on the issue of "Americanism." Hughes toured the country, urging a stronger national defense, a policy of firmness and consistency in Mexico, and the insistence of full American rights on the high seas. He sounded the keynote of his campaign in his speech of acceptance in Carnegie Hall, New York, July 31, 1916: "An America conscious of its power, awake to its obligations, erect in self-respect, prepared for every emergency." He was somewhat of a disappointment as a campaign orator, lacking in the very vigor which he made his text. His friends attributed this to his six years of quiet on the Supreme Bench, while his enemies found the explanation in the lack of any real material for criticism in the Wilson administration. Wilson remained at his "summer capital" of "Shadow Lawn" at Long Branch, New Jersey, receiving delegations of pilgrims every Saturday afternoon from September 23 to the end of the campaign. The Democrats pointed with pride to Wilson's record, commending him for keeping the country out of war; while the Republicans asserted that he had sacrificed the honor of the nation to preserve peace. Hughes was criticized for "sullyng the ermine" by descending from the dignity of the Supreme Court into the arena of politics.

The election proved to be one of the closest in our history. Before midnight of election day it was known that Hughes had

¹ The most important bills were a Federal Child Labor Act, forbidding the entry into interstate commerce of products of mines and quarries in which children under sixteen were employed, or factories and canneries in which children under fourteen worked; a Federal Workman's Compensation Act; a Federal Farm Loan Act; the repeal of the free-sugar clause in the Underwood Tariff (continuing a revenue of \$40,000,000); a Philippine Government Act, enlarging the electorate and abolishing the Commission for a Senate; and the Adamson Act, providing for an eight-hour day for railroad employees, passed hastily to avert a nation-wide strike in the closing days of the session.

896. The re-election of Wilson, November 7, 1916

carried the eastern states, together with Indiana, Illinois, Michigan, and Wisconsin. Telegrams of congratulation began to pour in on him, and he retired, confident of his election. The *New York Times*, a strong Wilson paper, appeared in its earliest morning edition on November 8 with large headlines conceding a "sweeping victory" for Hughes. But as the day advanced and the returns from the country districts were counted, Wilson's fortunes grew brighter. One after another states that had been assigned to Hughes were transferred to the Wilson column. Thursday night it became certain that Wilson had carried California, and with it the election. The electoral vote was 276 for Wilson and 255 for Hughes; and the popular vote, 8,563,750 to 8,162,754.

897. Wilson defines the peace terms which America will sanction, January 22, 1917

A single topic absorbed the country during the remaining months of Wilson's first term; namely, our relations to the great war in Europe. On December 12, 1916, the German government, speaking in the tone of a victor to the vanquished, offered to meet the Entente Allies in a conference to discuss peace. But the Allies rejected the offer as a "sham proposal" intended only to divide them and strengthen the patriotic war sentiment in Germany. President Wilson attempted a mild form of mediation between the warring groups when he sent an identic note to all the belligerent powers, on December 18, asking them to state their terms for ending the war and guaranteeing the world against its renewal. The Entente Allies alone replied. A month later (January 22, 1917) Wilson



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Miss Jeannette Rankin of Montana, first woman member of Congress

addressed the Senate in a remarkable speech, declaring the conditions on which America would give "its formal and solemn adherence to a league of peace." It must be, he said, a peace that should satisfy the whole world; a peace secured by the "organized major force of mankind"; a peace guaranteeing the freedom of the seas and the security of small and weak nations; and a peace based on the principle that "governments derive their just powers from the consent of the governed." "These are American principles, American policies," he declared. "We can stand for no others. And they are also the principles of forward-looking men and women everywhere, of every modern nation, of every enlightened community. They are the principles of mankind, and must prevail."

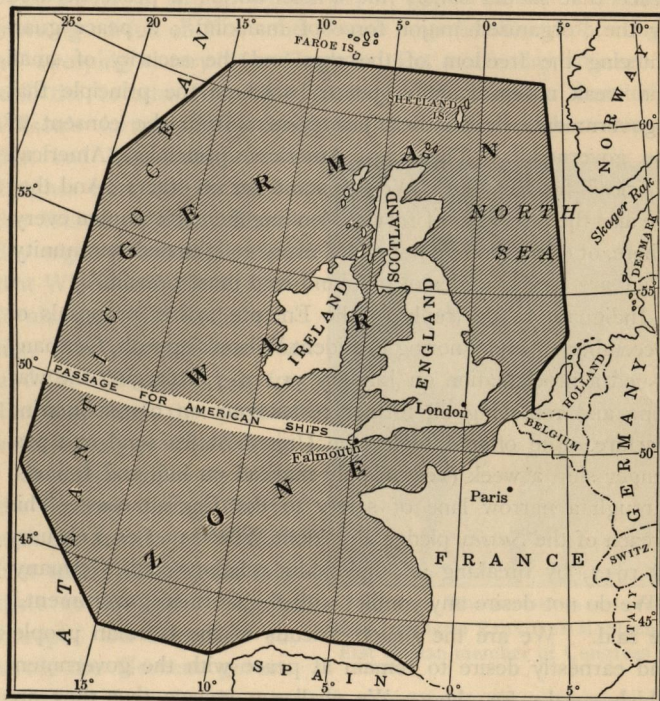
Indignant at the reply of the Entente to her proposals of December 16, and ignoring President Wilson's appeals, Germany issued a proclamation on January 31, 1917, enlarging the war zone and removing all former restrictions on her submarine warfare. She offered to let the United States send one passenger ship a week (very plainly marked on hull and funnels) through a narrow lane of safety to the English coast. This breach of the *Sussex* pledge President Wilson met on February 3, 1917, by breaking off diplomatic relations with Germany. "We do not desire any conflict with the German government," he said. "We are the sincere friends of the German people, and earnestly desire to remain at peace with the government which speaks for them. We shall not believe that they are hostile to us unless and until we are obliged to believe it, and we purpose nothing more than the reasonable defense of the undoubted rights of our people."

During the month of February, 1917, the German submarines sank 200 ships, of which 51 were neutrals, with a tonnage of 456,000. To send American vessels unarmed to meet such risk as these figures show would have been sheer folly. Wilson therefore asked Congress on February 26, 1917, for the power to arm American merchant vessels. The House readily passed

898. The break with Germany, February 3, 1917

899. The arming of American merchantmen

the bill by a vote of 403 to 13, but a dozen Senators, taking advantage of the Senate rule which allows unlimited debate, refused to let the bill come to a vote before the expiration of



German War Zone of January 31, 1917

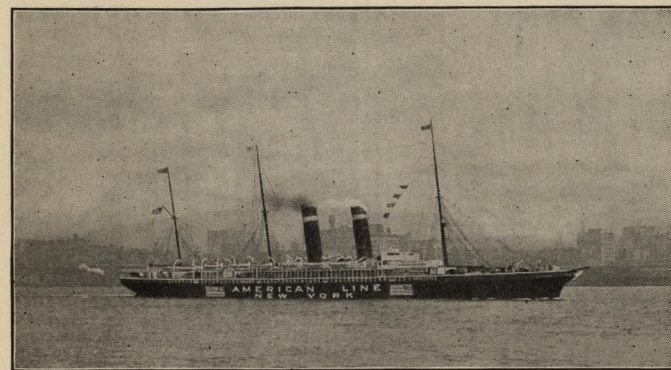
Congress at noon on March 4, 1917.¹ In spite of this resistance of "a little group of willful men" the President, relying on the

¹ With the expiration of the 64th Congress there died also bills for the enlargement of the work of the Military Academy, and of the Interstate Commerce Commission, for the extension of the army, for Conservation, and for the Civil Service. Congress, however, passed an army bill of \$277,000,000, and the unprecedented naval bill of \$535,000,000. It also appropriated \$25,000,000 for the purchase of the Danish West Indian Islands, which were transferred to our flag on March 31, 1917.

advice of his Attorney-General and Secretary of State, proceeded to arm the ships. The American liner *St. Louis* soon afterwards left New York with guns fore and aft, and safely traversed the danger zone.

President Wilson had called the 65th Congress to meet in extra session April 16, to consider the pressing questions of national defense. But the continued aggressions of the U-boats, as the submarines were called, coupled with the popular protest roused by the revelations of an intercepted dispatch of the

900. The declaration of a state of war with Germany, April 6, 1917

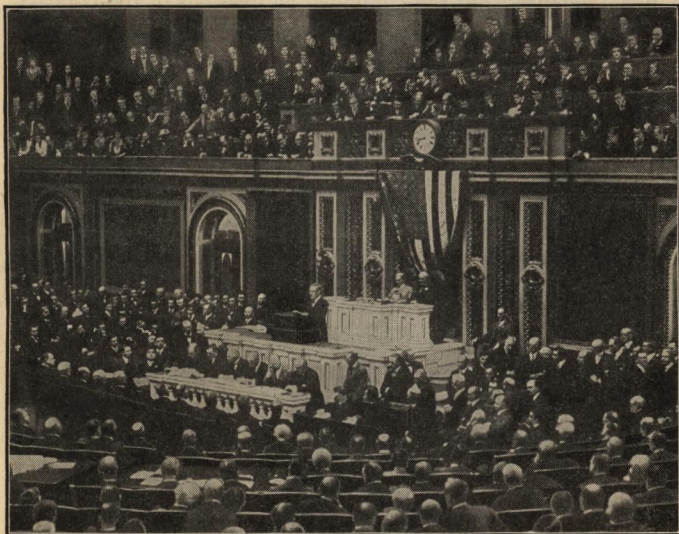


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American Armed Liner sailing for the War Zone

German foreign minister Zimmermann to the German minister in Mexico, suggesting an alliance of Germany, Mexico, and Japan against the United States in case our country entered the war, determined Wilson to advance the date of meeting by two weeks. On the evening of April 2, 1917, the President appeared before Congress to deliver one of the most momentous messages in the history of our country. Declaring that the "irresponsible German government" had "cast aside all considerations of humanity" and was "running amuck" among the nations, he asked Congress to recognize that the course of the German government was "nothing less than war against the people and government of the United States," and to

accept formally the status of belligerent which had been forced upon us. "We have no quarrel with the German people," said the President, "but only with the military despotism of Germany. The world must be made safe for democracy. . . . We desire no conquest or dominion. . . . We are but one of the champions of the rights of mankind. We shall be satisfied



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President Wilson reading the War Message

when these rights have been made as secure as the faith and the freedom of nations can make them."

A resolution declaring a state of war with Germany and empowering the President to carry on war with all the power of our nation was passed through the Senate by a vote of 82 to 6 on the fourth of April, and was adopted by the House (373 to 50), after a sixteen-hour debate, early in the morning of Good Friday, April 6, 1917. For the first time in over a century we were at war with a first-class foreign power.

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