Candidates in 1912: Because people were mad at Taft, they formed a National Progressive Republican League. When Roosevelt returned, he started to make speeches. Roosevelt supporters formed a third party: Progressive, or Bull Moose, Party. Democratic nomination was Woodrow Wilson.

New Nationalism versus New Freedom: Believed Roosevelt’s Progressive Party was a vision of national unity where government controlled economic activity. Wilson: “New Freedom” said concentrated economic power threatened individual liberty and monopolies should be broken up. Enhance government authority to protect and regulate. Both supported equality of opportunity (for white males), conservation of natural resources, fair wages, and social betterment for all. Wilson won.

Woodrow Wilson: He reformed a lot. When he became president of Princeton, he created curricular reforms and battled against the university's aristocratic element. Was racist, didn’t let blacks into college.

Wilson’s Policy on Business Regulation: Wanted to blend New Freedom and New Nationalism. Supported the Clayton Antitrust Act. Corrected deficiencies of the Sherman Antitrust Act by outlawing cooperate practices such as price discrimination and the management of two or more competing companies by the same executives (interlocking directorates). Federal Trade Commission investigated companies and issue cease-and-desist orders against unfair practices. Federal Reserve Act established central banking system. Created 12 district banks. Used to lend money to member banks at a low interest rate.