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# Chapter 5 Section 2

## Roosevelt vs. Big Business

- Focus Questions 5-2
  - Describe how Roosevelt felt about large business organizations. What was Roosevelt's goal?
  - Describe the purpose of the Sherman Antitrust Act and the Interstate Commerce Commission.
  - Describe the purpose of the Bureau of Corporations.
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Essential Question: Lecture

In your opinion does President Roosevelt accomplish his goal of supervising big business without hurting the economy?  
Provide evidence that supports your opinion.

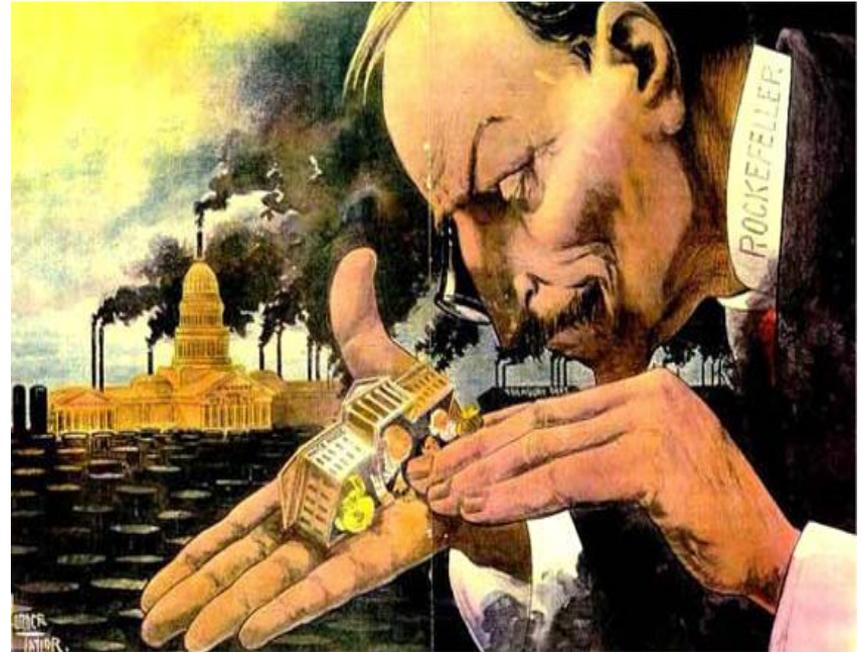
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\*Students will demonstrate knowledge of the actions President Roosevelt takes in order to establish accountability in the economic structure of the early 1900's.

\*Students will participate in a class lecture and discussion, answer the focus questions and provide evidence that supports their opinion for the essential question.

# Big Business

- Horizontal Integration; combines competing firms into one corporation.
- Vertical Integration; owns all the different businesses on which it depends for its operations.



# Big Business

- Monopolies; are companies that have complete control over production and prices.
- Government responds by making monopolies and horizontal integration illegal.



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# Big Business Responds

- Business creates holding companies that allow companies to come together by combining their stocks. (loophole)
  - Business also creates trust, which allows a group of companies to combine and form one large company. (loophole)
  - Both allow business to continue to control production and prices.
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# Roosevelt in Office

- Believed competition was good.
- He believed that trust and large business were part of the reason for American prosperity.
- Yet he felt that trust were hurting public interest.
- His goal was to find a way to supervise big business without hurting the economy.



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# Progressives Takes on Big Business

- Sherman Antitrust Act is passed in order to break up big business in order to restore competition.
  - The government creates the Interstate Commerce Commission in order to regulate and police big companies. (Accountability)
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# Progressives Takes on Big Business

- The Bureau of Corporations is created in 1903.
  - The Bureau quickly begins to investigate corporations.
  - They published their results and filed lawsuits against major companies who violated the law.
  - All three of these organizations are created to police business and provide a fair playing field for competition.
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## Progressives vs. Big Business

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