

**Clayton Antitrust Act.** Henry D. Clayton of Alabama was the driving force behind the reform legislation in the House of Representatives. The measure that emerged in the fall of 1914 was designed to clarify the existing antitrust law. A number of business practices were prohibited, including:

- Predatory price cutting
- Price fixing
- Ownership of stock in competing companies
- Interlocking directorates (the practice of having the same individuals serve as directors of competing companies)

Another nagging situation was addressed by this legislation. The Sherman Antitrust Act was designed to shield the public from the actions of big business that were deemed to restrain trade. However, early court decisions more frequently found unions, not corporations, in violation. The Clayton Act, lauded as the Magna Charta of labor, placed limitations on the use of **injunctions** against unions and stipulated that labor organizations were not illegal combinations acting to restrain trade; boycotts, strikes and picketing were all recognized as legal activities.

The antitrust provisions of the law had little immediate impact because of the outbreak of World War I. The labor protections were honored until the next Republican era in the 1920s.