THOUSANDS CHEER FOR DEMOCRACY

(Continued from Page One)

tions fixed in no law, the maximum to be available to meet discriminations by foreign countries against American goods entering their markets and the minimum to represent the normal measure of protection at home, serve without excessive duties, that security against foreign competition to which American manufacturers, farmers and producers are entitled, but also to maintain the high standard of living of the wage-earners of this country, who are the most direct beneficiaries of the protective system.

"Between the United States and the Philippines, we believe in a free interchange of products, with such limitations as to sugar and tobacco as will afford adequate protection to domestic interests."

G. O. P. Scared, Yet Evasive.

Secretary Taft refers to this subject briefly in his notification speech—only briefly—but as I shall quote such passages from his speech as are pertinent to this discussion, it is not necessary to read his remarks in full.

It will be noticed that the Republican party has abandoned the earlier arguments advanced in support of a high tariff. We hear no more of the "Infant Industries," that must be tenderly cared for "until they can stand upon their feet"; there is no suggestion that the "foreigner pay the tariff," and nothing about the "home market." These catch phrases have had their day—they are worn out and cast aside. The Republican leaders are no longer arrogant and insolent; they cannot longer defy tariff reform. Their plan now is to seem to yield without really yielding.

I submit that the Democratic platform accurately described the Republican position when it refers to "the belated promise" made by the Republican leaders as "a tardy recognition of the righteousness of the Democratic position on this question." The Democratic party in its platforms and through its representatives in congress has for years pointed out that the tariff schedules are excessively high and ought to be reduced, but the Republicans have, until recently, refused to admit that there was any necessity for reduction. They now confess, through their platform and through their presidential candidate, that the need for revision is so great as to justify the party in declaring "unequivocally for a revision of the tariff" and the need is so urgent that the work is to be undertaken at "a special session of congress immediately following the inauguration of the next president." The use of the word "unequivocally" indicates that those who wrote the platform recognize that they are under suspicion. They want to distinguish this promise from the unkept promises of the past by adding as emphatic an adjective as could be found in the dictionary. If former Republican promises had been conscientiously fulfilled, it might not have been necessary to thus strengthen the promise made this year. The use of the words "immediately after the inauguration" is evidence that the Republican leaders are conscious that the patience of the public has been strained to the point of breaking, and it is almost pathetic to note the solicitude which they now feel about doing a thing which, but for wilful neglect might have been done at any time during the last ten years.

The Tariff's Appeal to Cupidity.

Are we not justified in saying that the people can not safely entrust the execution of this important work to a party which is so deeply obligated to the highly protected interests as is the Republican party? The "fat frying" process has become familiar to the American people. Pressure has been brought to bear upon the protected interests every four years—and to a less extent in the congressional campaign between presidential elections—to compel contributions to the campaign fund in return for former favors and in anticipation of favors yet to come. It is difficult to overestimate the corrupting influences introduced into the political life of the nation by this partnership between the government and the favored industries. The literature circulated in support of a protective tariff has studiously cultivated the idea that suffrage should be employed to secure pecuniary returns, and the appeal made by the Republican leaders has come to be more and more a selfish one. Every man engaged in a protected industry has been approached with the proposition that it is dollars in his pocket to maintain the system, while those who could not possibly trace any tangible benefits to themselves have been beguiled with the assurance that it was all a matter of public spirit, and that they ought to support the system out of patriotic love of country. If attention was called to the fact that the farmer was taxed for the benefit of the manufacturer, the triple answer was that it would come back to him indirectly; that it did not amount to much for each farmer, anyhow, and that a man was small minded who would begrudge so insignificant a contribution to the nation's prosperity. The plan has been to keep the taxpayers quiet by keeping them in the dark as to the operation of the law, and then to concentrate the votes and influence of the taxeaters in favor of a continuation of high tariff legislation. If a tariff of 50 per cent was imposed upon a given article of merchandise it was assumed that those engaged in the production of the article would contribute liberally to keep up the tariff, and it was assumed that the employes would keep from breaking their wages reduced, and it was expected that the business men of every town would see to it that the tariff cause of the business brought to the community by the protected industry. Those who are acquainted with the tariff fight know to what an extent the pecuniary argument has been used. The recent Republican platform is a bid for all to every beneficiary of special privilege to enlist again under the Republican banner, and when the election is over and the Republican committee publishes the list of contributors—too late to make the information valuable it will be found that the Republican party has again obligated itself to the protected interests as to be unable to make a revision in the interests of the consumers.

Responsibility for Failure to Act.

When a president who, toward the close of his term, submitted the messages of the last session with a two-thirds majority in the senate and nearly 60 majority in the house, the Republican party has refused to permit any revision whatever. Mr. Williams, the leader of the minority in the house, introduced a bill providing for a reduction of the tariff to 25 per cent wherever it is now more than 100 per cent. It would look like the Republican party might have taken this step toward tariff revision had it been deeply in earnest, but no the bill was not even reported from the committee. Wherever attention was called to an indefensible schedule, the answer was that they could not afford to open the subject for debate just before a campaign, but there is no force in this objection, because the house rules are so framed that the majority can cut off debate, prevent amendment and silence opposition.

The administration has claimed credit for the fine against the Standard Oil company in the case which was later reversed, but no effort has been made to relieve the people from the fine which is imposed upon them every day by the Standard Oil company through the operation of the tariff law which gives that company more than 1 per cent protection against its chief rival, Russia. What faith can a real tariff reformer, whether he be a Republican or a Democrat, repose in the Republican leaders, whom they deliberately put off all reduction until after elections, and then call for contributions with the understanding that the public shall not know the names of the contributors until after the polls are closed?

A Challenge to the Fat Fryer.

The Republican platform says that the "tariff is intended for the American manufacturers, farmers and producers, and especially for the wage earners. If the farmer and the wage earner are really the chief beneficiaries of the protective system, will the Republican candidate explain why the farmer and the wage earner have contributed so little to the Republican campaign fund? Is he willing to publish a list of contributors to the Republican campaign fund, and allow the country to determine for itself whether the farmer and the wage earner is becoming unduly the contributors referred to in such cases? Why is it that the manufacturers are expected to furnish so large a proportion of the money to run the campaign, if, as the Republicans claim, the farmers and the laborers enjoy so large a proportion in the benefits of the system? Is it not a significant fact that the farmers and wage earners who are always put in the foreground when the blessings of a high tariff are being enumerated are in the background when the collections are being made? Is it not significant that the manufacturers, who furnish the funds are so little advertised as beneficiaries? Is it not significant also that the wage earners, instead of the manufacturers, are always described as "the most direct beneficiaries of the protective system?"

Shall Satan Rebuke Sin?

But let us suppose, for the sake of argument, that the Republican party sincerely repents of its delay in beginning tariff reform, repudiates its obligations to the contributing manufacturers and honestly begins a "revision." What rule is to govern the revision? The Republican platform says:

"In all tariff legislation, the true principle of protection is best maintained by the imposition of such duties as will equal the difference between the cost of production at home and abroad, together with a reasonable profit to American industries."

Mr. Taft indorses this rule and says that "in a number of schedules the tariff now exceeds this difference and that the excess offers a temptation to those who would monopolize the production and sale of such articles in this country." He adds, however, that "there are some few articles on which the tariff is not sufficiently high to give them the measure of protection they should receive."

Will he explain upon what rule the present tariff was framed? When have the Republicans claimed more protection than enough to cover the difference in the cost of production here and abroad? The "reasonable profit to American industries" is an addition to the rule, and is likely to be used as an excuse for raising the tariff. And, by the way, to what other business does the government guarantee a "reasonable profit"? To the farmer or the merchant or the laborer? To none of these. If in revising the tariff the Republican party is to work upon exactly the same plan (or a plan contemplating a higher rate), what hope have we that the new tariff will be lower than the present one? Are the present leaders more honest than the ones who framed the existing tariff? Are they not, in fact, the same men who are responsible for tariff extortion during the last decade? If this new-born zeal for revision were an hundred times greater than his notification speech indicates, what chance would the Republican candidate have of securing any real tariff reform at the hands of such Republicans as now represent that party in the senate and house, the very men who represented it in the recent national convention? Speaker Cannon who has suppressed tariff legislation in the present congress, was a dominating factor in the convention and, if the Republicans retain control of the house, will be the speaker of the next congress. Does his prominence afford tariff reformers any assurance of a reduction of the tariff in the interests of the consumers? In case of a Republican victory, Congressman Sherman will become the presiding officer of the senate. He has been the confidential companion of Speaker Cannon and in the convention it was Speaker Cannon who vouched for him. But as a matter of fact, Mr. Sherman's standpatism needed no indorsement; his record is a guaranty that no beneficiary of special privileges will be disturbed. It was Congressman Sherman who, in a speech in the house on the 18th of last April boastfully declared, "We recognize the fact that we have a Republican majority in this house, that is ready to resort to every legal, every proper constitutional right to enact such legislation as it deems for the best interests for the greatest number of our people, and which is willing and ready to accept full responsibility for all those measures which are introduced here and which are not enacted into law."

False to Blaine and McKinley.

The Republican platform suggests that there should be a maximum tariff and a minimum, the maximum to be used in retaliation and the minimum in ordinary cases. This is merely adding delusion to procrastination and uncertainty. We have prominent Republican authority, Senator Dolliver and Senator Hanna, to prove that in the present law the rates were knowingly made higher than necessary with the understanding that reductions would be made to secure foreign trade. Mr. Dolliver said in the senate on January 13, 1903: "It is true that in the bill which he (Mr. Dingley) reported from the committee on ways and means he did put duties up for the express purpose of having them traded down."

Mr. Dolliver insisted that the rectifying provision in the Dingley law was as distinctly a part of the tariff policy as the coal schedule and even pointed out that "not one line of the wisdom of James G. Blaine remained on the statute books," and that not a step had been taken to fulfill the purposes of the last Buffalo address of President McKinley. And yet the very men who present this new plan prevented the carrying out of the old plan.

"Interests" Write Tariff Laws.

The schemes resorted to by tariff beneficiaries who have grown rich by taxing their fellows upon the country are too numerous and too novel. Tariff measures which embody the principles of protection are not drawn by legislators, although as a matter of courtesy the general lines of legislation are really drawn by the representatives of the interests which demand protection. These representatives go to the committee on ways and means and tell them what they want. It is a struggle of selfishness, and it has been the secret as to the origin and the operation of the laws which are designed for the benefit of the wage earners, it can be traced to the door of the manufacturers who have appropriated the trust fund to their own use and have paid their employes only such wages as trade conditions compelled.

Tariff's Relation to Wages.

The Homestead strike occurred after the Republican convention of 1892 but before the Republican candidate wrote the letter of acceptance. He could not ignore the strike, for it presented an object lesson which even a high tariff Republican could not fail to see. So Mr. Harrison, the candidate, referring to the strike, said:

I regret that all employers of labor are not just and considerate and that capital sometimes takes too large a share of the profits."

Too large a share of the profits? Nay, more than that. The protected manufacturers have secured by means of a tariff of more than 100 per cent a percentage paid to workmen in wages. The net profits of the steel trust last year were just about equal to the entire amount paid in wages, and the wages constituted less than 25 per cent of the total value of the product. According to this statement, each working man employed by the steel trust earned, on an average, not only the amount paid to him, but 100 per cent profit besides for his employer. And, I may add, while these beneficiaries of protection have been pretending to make the tariff laws for the direct benefit of the employes, these same employes have, as a rule, been kept close to the hunger line while many of the employers have become the possessors of the "swollen fortunes" which now menace the nation's morals as well as its business.

And yet the Republican party was not willing that a single item on the steel schedule should be touched, and the Republican campaign committee will not dare to publish, before the election, the contributions that have been made or will be made to the Republican campaign fund by the men most largely interested in the steel trust.

Confession of a Trust Magnate.

Let me show you how the tariff operates. I have here a statement made by H. E. Miles, chairman of the tariff committee of the National Association of Manufacturers and head of the agricultural implement trust. The statement appears in the American Industries of November 15, 1907, a paper which is now supporting the Republican ticket and making a special fight against the labor plank of the Democratic platform. Here is what Mr. Miles says:

"I have made money every year out of the tariff graft. Not much, but still a little.

"The tariff barons raised their price $50,000 to me. I made a charge against the jobber of $60,000 and I know that he charged more than $70,000 for the $60,000 he paid me. Before reaching the consumer the $50,000 charge became about $100,000 to be paid by the agricultural consumer.

"The manufacturer who would prosper must make a double profit, one by the shrewd management of his business and another by still shrewder manipulation in Washington.

"We have no great difficulty in shopping abroad for we could get as high prices as at home. We are so held up, however, by our supply people that to most of us there is very scant profit in foreign business.

"When congress gave us 45 per cent, we needing only 25 per cent, they gave us a congressional permit, if not an invitation, to consolidate, form one great trust and advance our prices 25 per cent, being the difference between the 20 per cent needed and the 45 per cent given."

Mr. Miles shows how the tariff raises prices to those who, in manufacturing, have to buy other manufactured products. This expense is transferred to the next purchaser. The jobber charges a profit on the tariff as well as on the cost of the article, and each person who handles the product collects a profit, so that, according to Mr. Miles, the first charge of $50,000 becomes $100,000 by the time it reaches the consumer.

Mr. Miles in another article estimates the total loss to the people at $600,000,000 annually. The statement that Mr. Miles also shows that the tariff law is an invitation to consolidate, and that having been given the tariff on that theory, that it is needed, the manufacturers naturally assume that it is intended that they shall take advantage of it, even if they have to combine to do so.

How will Mr. Taft explain to the average man the benefits of protection? He can easily convince a trust that it profits by the tariff, but what about the victim of the trust?

"Reform by Its Friends."

No Republican leader will now deny that reductions ought to be made, but who is to make the reductions? The only answer given by the Republicans is that the tariff ought to be reformed by its friends that is, that those who made the last tariff law should be entrusted with the making of a new tariff law. But suppose the people adopt the Republican idea and entrust the making of the tariff law to Republican congressmen; what will be the method of procedure? Fortunately for the voter Mr. Miles explains this also. In the April, 1905, number of American Industries Mr. Miles says: "The people instruct and trust congress to grant just, equitable and ample protection."

The Trusts' O. K. on Everything.

Is not that just what the Republican leaders claim to favor? They want you to "instruct and trust congress to grant just, equitable and ample protection." And what does that mean? Mr. Miles says that congress "trusts the ways and means committee." And a Republican leader will tell you that this is also proper. Then what? Mr. Miles says that "this committee trusts such persons as Mr. Dalzell," and that these trust the trusts.

The method of procedure is simple. It is a matter of confidence. The voters have confidence in Republican leaders; the leaders have confidence in a Republican congress, a Republican congress has confidence in the ways and means committee, the ways and means committee has confidence in the men who represent the trusts, and the trusts have confidence that the Dingley tariff law and thus secure to the trusts the right to levy tribute upon the public. So accustomed have Republican leaders become to allowing special interests to write the schedules that so eminent and conservative a man as Senator Hoar of Massachusetts said, in advocating the appointment of a tariff commission: "Before the senate committee, before the house committee coming before your committee, coming before you for a formal hearing on any of these industries, I thought the best way was to carefully prepare myself on the various industries, one by one or in all and ask each of them which it chose to go over them with certain what the duties should be in each case, and if there were any case where the committee and myself could not exactly agree that the matter should be referred to the senate or had better be left as it was, the question, I thought, would be presented to you, but I find in practice that the committee of the house of representatives and the committee of the senate on finance have not the time to go over the schedules in detail, and the consequence is that the whole matter is left to the representatives of the protected interests, and they have practically framed the tariff bill."

Mr. Taft admits that the tariff is framed by the beneficiaries of protection, and he says that the Republican party is pledged to continue the present system. Is it not time that the people were heard from?

Graduation at Revenue Basis.

[illegible] the tariff to the [illegible] the difference between the cost of production abroad and the cost of production at home, plus a reasonable profit, is to be ascertained [illegible] the tariff is to be graduated [illegible] the tariff is to be reduced [illegible] the tariff is to be increased [illegible] the tariff is to be changed [illegible] the tariff is to be left as it is [illegible] the tariff is to be abolished [illegible] the tariff is to be maintained [illegible] the tariff is to be revised [illegible] the tariff is to be [illegible]

Bulk of Tax to the Collector.

[illegible] the tariff is to be [illegible] the tariff is to be [illegible] the tariff is to be [