

TO

GROVER CLEVELAND,

\* \* LEADER \* \* STATESMAN \* \* PATRIOT \* \*

WHO WAS, AND IS NOT, AND IS TO COME—

BY EXPRESS PERMISSION

THIS

———music centred in a doleful song  
Steaming up, a lamentation and an ancient tale of wrong,—  
Full the tale of fearful meaning, and the words are strong,—  
Chanted from an ill-used race of men that cleave the soil,—  
Sow the seed, and reap the harvest with enduring toil,  
DOLING DAILY TARIFF DUES of wheat and corn and oil,  
Till they perish——

IS DEDICATED BY

THE AUTHOR.

# TARIFF REFORM.

## ADDRESS

BY

PROF. W B SMITH,

OF COLUMBIA, MO.

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## INTRODUCTORY NOTE.

The following address was delivered at invitation of the Democratic club of Columbia, Mo., February 8, 1890, under whose auspices it is now published. The wish of the club has been met in retaining exactly the original form and contents of the address, as the latter appeared in the *Missouri Statesman* of February 12, where the extempore peroration was merely summarized; but in the *supplement* a number of points untouched in the address have been subjected to brief but not wholly inadequate treatment, whereby it is hoped that the reader may be helped in some measure toward a correct judgment upon the supreme politico-economic question of the day.

W. B. SMITH.

COLUMBIA, Mo., April, 1890.

## ADDRESS.

*Gentlemen, Fellow Citizens :*

It has already been declared in this presence, under what circumstances I appear before you. On last Thursday afternoon a note was brought to my class-room from my honored friend, Prof. Tiedeman, announcing his serious illness and requesting me to fill, as well as might be, his engagement to address you. Burdened to the very limit of my mental and physical strength with teaching the austere subjects, I was at first minded to decline the request, even though it proceeded from my fellow-teacher and fellow-student. And certainly, if I had any reputation as a speaker either to make or to lose, it would be the part of wisdom for me to keep silent, though it be in forty languages, for neither from art nor from nature have I the priceless gift of ready deliverance, on any subject. *Mina* is what the Frenchman call "stair-step wit",—always a few minutes late. In fact, I might easily write a handsome volume of the good things I might have said on various occasions, but did not say. Especially, however, such a great and momentous theme as the Tariff, it looks almost like a profanation to treat in a hasty, or superficial, or inadequate manner, and that such must be my manner of treatment is evident indeed from the circumstances that attend my appearance, and you will all concede it before I have done. Nevertheless, all these weighty considerations are outweighed by a single one in the opposite scale, and that is this: The cause of Tariff Reform is too dear and sacred, its importance is too sublime and overshadowing, and the odds against which it contends are too vast and tremendous for any advantage even the smallest to be thrown away, for any opportunity even the slightest to be neglected. Here now is a chance to do some good, however little, at a sacrifice however great of personal convenience and preference, and I should be false to my duty as an American citizen, false to eternal truth and justice, false to myself, false to my God, in allowing any other considerations than those of the common weal to dictate my decision.

A FARMER HIMSELF.

According to my information, this meeting is held largely in the interest of the farmers of this county. Assuredly my services are

rendered not the less readily on that account. If there be one element of our population which, more than another, enlists my hearty sympathy in its struggles and aspirations, one element whose ears I would fill with the clangor of a trumpet calling them to awake, arise, or be forever slaves to the vilest of all tyrannies, the tyranny of ill-gotten wealth extorted from the many by the few under the compulsion of iniquitous legislation, if there be one body of my countrymen whom I would startle as with thunder from the treacherous sleep of fancied freedom but real serfdom, it is the farmers. And why not? I, too, sprung from the soil. I, too, am one of them; all their joys and griefs, their trials and triumphs, their hopes and their disappointments, are known to me not by report, not by observation, but by actual experience. The earlier years of my life were passed on a farm in this state, at the hemp-brake, in the tobacco-patch, amid the waving corn-fields, in the wake of the cradle and the reaper. It was by wagoning wheat ten miles to St. Joseph, with a yoke of oxen, by following a double-shovel plow behind dun-colored, sway-backed, but strong and tireless Pompey across a thirty-acre field, by driving the corn to market in the guise of fatted Berkshires, that I made the money which supported me three years at a seat of learning. Pitch-fork and hemp-hook, plough, hoe and shovel, scythe and cradle, spade, ax and grindstone—the manifold implements of husbandry—all these have I known from my youth up. It is on the farm that my mother and sisters, and my remoter kinsmen, still wage the struggle for existence against the hellish devices of eastern gluttony, it was on the farm that my father, the most unoffending of men, in whose innocent presence the tongues of malice and hatred were palsied and could not wag, it was on the farm and in the name of freedom that he was assassinated by a hireling ruffian. Is it unnatural or incredible, then, that the farm still enchains my thoughts and affections with a sad and weird fascination, that the farmer of all men has a double portion of my deep and lively and genuine interest and sympathy?

#### A DEPLORABLE CONDITION.

You have no need to tell me, my friends, that the condition of your ancient and honorable industry is in the last degree unsatisfactory. I know it already. The evidence of it is direct and palpable beyond all need or desire. While the city of St. Joseph has trebled, four-folded, five-folded its wealth and population, my mother's farm, the scene of my youthful activities, has sunk to half its rental value, and it would be almost impossible to sell it. You can yet live it is true, but who can not, if he will only work hard enough? Why, I know by actual experiment that even a professor at the Missouri

University, by doing double work may make a living. But he can not get fat, he can make little or no provision against a moneyless old age. Neither can you, my friends, fatten upon the rich alluvial soil which pours forth beneath your tillage the most abundant harvests this planet has ever beheld. For you the very honey-comb of nature is turned to gall and worm-wood, the blessings of soil and climate, -God's own benediction outspoken in the early and latter rain is turned into a blighting, withering curse, the voice of love and mercy calling out from heaven is drowned in its own echo from the depths of hell. These are not the words of rhetoric or exaggeration: they are words of truth and soberness, they are spoken amid the snows of the 8th of February, not amid the heats of the 4th of July. The naked fact is that the condition of our agricultural population is relatively deplorable, and is yearly growing worse. I say relatively; for you are not yet paupers or indigent, and you will have only yourselves to blame if you ever become so: you are still and may you ever be the richest, the happiest, the most enlightened rural population that ever trod this planet. Absolutely you are still open to hearty congratulations and I gladly extend them. But relatively the case is far different. When compared with what you ought to be, under the working of just and wise legislation, nay, with what you certainly would be untrammelled by any legislation, your situation must arouse righteous indignation. What comfort, compliment or consolation is it to you, child of freedom and the 19th century, whose herds darken a hundred hills, whose corn drifting in waves of silver rolls on to harvest over a thousand acres, to tell you that you are much "better off" than the European bondman decrepit with the ignorance and palsied with the tyranny of twelve centuries, the puny possessor of a sterile garden and a famishing she-goat? Is it not mockery and insult even to suggest such a comparison? Men of Missouri, yours is by the free gift of God and nature to your own all-conquering right arm a soil that steams to heaven with fatness as from a Noachian deluge, yours is by legacy and inheritance the gathered wisdom of ages, the toil-relieving, product-enhancing inventions of all of all ages and climes and peoples. And yet, I behold you, lords of the earth and its increase, like Sampson shorn of his invincible locks, miserable and impotent, bound hand and foot with the despicable cords and withes of Philistine treachery and outrage. Your farms are mortgaged, your accounts are unsettled, your deposits are overdrawn, your products are not in demand. You ship vast droves of cattle to Chicago, and sick at heart you cast up the reckoning to find, not how much you have gained, but how much you have lost. Nature has spread out before you an ample feast of good things, but before you can lift the viands to your mouth, lo! an obscene and ravenous

flock of harpies from the east have pounced down upon it and borne it away beyond the mountains to the sea-shore where they build their foul nests and gorge themselves with your plunder. What, then, I ask, is the desolating curse which now for half a generation has been settling down upon the fortunes of a populace whom earth and sea and sky, whom art and nature, whom grace of God and intellect of man had conspired and leagued and bound themselves by inviolable oath to make the very minions of prosperity and happiness? What crushing burden, with the weight of twenty Atlantics, bows down your noble energies and prostrates the erect and God-like form of American manhood in the dust? The answer is given in one word: It is that high-handed iniquity, that infamous hypocrisy, that universal legalized robbery, which calls itself Protective Tariff.

NOTHING BUT THIEVERY.

A thief is seldom a respecter of persons. All gold and silver and precious stones are in his eyes strictly orthodox, and he impartially stretches out his hand to all. But that saintly, that canonized, robber whose name is Protective tariff has a very tender partiality for you, my friends, the farmers. He robs me daily; the other day he levied on me a contribution of \$5 in the purchase of a dress, and of about \$7 in the purchase of an overcoat. There is not a man, woman or child in the county whom he does not fleece continually and insatiately. But you agriculturists are his especial pets. All others he holds with one hand and plunders with the other; the farmer alone he has knocked down and stunned and robs with both hands at his leisure. You ask how is this? The explanation is exceedingly simple. A protective tariff is a tax, the sole object of which is to raise the price of imported articles so as to enable the protected manufacturer to sell his products at a higher price than would be possible in open free competition. The New Jersey manufacturer wishes to sell his silk at \$1.50 per yard, the Frenchman is content to get \$1. Accordingly, to enable the New Jersey man to get his exorbitant price, the tariff forbids any man to buy the Frenchman's goods except on pain of paying 50 cents per yard extra as what is called *duty*. Some few will still buy the Frenchman's goods I myself will never buy an article made by a protected manufacturer as long as I can avoid it. I will never patronize a thief though he be my brother, so long as I can buy from an honest stranger, but the majority will buy of the New Jersey man and pay him the extra half dollar. I do not mince words, gentlemen; I call a spade a spade. If a man does not like to be called a thief, the preventive is cheap and ready,—let him stop thieving.

## WHAT THE TARIFF IS.

The protective tariff is an open and outrageous violation of the laws of property. The money you have earned by the sweat of your brow is yours, and no man, nor set of men, no law nor government, has any right to say how you shall spend it. When the eastern manufacturer says to congress, forbid Mr. Jones to buy his silk at \$1 from the Frenchman, or make him pay 50 cents for doing it, so that I may make him pay me \$1.50 for it, and when congress grants his request and Mr. J. is forced to pay \$1.50 for what is worth only \$1, then is he abridged most seriously in his rights of property, he is robbed of 50 cents and the eastern manufacturer is no less a thief because he has begged or most likely bought permission to steal, he is no less a robber because his robbery has been solemnly legalized. Of such robbery under the forms of law you are daily victims. The gigantic highwayman has a thousand eyes and a million fingers. Scarcely ever do you open your pocket-book, to buy for self or child or wife, but he is there at your side and helps himself bountifully. Whether it be axe or hoe or mower or reaper, coat or hat, overcoat or undershirt, gloves or stockings, thread or buttons, salt or sugar, bed-stead or blanket, kitchen-ware or parlor-furniture, drugs or books, pens or paper, cradle or coffin. the omnipresent thief beholds you and plunders you with a smile and a pat on the shoulder. You open your purse to pay for something worth half a dollar in the open market of the world. "Thanks, awfully," says Mr. P. T., which being interpreted means Protective Tariff, and nabs up his quarter. You reach in to get a dollar, and he gobbles up the loose change to the amount of 40 cents. The laws which regulate this thievery are fearfully and wonderfully made, yea, they are past all finding out. Even their makers do not understand them, and often Mr. P. T. himself hesitates, being a very scrupulously moral man in his way, as to whether he ought to steal sixbits or only a quarter. In such cases, however, he always keeps on the safe side; he always takes the sixbits, for safe keeping, and then asks whether he did right or not. If the decision of the courts is against him, he refunds the half dollar. but always to one of his pets and supporters, never to the man from whom he stole it. Would you like an illustration? Well, here is a model one, a genuine beauty. Some years ago the question was raised as to whether certain imported hat trimmings ought to be taxed 50 per cent. or only 20 per cent. True it is that the just principles of interpretation of unjust laws require the lower tax to be imposed where there is any doubt, true it was in fact that the court had already decided the case against the higher tax. Nevertheless, the customs-collector was ordered to collect the 50 per cent. tax until the case could be carried through the courts up to the supreme



court. The high rate was imposed and was collected. The importers paid it, they added it to the price at which they sold the articles to the retail merchants, and these latter added it to the price which the consumer, which you, my friends, your wives and your smart daughters, paid for the articles. You then who hear me, you it was who finally paid this tax of 50 per cent. thus levied. The importers and the retail merchants recouped themselves completely, they were not out of pocket one nickel. But the importers knew the tax was illegal, they brought suit, which dragged its slow length along from term to term, and now within the last month a decision has been handed down from the supreme bench declaring that 50 per cent. rate illegal and commanding that the unlawful excess of 30 per cent. be refunded. But to whom? To you, gentlemen, who paid both the legal and the illegal tax out of your hogs and wheat and cattle? Nay, verily! The illegal 30 per cent. has been paid back, Mr. Tariff has disgorged three-fifths of his plunder, but it has been paid not to you, but to the importers. They charged you the extra price, you paid it, and now this, "the best government the sun shines upon," pays it back not to you but to them. And do you think it a small matter? Well, the total amount paid back to the men who have no more right to it than the man in the moon, is rather more than less than \$7,000,000. Your own share, the share of Missouri in this tax thus levied not only unjustly but also illegally, and then paid back to the wrong man, the amount legally due you, not one cent of which you will ever get, but which is gone forever within the fathomless pocket of our eastern masters, that amount is over \$200,000. You grumble and fret because you are called on to give not \$70,000 every two years to support a university, yet here in this insignificant matter of hat trimmings you allow yourselves to be robbed not only unjustly but illegally to the amount of \$200,000, enough to support for six years your university, and what one of you has ever murmured? Thus it is, gentlemen, that they catch you both going and coming. The very uncertainty of the tariff laws is made to work you at every turn greater and greater injury. The tariff tax varies endlessly from article to article, it winds in and out like the slimy serpent that it is, but on the average it is not quite 50 per cent. For every \$100 worth of manufactured articles which we buy, we have to pay not quite \$50 extra price to feed the eastern harpies. But some one may think that this tax is mainly on articles of luxury, on silks and satins, diamonds and rubies, the countless adornments of table and person, the infinite caprices of fashion. You could not make a greater blunder. It is exactly these goods, demanded only by the rich, that are taxed the least. And the reason for the discrimination is an excellent one. The tariff is a money-making scheme of the rich against the poor and the merely well-to-do.

It would not be possible to carry out this villiany on any great scale against the wealthy,—why, my dear friends, it is almost as impossible to tax a rich man as it is to hang him or to send him to the penitentiary. Strong with the strength both of brass and of gold, he breaks through the meshes of your laws like a lion through a cobweb. Men who are known to have personal property by the millions pay taxes only on a few thousands. Our tariff laws are made by the rich who thoroughly understand that to tax the luxuries very heavily would in the first place be suicidal and in the second place impracticable. Suicidal because they themselves would then have to pay the tariff taxes, and impracticable because they would not do it. Such luxuries may be easily smuggled. The very men who clamor for heavy duties on the necessaries of life laugh over their wine cups at the way they tipped the custom-house officers, and smuggled into port their thousands, escaping the light duty. Besides, it is after all the article of common consumption, the article used by the million, which by its enormous quantity is most profitable to the maker and above all to the tax collector. Accordingly, look over the tariff schedule as it now is, and you will find that the lower grades of articles are almost uniformly taxed the highest, often two or three times as high as the rarer and superior grades; while the clamor now raised at Washington is almost wholly for increase of duties on necessaries. With outrageous hypocrisy they offer to consent to a considerable reduction on high grades and luxuries, if you will only grant them a moderate increase on the low grades and necessaries! While thus the total average of tariff tax is not quite 50 per cent., the average tax for you and me, on the indispensable articles of every day consumption, is close to or above 60 per cent.

#### SMITES THE FARMERS.

Thus far, gentlemen, I have spoken of the tariff so far as it is no respecter of persons, as it robs men of all trades, but especially the poor and middle classes, nearly alike. You, however, the farmers, it smites with a two-edged sword. Not only does it increase by 50 per cent. the price of what you have to buy, but it decreases the price of what you have to sell. It is this last most unkindest cut of all, which will yet rouse you from your slumber and open your eyes to the prodigious wrongs of which you have been made the year-long victims. Very striking and peculiar were the arguments by which the protective tariff was introduced to the favor and hospitalities of our working population. It was not denied that he had a trick of pilfering, but it was solemnly and earnestly insisted that he meant no harm by it, that he was perfectly good-natured and innocent-minded, that it was in fact just a little way he had, which looked queer at first, perhaps,

but yet could not possibly hurt any body, for, it was said, he steals from all alike and he keeps none of it himself. True, he filches from A, but he gives it to B; he filches from B, but he gives it to C, and so on through the whole alphabet; when he gets to Z, he will steal from him to put into A's pocket. The effect of this, it was said, can only be to stimulate business, to revive trade, by keeping the money in circulation! Nay more, it was loudly proclaimed that such was his unrivaled skill in thieving that he could actually make all men rich by universal robbery. By some matchless legerdemain, some inimitable slight of hand, he would literally steal into each man's pocket continually more than he stole out. Thus the original compact of protection was an agreement for mutual help by mutual robbery. The farmer was to pay an extra price for all his manufactured articles, in the first place, and then he was to sell all his own products for an extra price also. And since each farmer and manufacturer in this way would steal from the other a little more than the other stole from him, it was held to be plain on its very face that both would grow rich rapidly, each off of the other; and having thus seen and tasted the delights of such innocent roguery, they would both be willing and eager to take in the day-laborer and the salaried man as partners in their little game. Why not? The more the merrier, and from this three-handed cut-throat euchre they would all arise wise, wealthy, contented and religious. This, and neither more nor less than this, is the doctrine of the home-market, which has been preached so lustily for nearly 30 years, which has almost hopelessly entangled our people in its net of sophistry, and which has brought our farming interests to their present deplorable condition. Ah, gentlemen, the old Greek was right who said 2300 years ago: "Too ready are the minds of mortal men to prefer a guileful gain to righteousness, howbeit they travel ever to a stern reckoning." The home-market argument is the grossest and most palpable logical fallacy: it is worse than that, it is glaring fraud and swindle. But a fallacy, a sophism, which a child could detect if presented boldly in a single sentence, may deceive a whole nation, a whole continent, if diluted and dealt out in homeopathic doses through a whole volume. So, too, a transaction which by itself can by no possibility benefit anybody, it is maintained may enrich a nation, if repeated a billion times from ocean to ocean in all departments of business. The home-market argument affirms this and nothing more nor less than this, that a man may get rich by paying another to buy from him. You are asked to pay the manufacturer an extra price, an enormous extra price, for his product—to what end, for what purpose? To enable him to pay you an extra price for your products! That is what I call paying a man to get him to buy from you. If it is

anything more, if any device of human ingenuity can ever make it anything more, then have I studied logic and taught logic in vain. In a single transaction between man and man, the utter absurdity of the thing stares us in the face; and yet when multiplied a million fold and doubled and twisted into a thousand tangles it is called economic wisdom and the American idea! In the light of such nonsense that man was a true son of genius who bought his articles for a dollar and sold them for 90 cents apiece. "But how can you keep up at that rate"? asked a puzzled acquaintance.

"Why, my dear sir" he replied, "it is the simplest thing in the world; you see I sell so many of them."

#### A ONE-SIDED CONTRACT.

But if the home-market argument is nothing but theoretic tomfoolery, practically it has proved far worse. At the very best it is silly and childish to pay out \$1 extra, in order to get back \$1 extra in return. But what if you don't get it back? What if the other fellow, after selling to you and getting your dollar, forgets to buy from you in return or fails to keep his agreement to pay you back the extra dollar? You know these Eastern men are very busy, and it is not strange that such trifling matters should often escape their memories. Don't you know that their brains are already overburdened, that they are in daily need of tonics and nervines, and that sooner or later nearly all die of nervous prostration? Besides all this, they are very religious, God-fearing men, and it is very likely that they may think you don't need the extra dollar, or fear you might spend it foolishly, and are persuaded that they can employ it far more usefully for humanity by building a church, or giving a picnic to a Sunday school, or buying red waistcoats for the poor heathen. Still again, what if you produce more than your Eastern friend can conveniently use, however accommodating he may be, what if the market should become glutted, and there should be a cut in prices? In that case, it seems to me, you might have to whistle for your money. Now this is precisely what has happened. The western farmer has faithfully kept his part of the contract. He has paid the extra price, the average excess of 50 per cent. over the world-market value, paid it by nickels, by dimes, by dollars, occasionally by fives and twenties, paid it exactly, paid it in advance, paid it without complaint or default or discount. Perhaps no great credit is due him for this fidelity, as under existing laws he could hardly avoid it,—he has made a virtue of necessity. But the Eastern friend has not kept his part of the contract—whether in a fit of absent-mindedness, or in his anxious care for the well-being of his factory hands, or in his consuming zeal for the conversion and civilization of central

Africa. he has forgotten all about the extra price he intended to pay his western customer, he finds the cities glutted with the products of farm and dairy, and he goes round "bearing" the markets, and buying wherever and whenever he can at the lowest rate by any means obtainable. Far be it from me to hint that he is acting wrong in the matter. I know he is a good man and cannot possibly mean any harm by it. He is the farmers' friend true and trusty. But a wise man once exclaimed "Save me from my friends, and I can take care of my enemies." Where now are you to seek salvation? What, I repeat it, what will you do to be saved? Will you double your products, raise more corn and wheat, increase the size of your hogs, enlarge the number of your cattle? Why, your barns are already bursting with plenty, your cattle and sheep and hogs already crowd the stock-yards. The trouble with you is not under-production but over-production; you produce enough and more than enough and more than enough; for that very reason you can get nothing for it. As a defect in supply of 10 per cent. will raise the price 30 percent. so an excess of 10 per cent. will reduce the price by 30. You can never relieve a glut of products by more production, as well try to empty a pint cup by pouring in more water. The manufacturers are wiser. They relieve the congestion in products and prices by forming a trust, calculating carefully the probable demand, setting to work enough mills to meet that demand at paying prices, shutting down the others and discharging the workmen. But the farmer can hardly proceed similarly. He must cast his bread every year upon the waters. The fate of his crop is not in his own hands but is at the mercy of the elements, the wind, the rain, the frost, the sun, the lightning and thunder. When he sows 100 acres in wheat he knows not whether he shall reap 3,000 bushels, or turn it under and plant it in corn. True it is, then, that to increase his production can bring him no relief but rather aggravate his distress; but it is equally true that to attempt to restrict his production would be rashly to court disaster. What then? Is there no hope in any quarter?

#### THE WAY OUT.

To my eyes there is but one visible. If you cannot sell your produce at home you must try to sell it a broad. The earth is large. After all we are but a small fraction of its population, even of that which is civilized. In capacity and faculty for agricultural production we easily lead the world at present, and it is impossible to see what other people can ever hope to outstrip us. The Mississippi valley is manifestly by nature and destiny the granary of the globe, and if we forfeit this destiny it will be our own fault solely. Europe, South America, and even Asia, the planet itself lies before us as our willing, natural and reasonable customer. Why, then, do we

not enter in and take eternal possession of the food-markets of the world? The answer glares at you, gentlemen, from the records of congress, it glares at you from every table of prices current, it shrieks at you from the daily press, through the census statistics, through the reports of foreign commerce. We have voluntarily thrown away the market of the world for the so-called home-market, for something we already had, and which no earthly power could take away from us. We have been like unto the greedy dog crossing a bridge, with a bone in his mouth. Grasping at the shadow, he lost the substance. Our European and South American neighbors are willing and eager to trade with us. But we will not let them. We have built up all around us a Chinese wall of protective tariff. We fine heavily, to the average extent of nearly 50 per cent of the amount of the transaction, every impudent foreigner who offers to trade with us, who offers us superior goods at one-half the ostensible cost of our own production. What infinite nonsense! In the name of common sense, gentlemen, how can we expect the Gentiles to trade with us unless we trade with them? Does it not take two to make a bargain? How can the rich man expect the poor man to pay except in labor? Not even the richest nation on the globe can pay for its purchases in coin, it must pay for them in the daily and yearly products of its industries. Why, a single year's buying and paying in coin, without selling anything in return, would bankrupt the most opulent of nations. The law is as fixed, universal and immutable as the decrees of God: He who would sell must buy. In high-flown pride of the glorious possession of half a continent, in boundless conceit of our vast resources, our Anglo-Saxon manhood, our energy and ability and industry, the princely heritage of ages of civilization and freedom, but still more in our insatiable greed of unreasonable and unnatural gains, we have fondly fancied that the nations would keep buying from us after we had quit buying from them, that they would be so eager for our commodities as not only to pay double price, but also, when they could no longer sell in exchange to us, to empty into our overflowing treasury all the coin in their coffers. Thank heaven, we are at last startled from this dream of avarice and vanity. We have kicked against the great high altar of justice, we have scorned and violated openly and insolently the God-ordained laws of society and national intercourse. Deeming ourselves the very elect and anointed sons of God, we have forgotten the scene on the temple, we have hearkened to the voice of the tempter whispering in the ear of our vanity, we have precipitated ourselves from the pinnacle of prosperity and commercial supremacy, trusting that angels would keep charge of us and would bear us up, lest we be dashed against the rocks of financial disaster. Ah! gentlemen! that was a dreadful mistake!

Our internal commerce is indeed vast, but it yields no adequate return to the final producer. Our foreign commerce is prostrate. We cry out daily in the market-places, our voices are heard on the streets, but not heeded. We, the chosen people, offer our wares for sale, but the Gentiles wag their heads and pass by. England buys her wheat in Russia and India, the growing thriving republics of South America transact the great bulk of their trade with England. There is a like tale to tell with respect to all the other nations. Germany cannot sell us her products of art and science, her books and instruments of precision, for we stupidly refuse to let our people buy such things, except under the penalty of a fine reckoned as at least 25 per cent on the cost price. I myself must have such things, they are tools of my craft, and I have them sent to me directly from Germany. But what does the government do? Ask Col. Hodge, ask Mr. Elkins, our post-masters. They will tell you that the government promptly fined me, and that they had to retain the books until I appeared at the window, like a criminal at the bar of judgment, and paid that fine to the last farthing. Is that true, Col. Hodge? if he be present. And what was my offense, that I was thus arrested and mulcted like a common malefactor? Will some one plead in extenuation of the robbery that the government needs the money? By no means! The government has already millions more than it can honestly spend, and is tearing its very hair out in frantic efforts to get rid of the surplus. No gentlemen, my sole offense was that I preferred a good book made in Berlin to a bad one made in Boston; or sometimes that I needed and bought a book published in Germany on a subject not treated in any American book whatever. But "the Gods are just and of our pleasant vices make whips to scourge us."

#### A TWO HANDED GAME.

If we will not buy from Germany, neither will nor can Germany buy from us. It is a game two can play at, and now the German shuts out our wheat and lard and bacon, and the price of these farm products falls in our markets below the level of remunerative production.

Summoned suddenly and unexpectedly to address you, I have had no time to collate statistics and prepare them for presentation, though such statistics, fully confirming every statement here made, are in the air all around us, flying abroad on the sheets of our papers, thick as flakes in a snow-storm. One illustration, however, I have at hand, which is so clear-cut and striking to be passed over unmentioned. It is that of the silk industry. Although self-repetition or self-quotation is my pet aversion, yet you will allow me to read a short extract from a lecture delivered here before the law

classes just two years ago on "Tariff for Protection." (Here the speaker read an exhibition of the silk industry, showing it to be not a producing but a consuming industry, inflicting a loss yearly on the people of \$13,000,000, greater by \$2,000,000 than the whole sum (\$9,000,000) paid in wages to the workmen, increased by 10 per cent. interest (\$1,900,000) on the capital invested; so that it would have been a gain of \$2,000,000 yearly to the consumers of silk to have burned down the factories, paid the owners 10 per cent on the capital thus destroyed, paid the workmen full wages for doing nothing, supporting them in elegant leisure. The loss was inflicted in the extra price paid for the American silk over the French silk. The people paid the manufacturers a bonus of \$2,000,000 for making silk dear! But this was only one side of the injury. As we bought so much less from the French, they were forced to buy so much less from us. Not only was the price of silk put up, but the price of wheat, hogs, sheep, and cattle was put down through the decreased foreign demand. The rule of the tariff was an excellent one for the farmer! It worked both ways for his ruin!)

THE FARMER IS THE SUGAR PLUM.

Now you see, gentlemen, why it is that I pronounce the agriculturist to be the especial sugar plum of Mr. Protective Tariff. Ah, gentlemen, he delights in you with a cannibal affection passing the love of women. He reminds me of the pious ejaculation of the Feejee Islander: "Good, fat missionary! Me love him!" By the operation of our ingenious tariff laws, the prices of what you have to buy are raised on the average say of per cent.; by the operation of these same devices of the devil, the prices of what you have to sell are lowered in like measure. Others, it is true, are not permitted to buy at cheap rates, but you alone are not allowed to sell at high ones. Thus it is, gentlemen, that they catch you both going and coming. They knock you down and then kick you for falling. Between the upper and the nether millstones of high rates for what you buy and low rates for what you sell, calmly and mercilessly they are pulverizing you into the common dust of slavery and poverty. Surely, gentlemen, these are the veritable mills of the gods, of which that sage old Greek, Philostratus, sang 2,000 years ago:

The mills of the gods grind slowly,  
But they grind exceeding small:  
Though with patience stand ye waiting,  
With exactness grind they all.

I suppose there is not one present who is not keenly and painfully conscious of the steady decline of agriculture in the matter not of product, but of profit; but if anyone should doubt it, let him look



at this map of the abandoned farms in New England; let him read the partial statistics of the mortgage indebtedness of our western farmers, statistics which the interested parties are calling for, in their entirety, but which the appointed chief of census refuses to take, which he is afraid to prepare and publish, because they would show the disastrous working of the tariff iniquity, that tariff which he is pledged to maintain and in whose interests he was called to his present position, where many believe he will prove himself to be a most expert doctor of statistics.

But some one will protest and say that the prices of manufactured articles have fallen under the protective system. Undoubtedly! No power on earth could have upheld them in the face of the increasing mastery of man over nature and the increasing productiveness of human labor armed with the million-fold might of steam and electricity and the accumulated wisdom of all ages. But the fact remains unimpeached and unimpeachable, that altho the prices of manufactures have been steadily falling for the last half generation, yet have they been all along kept at a much higher price in the United States than in England and in other countries open to her commerce. In fact, it is the sole and exclusive design of a protective tariff to raise the price in the world-market, so that the home manufacturer may be able to compete at high prices with the foreigner at low prices. The protective tariff has no other ground of being whatever; if it does not do this it does absolutely nothing, it is a dead letter. Doubtless there are on our statute books some such dead letters, and these few and insignificant examples the friends of Mr. P. T. are apt to quote in argument. So, too, gentlemen, on every organism there are dead and dying tissues, but the serpent is not dead because he casts off his skin at springtide; the tree is not dead because it sheds its leaves and shakes down a few sapless switches. It is not the insignificant dry and withered twigs on the Upas-tree of protection that we complain of, it is the massive trunk, with its broad and towering branches, thick with dank and poisonous foliage, which every year shoots wider and higher its death-dealing arms and casts over all your fair possessions the deepening shadow of death. This is the baneful and vigorous growth at whose root you must lay the axe of utter extirpation. But to return, in the lecture already quoted I have proved and proved beyond controversy by an exhaustive analysis of the movement of the whole body of prices through ten years, that the effect of the tariff has been not only to keep up the price for us above the price in the world-market, but also to retard greatly the natural and inevitable absolute fall in prices. And now to show you in a single expressive instance the unimpeachable fact of the continued existence of this extra price and

to show further what an enormous loss, what an irremovable burden, it has entailed on you and all your descendants, in the mere construction of railways, let me read you this table of prices of rails in England and in America. (Here followed a table of prices per ton of rails in England and in the U. S. from '71 to '83. By simple multiplication and addition it was shown that the total extra price paid for rails in these 13 years was in round numbers \$200,000,000; the yearly interest on this enormous sum, anywhere from 10 to 20 millions of dollars, our people are paying, have paid and must keep on paying to the "last syllable of recorded time"—paying silently, paying unconsciously, paying unintermittently in overcharges on freight and passenger transportation. The table is appended and enlarged in the supplement. The speaker then continued:)

I might spend all day in reading you such illustrations. But one is a dose. You may judge of the dimensions of the giant from the size of his foot.

#### THE BOND OF INIQUITY.

Such then, gentlemen, is the gall of bitterness and the bond of iniquity in which you now find yourselves. How shall you escape? By subsidies to shiplines? Such is the remedy of Mr. Blaine. It is a homeopathic prescription. Like cures like, say some physicians. The farmer is overwhelmed with indirect taxation, his very blood is drained from his famished veins, to support men in losing businesses, to turn non-paying industries into paying ones. How shall we cure him? Why, says chief-surgeon Mr. B., bleed him some more, give him more taxation, make him support another crew of parasites, of men making enormous profits in what they insist is a losing business.

The speaker then glanced rapidly at the other nostrums cried up by political quacks. One was a bounty for wheat exported in American bottoms! It was the old story of how not to do it! The cloven hoof was shown in the restriction to American ships. It was a cunning device to fasten on the people, especially the farmer, another losing business, and make him support it. It would be but a repetition of the colossal follies of France, Russia and Germany, in encouraging by bounties (or drawbacks) the beet-sugar industry—follies in whose uncanny presence the statesmen and economists of those countries now stand hopelessly perplexed and non-plussed; follies which have indeed enriched a few manufacturers but have only aggravated the distress of the masses; follies which have benefited England and England only, where sugar is sold for half its price in the countries of its manufacture, where new industries have been born from its unnatural

cheapness, where the rate of consumption of sugar per head is much the highest on our planet. The situation might be summed up in a single sentence: France, Russia, Germany have the industries,—England has the sugar; they make it, she eats it.

AN UNCEASING WARFARE.

In conclusion, there were many ways to beat the bush, but only one way to start the hare. The head and front of moral and commercial offending was the protective tariff; that must be crushed. The speaker disclaimed all thought of making a political narangue. He was not a partisan democrat but an independent, a mugwump, if you please, acting with the democratic party. To that party were now committed the sacredest and supremest moral and commercial interests of the whole people. After years of blind wandering it had at last found an idea and also a leader. That idea was tariff reform, that leader was Grover Cleveland. He alone of American politicians represented the people. These had no spokesman in Congress. Wool had its spokesman there, and silver its champion,—yes, iron, silk, pork and beans, hides and leather, fish and fowl, tobacco and whiskey, all these material interests had active and able representatives: but for the people there was no speech, no language, their voice was unheard.—For himself, the speaker, the tariff was not a party, not a political, not even merely or mainly an economical, but above all a moral, question. The present protective tariff was a commercial folly, a political hypocrisy, a legal iniquity, a social outrage, a moral crime, and he would omit no opportunity in sickness and in health, to wage against it uncompromising warfare, and with all the armory of body and soul and spirit.

## SUPPLEMENT.

In the pamphlet "*Tariff for Protection*," published in the spring of 1888, all the arguments by which protection authorities recommend their system to the voter, or seek to vindicate it before the tribunal of Reason and Economic Science, have been passed in review and clearly exposed as, at best, ingenious fallacies. The discussion there, moreover, is by no means confined to confutation, but the absurdity of the Protective Tariff is deduced from the axioms of economics and the principles of common sense, while at the same time its disastrous influence, especially upon the Mississippi Valley, is proved, explained, and exemplified. The discussions of the last two years have added little to the proofs and disproofs there gathered together, and it is believed that the pamphlet in question still contains all that is necessary to the formation of a correct and intelligent judgment upon the subject. Nevertheless, no cat has so many lives as a Pennsylvania sophism; no Proteus, no chameleon can change form and color so rapidly. In the worn-out, cast-off arguments of the British Protectionist, his American brother parades and poses himself with all the pride and self-complacence of the plantation hand in the faded garments of his master. He really seems to think the suit is brand splinter new, because it has been freshly furbished up and put on again. It may indeed be troublesome to keep on cutting off the heads of the Hydra, knowing that they will surely sprout up anew, but the supreme moment of the interest at stake lightens the toil. Let us, then, see what the most recent and able defenders of protection, such as Messrs. Reed, Blaine, Morrill, McKinley, have to say for their client.

### A. THE ARGUMENT FROM HISTORY.

In his reply to Mr. Gladstone, Secretary Blaine appeals confidently to history as justifying the existing Protective Tariff. He is willing to grant that Free Trade may be a good thing for Great Britain, but our experience, he holds, shows it not to be good for us, the United States. He does not defend Protection as an idea justifiable in itself, as a Scientific system, but merely as an experi-

ment that has worked well with us, and he concedes that free unrestricted trade among nations is the one finally desirable, if at present unattainable, state of affairs. Mr. B. appeals his case to history. To history let it go. But of the *facts* of history, no person can get even an inkling from his argument. What are they, then? The first twenty years of our national existence, from 1789 to 1808, were years of practically free trade and of rapid and natural growth. Imports rose by unequal but steady steps from \$29,200,000 in 1791 to \$138,500,000 in 1807; the average for three years, 1791-93, was 30,600,000; for three years, 1805-07, it was 129,500,000—an increase of nearly 330 per cent. Our exports rose from \$19,000,000 to \$108,300,000. The average for 1791-93 was 21,900,000; for 1805-07 it was 101,800,000—an increase of nearly 365 per cent. Surely there was never a more consistent and gratifying exhibit of prosperity. True, our principal occupations were commerce and agriculture; there was little manufacturing on a large scale, though artisans of all kinds, such as carpenters, masons, blacksmiths, millers, abounded and plied their trades at very remunerative rates. *Wages were much higher* than in Europe, as was quite natural and even necessary in a new country where the demand for labor was great and where the countless new avenues and openings for its employment rendered it exceptionally productive. The only reason why our people engaged little in manufacturing but mainly in agriculture and the carrying trade was a perfectly good and all-sufficient one—*they could make more money by so doing*. They saw what was manifest,—that it was foolish to make for yourself what somebody else would make for you for less money than your own time and labor were worth. They were perfectly willing for the English or anybody else to ruin them by selling them goods for less than the cost of their own production.

“Why don't you make your own domestic and broadcloth?” might have been asked then as well as now. The answer was then as it might be now. “Because we can't afford it; we have something better to do. You might as well ask us why we don't prefer to make \$1 rather than \$2.” The astonishing growth in both trade and wealth indicated by the enormous rise in both exports and imports—a rise which, continued up to the present, would have swollen the amount to the inconceivable sum of 35000 millions!—whereas the actual figure is only about 900 millions, one fortieth!—this astounding prosperity is a complete vindication of the plain teachings of common sense—that the right thing for any man to do is that which he can do best, most profitably to himself and his fellows. It is not only greedy but it is also foolish to grudge another the business of working for you at a lower rate than you can work for yourself, to abandon yourself a good employment in

order to drive him out of a bad one. It is like a dog that drops a good piece of meat, to deprive another dog of a bone!

Such is the record of low tariff, or none, up to 1808. It was no fault of the wise patriots who guided the early destinies of the republic that this policy was not continued. But Europe was in the agony of the Napoleonic struggle. On the 21st of October, 1805, "the greatest sailor since the world began," Lord Nelson, having held Admiral Villeneuve for two years blockaded in Toulon, and having afterwards chased him back and forth across the Atlantic, at length forced him to battle off Cape Trafalgar and there well nigh annihilated the Franco-Spanish fleet collected for the invasion of England. And now absolute mistress of the seas, England declared the whole coast of Europe from Brest to the Elbe,—800 miles—blockaded. Napoleon replied by the decree of Berlin, which professed to blockade all England! By a second Order in Council, in 1807, Britain forbade America to trade where her own flag was shut out, and summoned all our traders, except with Sweden, to touch England and pay duties! Napoleon hurled back the "Milan decree", declaring any ship a lawful prize which submitted to British search—but with his navy at the bottom of the sea, this was thunder without lightning. Of course the United States felt uncomfortable, thus placed between the two edges of the Franco-English scissors. But how escape? Among many absurd expedients proposed, the absurdest was adopted, namely, to *starve* Britain into good behavior by an *embargo* forbidding commerce generally, which was afterwards (1809) softened into a *non-intercourse act*, which shut the doors only on England, France and their dependencies. Then followed the war of 1812-1814. Of course imports and exports fell at once, the former to \$57,000,000, the latter to \$22,400,000, and strictly domestic exports from \$49,000,000 to \$9,000,000. Cut off from trade with Europe, we were forced to manufacture at home. Cotton and woolen factories, as well as furnaces, sprang up on all sides, the whole eastern shore resounded with the roar of looms and spindles and forges. The number of cotton spindles sprang from 8000 in 1807 to 31,000 in 1809, and 87,000 in 1810! Manufactures of wool and iron felt a similar stimulus, tho concerning them such exact data are not at hand. The output in woolens rose from \$4,000,000 in 1810 to \$19,000,000 in 1815. But the crisis came. The "loud sabbath" of Waterloo "shook the spoiler down" Bonaparte was exiled to St. Helena, and peace returned to Europe. The restrictions on trade were abolished, and the long dammed-up streams of trans-Atlantic commerce began once more to flow in their accustomed channels. Imports from Europe began to pour in upon America as formerly. The effect upon the vast mush-

room growth of our factories was natural and inevitable. "Badly equipped and loosely managed," many of them became seriously embarrassed and called loudly upon Congress for help. That they needed help was certain, that they deserved it is questionable. Then, as now, the manufacturers as a body clamored for high *specific* duties. They knew that, with rapid improvement in processes of manufacture, the price of the product must rapidly fall, and that a fixed specific duty would just as rapidly rise in its protective power. Thus, a duty of 5 cents would only be 20 per cent. while the price was 25 cents, but as the price fell to 20, 15, 10 cents, the duty would rise to 25, 33½, 50 per cent. The greatest of the manufacturers, Francis C. Lowell, inventor of the Lowell power-loom, after whom Lowell, Mass., was named, did not endorse the high protective views of his New England friends, but was content with a duty of 25 per cent., with a minimum specific duty of 6¼ cents per yard. This was granted by congress in 1816, to last for 3 years only, then to be reduced to 20 per cent. But the panic was not averted. The year 1819—a year of wild land-speculation—was the dark hour just before the dawn of the new day of modern industrial civilization. The protected interests were unwilling to yield in any measure their hold upon the people. They now began the cry for "more! more!!", which they have kept on shouting ever since. In 1818 the date of reduction to 20 per cent. was extended to 1826, and the duties on iron raised; in 1820 they nearly passed a high protective tariff, failing by one vote in the senate; the appetite grew by what it fed on, and in 1828 an extreme protective measure was passed, which was maintained in its essential features till toward the close of the decade '30-'40.

Such then was the origin of American manufactures and of the American Tariff system, so-called.—in its original intention a mere temporary make-shift. We perceive the former to be a child born out of due time, sprung from the political struggle between Great Britain and Napoleon. We were riding the very crest of the wave of prosperity, under practical free trade, when the Embargo—a game of bluff—at one blow prostrated our commerce and forcibly turned our energies to manufactures, from natural into artificial channels. The time had not come for the natural birth of manufactures, which would almost certainly have followed in a few years, in the wake of increasing population and rapidly accumulating wealth of a people singularly energetic, inventive and remarkable for mechanical ingenuity. The commercial shock given by the Embargo and Non-Intercourse acts, hastened forward this birth and made it untimely. When the natural conditions were restored in 1815-16, we were found with a tender, premature and artificial body of manufacturing industries on hand—hot-house plants not hardy or able

to flourish in the open air. They cried out for a little protection—until they could grow strong enough to stand ordinary weather. Very naturally their cry was heard, and they were protected by a moderate duty. It is a vain because unanswerable question, yet not an idle one, whether even this protection was wisely given. It certainly saved the manufacturers, as a body, from acute suffering, some of the less deserving, from ruin. But it did so by diffusing a milder hardship over the whole people. The Scripture doctrine of one bearing the offenses of many was precisely reversed, and the many were made to bear the punishment of the few. The effort to escape sharp pain in any part of the organism is perfectly natural both in the individual and in the state; but is it always judicious? By no means! The man who takes morphine for every headache, chloroform for toothache, and a heavy dram whenever he “feels bad,” may indeed escape great discomfort, but no physician will account him wise or recommend him to a Life Insurance company. My opinion is that the relief of 1816, while very natural and apparently just and proper, would in reality have been much better withheld. The “badly equipped and loosely managed” factories should have been allowed to perish; their owners would have been neither the first nor the last men to fail in business and then start again. The “fittest” would have survived, and the growth of manufactures, tho not so rapid, would henceforth have been natural, healthy, continuous, and unsustained by any artificial nutriment drawn from the whole people. The precedent set in 1816 was a fatal one. The protection given acted like every other temporary stimulant. Not only did it fail to avert the panic and depression of 1819, but it inflamed the desire and sharpened the appetite for more, so that from that day to this the manufacturers have been besieging the halls of Congress and imploring that body to make the whole people contribute to the support of a special class. Then, in their hour of real need, they begged only for 25 per cent. for 3 years; now, grown strong and vigorous and enormously rich, they demand in many cases 100 per cent. and for all eternity! But even granted, what is so very uncertain and even improbable, that this moderate protection was wisely and justly given to feeble infant industries, is it not the height of logical impertinence to base hereon an argument for a continuance of double this protection to industries strong in the strength of 80 years, rich and prosperous beyond measure? Because we swaddle in the softest textures the premature infant, must we coddle, with twice the care and tenderness, the full-grown hardy and lusty adult? The proposition is ridiculous; the cases are in no sense connected, and no logical movement from the one to the other is possible. One further remark and we leave this first period in the history of protection. The plea of temporary support to



young industries was the stock in trade of the advocates of the tariff. Wages were then much higher in the States than in Europe, but no one thought of that as a disadvantage to the manufacturer, no one called for a tariff to keep up wages—which would have been too ridiculous, since the high wages were present *before* the tariff. On the contrary, this high wage-rate was urged as a *condition favorable* to the manufacturer, a condition which we should take advantage of in the establishment of factories. Thus says the great manufacturer, Shepherd, of Northampton, about 1828: “The *high prices* we pay for labor, are, in my opinion, *beneficial* to the American manufacturer, as for those we get a much better selection of hands, and those capable and willing to perform a much greater amount of labor in a given time. The American manufacturer also uses a larger share of labor-saving machinery than the English.” Exactly the opposite of this is the staple argument of the modern protectionist!

Early Tariff Legislation culminated in the act of 1828. The average rate on total imports in 1829 was 37 per cent., and on dutiable imports 44 per cent.—still considerably below present rates. In 1832 the Compromise act (of Clay) began to scale all excesses over 20 per cent. down by 10 per cent. each year, so as to bring all down to 20 per cent. by 1843. I by no means hold this to be a good method of reducing the Tariff, but the pretension of Mr. Blaine, that it worked disaster and brought on the panic of 1837, is utterly idle and without the narrowest basis in historical fact. It is indeed preposterous on its very face. Consider but for one moment. When the crash of 1837 came with the suddenness of an earthquake, the country was in an apparently highly prosperous condition. There had been no premonitory symptoms of the impending ruin, at least none which were intelligible. As to the Tariff, it was still very high, exceedingly high for any other civilized country. The reduction during the four preceding years had been about 5 per cent. yearly, about 20 per cent. in all and there remained in force a tax of about 34 per cent. or 35 per cent., a tax higher than was ever known in our history before 1825, nearly as high as in 1829. No sign of the approaching calamity was given even in 1836,—a year of seemingly great financial thriving—so that the contention of the Protectionist champion is reduced to this: that the reduction of about 5 per cent. (10 per cent. of the excess over 20 per cent.) in 1837 caused an unprecedented commercial panic! Suppose it did—could there be any sharper condemnation of protective Tariff? Is trade, is industry in robust health when such a slight change of conditions can prostrate it? What shall we say of a stimulant which *must* be taken regularly, when the least diminution of the daily dose throws the patient into a swoon, a spasm, a convulsion?

Surely a wise physician would hesitate to prescribe such an exhilarant, and would rather strive to deliver the patient from such wretched slavery as soon as possible. If we grant, then, the claim of Mr. B., we must unqualifiedly reject Protection; for that is a fatally diseased condition of the commercial organism, in which a remission of 5 per cent., or even 20 per cent., of import duties smites a whole nation with financial paralysis. No, Mr. Secretary. Protection is indeed unnatural and unwholesome, like all artificial excitants, but not in the degree you unconsciously maintain: it does make commerce and industry morbidly nervous and sensitive, but not quite so hysterical as you would have us believe: it is bad enough, Heaven knows, but not so bad as you, its indiscreet confessor, would make it appear. Tariff, in fact, neither high nor low, had anything more to do with the panic in question than did the eccentricity of the orbit of Jupiter. The causes of such disasters are sometimes obscure and hard to trace out, but in this case they lie singularly plain and open to view. Like nearly all sudden collapses of credit, this followed close upon a period of great real but far greater apparent prosperity, which had run into extravagant greed, wanton waste, and reckless speculation. Such was the lustrum from 1831 to 1836. A "boom," a colossal one, had struck the country. Not merely a tide but a genuine freshet of immigration was pouring into the great Mississippi valley. The railroad, dating from 1830, by quickening travel, quickened the whole pulse of commercial life. Cities now began to be born in a day. The sales of public land sprang suddenly to \$3,200,000 in '31, \$4,000,000 in '33, \$5,000,000 in '34, \$15,000,000 in '35, \$25,000,000 in '36. Fortunes were made as quickly as in '87 in Kansas City and Wichita. All you had to do was to buy, and sell at an advance of 50 per cent.,—buy, and sell at another advance of 75 per cent; and since you bought merely to sell again, of course there was no use in paying for anything, you could just give your note, pay it off or transfer it when you sold, and pocket the difference, the margin. The public debt was extinguished in 1835 and Calhoun proposed to divide the increasing surplus over \$5,000,000 among the States, and one such loan was actually made. These too, stimulated by the brilliant success of the Erie Canal, began to discount the future largely and to vote away millions for ill-advised, badly-planned and worse-executed internal improvement. Everybody knew he was himself rich, and felt quite sure his neighbor was. Even staid old Dutch New York City caught the fever, and the assessed valuation leapt from \$104,000,000 in '32 to \$253,000,000 in '36! But this was merest sluggard pace compared with that of Mobile, which fairly strode in seven-league boots from \$1,000,000 to \$27,000,000! Need it be said that such valuations were necessarily in large measure fictitious? that the

stock was watered inordinately? But another feature of the times was even more interesting and more menacing. President Jackson had resolutely grappled with the United States Bank and overthrown it. But to tear down is one thing, to build up is another. Out of the wreck of the old banking system no rational new one had arisen. The Government moneys were distributed here and there through the States among the "pet" banks, as men named them. Over against these, however, stood the so-called "wild-cats" — genuine go-as-you-please banks, born of the riotous excitement of land-speculation and the universal feeling of boundless resources and immense wealth close at hand, to be had for the asking. These "wild-cats," chartered by the State, had no adequate paid-up capital to protect their depositors and issued notes at pleasure without any provision to meet payment. "Only believe that we can pay them"—so they reasoned—"and there will be no reason for asking us to do it." But Jackson was a "hard money" man, a scoffer and an unbeliever. Accordingly, with notable shrewdness, he let things go on, let the bubble of credit expand more and more till about the close of his administration, when he pricked it most effectually by issuing his famous "specie circular." This order forbade land-agents to receive anything but "specie," gold and silver, in payment for lands sold! Of course there arose a demand for specie, the notes began to pour in upon the banks for payment. But the notes had been issued on faith, and not against adequate reserve. Of course the banks could not pay, and they suspended gracefully, with scarcely an effort to meet their obligations. Such was the crash of the spring of 1837! Never before or since in our history as a people had the mine of financial disaster been so carefully laid, the train so perfectly prepared. It needed only a match to produce the explosion, and that match was applied by President Jackson in issuing his memorable "specie circular."

All the foregoing facts are readily accessible to the student of American History, and in the light of them the pretense of Mr. Blaine and others that a slight and slow reduction of tariff rates, 5 per cent. yearly, kept the business of the country feverishly active for four years and then suddenly paralyzed it,—is not only grotesque and ridiculous, it is also brazenly impudent. Such a perversion of history and stultification of Economics is an appeal to the presumed ignorance of the voter, a manifest bravado of conscious weakness. But while history thus positively refuses to show either that there was or that there could have been any connection between the gentle slope in tariff rates from 1833 to 1836 and the precipitate plunge in credit and prices in 1837, it does exhibit one striking and significant economic fact which Mr. Blaine and his compeers have strangely overlooked or forgotten, namely: that the most highly

protected of all industries from 1816 to 1836, the iron industry, *demonstrably* was not helped in its development by the tariff. For before the tariff, during the Colonial period, we exported, not imported, iron. For twenty years after, till 1809, we still competed successfully, in iron-making, with the world; then came the new methods which revolutionized the industry, namely, the use of coke, of the blast-furnace, and puddling. These improvements were introduced in Europe, they lowered the price of iron, importations began to pour in and Pennsylvania cried out for protection against these improvements and the consequent fall in prices. Congress yielded and imposed specific and discriminating duties which ranged from 40 per cent. even up to 100 per cent. in 1828! Herewith was imposed an enormous burden of taxation on all other industries. But was the iron industry advanced and developed? **NOT IN THE LEAST.** In spite of increasing protection the Pennsylvanian merely held his own; he was unable to supply the home-market, as unable at the end of twenty years of protection as at the beginning. Importations increased steadily and almost exactly as fast as the home product. From 1818 to 1838, with very slight variations *one-third* of the iron used was imported. Thus in 1828, the import (in tons of pig) was about 64,000, the home-product 130,000; in 1836 the imports about 131,000, the home-product 272,000. Once more, the home-product increased at a remarkably steady rate, and quite as fast while the tariff was falling as while it was rising, thus: from 1828 to 1838, 130, 142, 165, 191, 200, 218, 236, 254, 272, 290, 308—thousand tons of pig. Still more, however, remarkably and decisively, the new era in iron industry opened in 1838-40, when duties were being scaled down to their lowest: precisely when, according to the Protectionist, it should have drooped and withered, if not died. lo! it bursts out into rich and luxuriant foliage and bloom. It was in 1838 that the first success was attained in using anthracite in the furnace. Thenceforth the development of the industry was sure and rapid, tariff or no tariff. It appears then indisputable, that the protective duties of twenty years certainly did nothing for the promotion of the protected industry, they merely enriched a few producers at the expense of a multitude of consumers. On the contrary, if they affected the general industry at all, they retarded its development, by screening the Quaker from competition, by teaching him to rely on the generosity of Congress rather than on his own ingenuity, and by delaying in this way the introduction of improved processes.

The centre of the sudden and terrific earthquake of 1837 was in the West, but the shock was propagated rapidly eastward. It did not originate among the manufacturers, but these of course felt it, and seized the opportune moment to renew their old cry for help from the people at large. They were only very partially successful.

Rates were put up somewhat under Tyler in '42, but in 1846—so little had the people recognized the panic of 1837 as due to a slight reduction of the tariff, so little had they felt benefit from the partial restoration of rates in 1842—after an exhaustive report by Secretary R. J. Walker, a new schedule of duties was introduced—the lowest since 1816, and the country was committed to a settled and enlightened policy of commercial freedom. What followed is yet fresh in the minds of many now living.

That the half generation, from 1846 to 1861, was one of great and wide-spread prosperity and material progress, perhaps no one will deny. No other period of equal length and of equally high average growth and well-being is to be found anywhere in our history as a people. In the pamphlet "Tariff for Protection," will be found a careful comparison of industrial progress during the decade 1850-60, under an average tariff of 18 per cent. on dutiable and 12 per cent. on total imports, with the double decade from '60 to '80 under an average tariff nearly three times as high. The result turns out favorable to the low tariff *in every particular*. The persistent pretensions that low tariff reduces wages, checks manufactures, and the like, are completely confuted in the following facts there established.

The numbers are the gain per cent. per ten years, first under low tariff, then under high tariff.

	Gain per cent. under	
	Low Tariff.	High Tariff.
Capital invested in manufactures .....	89.38	65.73
Gross products of manufactures .....	85.05	69.07
Net product of manufactures .....	84.13	52.36
Total domestic exports.....	172.50	49.25
Export of manufactures .....	495.30	33.00
Total wealth of U. S.....	142.00	43.00
Average wealth per capita.....	70.00	29.0
Wages.....	16.50	9.6

These results have been laboriously deduced from official statistics and are certainly free from appreciable error. In their presence the constant assurance of the protectionist that lowering the tariff would prostrate our industries, or reduce us to mere agriculture, is manifestly insincere and too ludicrous for serious consideration. But you ask, did low tariff cause the astonishing prosperity of this period? Certainly no sane man will answer *yes*. The *efficient causes* of prosperity, whether individual or national, are in general always the same, namely: the energy, virtue, and intelligence of the people themselves, applied to their natural resources. All that any economic policy can do, but this is very much, is to clear the way for this application of mind to matter, to offer a wide field and full play for the most effective operation of the powers of the nationa

spirit. A low tariff, *for revenue only*, secures the most favorable conditions possible under all the circumstances for the exertion of the forces inherent in the people,—that is all. It can not create wealth, or coerce prosperity, or avert panics, tho it may modify their degrees, intensifying those and mitigating these. Like all other forms of good government, its office is mainly to prevent evil. Its working is clearly and excellently illustrated in the epoch from 1846 to 1861. The wave of prosperity was not raised by the Walker Tariff, but that tariff merely allowed it to swell higher and wider and more evenly than would otherwise have been possible, and than such a wave ever did before or since. It could not keep the people from speculating, from blowing up the bubble of undue credit and artificial prices, from precipitating the “panic” of 1857, but it so modified and tempered the shock that this latter was easily borne and quickly passed away, the natural conditions were soon restored, and a few months saw the country once more thriving and prosperous. The panic came, such as it was, not because of, but in spite of, the low tariff, as such reactions from over-activity and fever of trade always have come and always will come periodically, at uncertain intervals. Is it not ridiculous to suppose that a low tariff enacted in 1846, after allowing the country 10 years of the highest prosperity, would suddenly change its mind, produce a panic, and then as suddenly repent again, and let the people prosper for five years longer? So little did any one at that time suspect the tariff of such waywardness, so well pleased were the majority with its general workings, that in 1857 the rates were *still further reduced*, to the lowest point since 1816, and with such general approval of the manufacturers that Senator Sherman four years after said in congress, “The bill of 1857 is the *manufacturer’s* bill,” while the increased rates of Morrill’s bill in 1861. “were coldly received” by these same manufacturers. Contrast the rapid and complete recovery from the depression of ’57 with the slow and painful and even yet far from complete recovery from the revulsion of 1873. In all three dimensions, in width and length and depth, in space, time, and intensity, in the extent, the persistence and the severity of its action, this latter is incontestably the Prince of Panics. It fell upon the world like a flash of lightning from a serene sky, at the very mid-noon of inflated prices, feverous trade, and perfect Protection! We, the sacred Priesthood of the High Tariff Goddess, we kneeling at her inmost shrine, we burning continually the richest incense at her thousand altars—on *our* heads the cloudless thunder was *first* bolted. The New York and Oswego Midland (railway) started the long procession of failures, Sept. 17. 1873; Jay Cooke & Co. fell promptly into line on the 18th; while within the next twenty-four hours nineteen other banking-houses passed into bankruptcy. Germany almost kept time with the

United States in the race to ruin, while France with Belgium trod close in their footsteps. England, meanwhile, unprotected England, while the swift wave of disaster was foaming wide and high all around her, CONTINUED FOR TWO YEARS LONGER TO PROSPER. Not until 1875 did the general, sudden, and sharp distress of the two continents begin gradually to make itself felt in the British Islands! For five years this panic reigned over us; then three successive bad crops in Europe with good ones in America gave us a breathing-spell; but in 1882-83 the incubus once more settled upon us with added weight for another week of years. It is the nature of acute attacks to be quick alike in coming and going. Only when they find the general condition of the victim unsound and unnatural do they drag after them a long train of suffering. La Grippe in its swift flight over our continent smote all alike with its wing; the strong and well it stunned momentarily, the unhealthy and feeble it left wrestling with pneumonia. So, too, the panic of '73, while not caused, has been greatly prolonged and intensified, by protective legislation, which has diseased and weakened our whole commercial organism, which has involved our whole body of industries in an unhealthy condition, and greatly reduced their powers of recuperation.

Such then is the verdict of history, unequivocal in condemning the appellant protectionist.

#### B. GREAT BRITAIN UNDER FREE TRADE AND PROTECTION.

The wonderful development of Great Britain during the last 44 years under her enlightened and consistent Free Trade policy is a matter of common knowledge. In commerce, and industrial life generally, she easily leads the world. Of this fact, the statistics of her trade offer conclusive proof, and the late Exposition at Paris presented abundant illustration. The material progress of the United States has indeed been still more rapid, but let us remember that she is an old and small island, the United States a new and vast continent. For a new western town to double, treble, quadruple itself in less than 10 years, is neither strange nor uncommon; for an old eastern town, such growth would be miraculous. The present complete commercial supremacy of Britain is well-attested and unquestioned. But not only is this true. Her laboring classes are much the best-paid, the best-housed and the best-fed in the old world. The organization of labor has been carried further in England than elsewhere in the world, and with more beneficent results. The relations of employers and employed are in the main the most satisfactory now existing. The average wealth per capita is greater even than in the United States. What is far more, however, the distribution of this immense wealth is yearly becoming more equable. The few vast fortunes are indeed increasing, yet

slowly, while the average wealth of the lower and middle classes is increasing at a much quicker pace. In other words, the wealth of the kingdom is gradually spreading itself less and less unevenly over the whole population, not heaping itself together in a few families—exactly the reverse of the alarming, the *appalling*, movement of wealth among us. All these are cold, heartless facts, and he is a poor patriot who will try to disguise, distort, or deny them. The intelligent Protectionist admits them, but rejoins that England prepared herself to lead the world in trade, production and consumption, by a long period of rigorous Protection! Ah! indeed! We are reminded of the Irishman who entered a rowing match with a Scotchman. The latter, soon perceiving that the contest was an unequal one, stopped and lay on his oars in mid-stream, then by a bold spurt he shot past his rival and reached the goal several lengths ahead. “Weel, man, ye dinna ken to row agin a Hielander.” “Och faith,” replied the son of Erin, “ye took advantage of me. Oi moight have baten aisily, if oi had *strengthened* myself with a *rest*.” And now, having answered the fool according to his folly, let us complete our obedience to Scripture and answer him not according to his folly, but seriously. While Britain was thus strengthening herself in the race by rest, by rigorous protection, what were her rivals doing? Why, strengthening themselves as fast as possible, also! We too, were *resting* with all our might under very high tariff. So, too, was France. The one blessing of the usurpation of Napoleon III (1852) was the clearing away of much of the protection lumber which lay in the way of French commerce. So, too, was Germany. Not until 1835 did the Zollverein (Customs-Union) partially set trade in easy flow among the German States themselves. England first struck the Free Trade oar into the waters of commerce. Her rivals continued to strengthen themselves with rest. Having out-rested England, having made still greater “preparation” than she, why do they still lag hopelessly behind? But not only is the contention of Mr. Blaine logically vicious, it is also materially false. He represents Britain as extraordinarily prosperous under Protection, and as having reason in 1846 to “feel supremely content.” This is history, not as it is enacted, but “as she is wrote.” Thus, Carlyle was on the ground, in 1843, and said: “England is dying of inanition.” “Of 15 million skilful workers, some two million sit in workhouses, poor-law prisons or have out-door relief flung over the wall to them, the work-house Bastille being filled to bursting.” “In thrifty Scotland itself there are scenes of woe, and destitution, and desolation, such as, one may hope, the sun never saw before in the most barbarous regions where man ever dwelt.” “Oh! yes,” you say, “but Carlyle was a mere rhetorician and a chronic grumbler.” Well then, hear Walter Bagehot, the coolest and clearest of modern



economic writers. "For thirty years succeeding the peace of 1815, England was always uncomfortable; trade was bad, employment scarce, and all our industry depressed, fluctuating, and out of heart. So great is the change of times that what we now call bad trade would then have seemed very good trade, and what we now call 'good trade' would have been too good to be thought of—would have been deemed an inconceivable Elysian and Utopian dream." But perhaps Bagehot is discredited as being a Political Economist. Hear, then, the matter-of-fact historian, Gardiner: "The agricultural and industrial poor were on the verge of starvation." "The revolution struck down in France appeared to be at the doors in England." "The misery was in great part owing to the incidence of the protective system." "The condition of the manufacturing poor was deplorable." "The introduction of penny postage (1840) was a daring step in the face of embarrassed finances." "In 1841 the ministers produced free-trade measures as the best remedy for existing evils" (measures which were rejected for lack of confidence in the ministers themselves). "At last Sir Robert Peel, shaken by argument, proposed and carried the repeal of the corn-duties (1846)." Similar measures followed in quick succession. "The idea which was steadily making its way was the idea of testing all questions by the interest of the nation as a whole, and of disregarding in comparison the special interest of particular classes." These quotations are from S. Rawson Gardiner, in the *Encyclopædia Britannica*, Vol. VIII, pp. 326, 327, 328.—an authority not to be doubted. But why dwell on such a one-sided question? Is it not a matter of common knowledge that Sir Robert Peel was a Conservative and a Protectionist? that he yielded *against his party* to the cry of distress that went up all over England, the maddening cry of the wage-earners for bread! bread!?" that his magnanimous loyalty to his people, rather than to his party, wrecked that party and hurled him from power, tho it "filled the sounding trump of fame" forever with his name? Verily the landowners, who were selling their wheat at \$2.50 a bushel, as well as the manufacturers might have had "reason to feel supremely content," and these and such as these Mr. B., no less than the rest of his party, is prone to regard and treat as the nation, the whole nation; he and such as he, whose only conception of Government is that of a machine for oppressing the many in the interest of the few, a suction-pump for draining off the pennies of the poor into the insatiate money-pools of the rich, it is natural enough that such class-legislators on both sides of the Atlantic still look back with complacency and even regret upon that dismal era, but the power and middle classes regard the legislation of Peel and Russell, Derby and Gladstone as deliverance from a hideous nightmare. Without any tinge of rhetorical exaggeration we may affirm that

whoever maintains that England "had reason to feel supremely content" in 1846, thereby writes himself down as an enemy of the people, as a contemner of their rights, their struggles and their aspirations, as entirely out of sympathy with social reform and with whatever is best and most hopeful, most human and most Christian in our modern civilization. The single grain of correctness in Mr. B.'s characterization of the protective period relates to the mechanical inventions and discoveries that marked it. But will even March-hare madness attribute these or any of them either to the theory or to the practice of Protection? Do steam and electricity, do telegraphy and telephony know or acknowledge the tariff enactments of any Congressional committee? Do the laws of Thermodynamics, of Electro-magnetism, of Universal Gravitation indeed wait upon Pennsylvania and Rhode Island either for discovery or for application? Is the pure and profound science, in which all art is rooted, fostered or furthered by a duty on books and philosophic apparatus? So far from stimulating the inventive faculty, the working of protection has always been to dull and torporize it. And most naturally. It is so much easier to "fix a committee" than to improve a process, to shut out your rival by law than to distance him by energy and ingenuity. It is a notable fact, to which my attention has been called by my friend and colleague, Prof. Tiedeman, that, in the various forms of *unprotected* industries, agricultural, domestic, and other, American genius has conspicuously glorified itself: but precisely in the most highly protected industries, where the dependence was upon lobbying in Congress and the taxation of others, that same genius has won only the scantiest laurels. In that supreme, that all-regulative iron industry, more tenderly cherished, more prodigally protected than perhaps any other, while eagerly and avariciously exploiting the ideas of others, we have made few noteworthy advances of our own. Bessemer, Siemens, Martin, Mushet, Krupp, and others,—names which illumine the pages of the history of iron,—all are the names of foreigners. Pennsylvania may, indeed, claim as her son one man of really great ability—Benjamin Franklin; and he was born in Boston!

#### PROTECTION IN EUROPE.

It is contended by Mr. Reed that Protection meets with more and more favor among the great nations of the continent, France, Germany, Italy, Austria, Russia, and that, therefore, it is wise and proper, an expression of the "saving common-sense" of mankind. The *fact* that a strong Protectionist re-action has taken place in the Powers mentioned is out of question; the minor premise in Mr.

Speaker's argument is conceded. But no argument can stand on one leg, there must be some such major premise as this: "Whatever course is taken by the present Governments is judicious, economically judicious." Is Mr. R. prepared to affirm as much? Is not much of the governmental policy of those nations intolerable both to the head and to the heart of an American? Look at the vast armies of millions of men with which the plains of Europe bristle, consider the enforced military service which robs the youth of from 2 to 4 years of his early manhood, and spreads the contagion of moral leprosy thro all ranks of society,—are we prepared to defend, are we ready to follow this policy? Assuredly nay! Accordingly, so soon as we bring Mr. R. to logical account, his reasoning is seen to fail utterly. The example of Europe proves nothing at all until there is discovered some valid general principle underwhich to range it. But no such principle is discovered or discoverable. The real fact is, that the protective legislation has all along been but time-serving opportunism, but a bundle of temporary expedients, occasional make-shifts, and guided by no consistent rational principle. All these nations their colossal armaments bestride with crushing weight. The taxation necessary is so high that the rulers would not dare try to collect it directly. Accordingly, recourse must be had to indirect taxation, which Colbert long ago recommended as the best way to *pluck the goose of as many feathers with as little noise as possible*. In order to reconcile the ignorant masses to the fearful incubus of a standing army of 2 or 3 millions of men, these governments pretend to exercise a fatherly care over their children in preventing competition, from without, by foreigners; this they do by fining, under the name of a *duty* or *impost*, every one of *their own citizens* who trades with a foreigner, in certain articles. These fines are poured into the public treasury to support the army, the people imagine that the fines have been collected off of the foreigner. The French fancy they are taxing the Germans and Italians, these believe they are taxing the French and Russians, and so on, each living off of all the others. The temptation for a Government, struggling in financial embarrassments, to resort to such smooth and plausible trickery is very great, almost irresistible. The protective systems of modern Europe all lie rooted in some unnatural and unhealthy social or political condition. The immense standing armaments, which have attained their gigantic size within the last score of years, the prodigious sums spent in *preparing for war in order to keep the peace*,—these are the main excuses for the heavy taxation; just as the enormous sums paid out in pensions—which now rush up toward \$150,000,000 yearly, and will soon certainly reach \$300,000,000 under existing laws, not to speak of

others likely to be enacted—will soon be made the plea for indefinite continuance of our tariff-taxation. Mark it well! When overwhelmed with argument on all sides, when driven in rout from every other position, the Tariff-taxer will stand at bay in the last ditch of Protectionism and cry out, "We need, we must have, the money"—to pay the pensions.

Still other conditions, equally unnatural and equally uncivilized, have helped to bring about the present system in Continental Europe. The disasters of the war of '70-'71 prostrated France and turned her excitable people to artificial stimulants. In Germany, Bismarck used Protection as a three-edged sword; to secure a great revenue for the new Empire, to foil socialists by seeming fatherly concern for the poor wage-earners, and, more than all, to build up a powerful class of manufacturers, *favoured* by the Government, having a *money interest* in the Government, and hence ready to support the Government thro thick and thin, by fair means and by foul, whenever support was needed. Such, too, was Alexander Hamilton's original idea when he introduced the very mild tariff of about 8 per cent. As to how this works—who among us does not know? Let the interests of any special class, as the steel-rail makers, be apparently threatened, let the suffering people at large grow restive and try to shake off the blood-sucker;—straightway such favored classes, the pets of legislation, make common cause, they raise a vast corruption fund, they debauch the ballot-box, they buy a state, they elect a President, they control a Congress.

But has protective policy of the Great Powers benefited the masses in whose interest it is professedly followed? Emphatically no! The labor troubles of the Continent are becoming yearly more aggravated, the distress and discontent of the wage-earners is daily intensified, the socialistic agitation assumes larger and larger proportions, the commercial conditions move steadily towards a crisis. The beet-sugar industry, for example, the especial pet of protection, in fostering which France, Germany and Russia have vied with each other in legislation, this industry has indeed generated and developed a class of rich men, dependent on the Government, and pledged unchangeably to support it. But has it helped the people at large? Let the following table of the average yearly consumption of sugar per capita in Europe answer: England, 74 pounds; France, 28 pounds; Germany 21 pounds; Russia, 9 pounds. What a brilliant triumph of Protection! Sugar thrice as abundant where it is not made as where it is made, and not half so dear! The Continental powers have indeed seriously injured the sugar refineries of England by selling her sugar at 3 cents a pound; but

on the ruins of the refineries there have sprung up the "jam"-factories, made possible, profitable to the owners, and beneficial to the people, by the cheapness of sugar, and giving employment, at good wages, to *three times as many* laborers as did the refineries! No wonder, then, that the Powers are now trying to shake off the rider they have allowed to mount them! No wonder that at a general Convention in 1887 it was unanimously agreed that "the high contracting parties engage to take such measures as shall constitute an absolute and complete guarantee that no open or disguised bounty shall be granted on the manufacture or exportation of sugar." But the "measures" could not be satisfactorily arranged at the convention in August, 1888, and the whole case lies over till September, 1891. Meantime depression, distress, and complaint are deep and wide-spread on the continent. In the German Parliament it is charged that the farm-laborers have been reduced to little better than serfs, and Deputy Gelhert declared: "I cannot discern the smallest gain to our country. The profits of the system have been reaped only by England. \* \* \* \* We pay from 7 to 10 millions of dollars yearly to enable England to consume what would probably be worked up by our German industry. Gentlemen, I fear this system has made us the laughing-stock of our English cousins." Such has been the disastrous working of 20 years of protection to the beet-sugar-maker, of encouraging him in manufacture by bounty for what he exports, for what he sells to the English for much less than he sells to his German brother! The few manufacturers have, indeed, been encouraged, but the many, the bread-winners, have sunk still deeper in the slough of Despond. We may well understand then why the discontent among the wage-earners has become so general that the young Emperor William has invited all his royal neighbors to drink wine and smoke cigars with him in a general conference for devising measures to relieve the laborers, to lighten their burdens, or, more likely, to strengthen their backs by a pat and a word of encouragement! In the face of the proved and admitted embarrassments entailed by the protection of sugar, in the face of the manifest general discomfort under the protective system on the Continent, discomfort so great as to move the monarchs to a general convention to deliberate upon it,—in the face of all this, can we hear with patience of bounties to wheat and shipping, and of the general blessings of protection to the day-laborers?

#### EFFECT OF PROTECTION ON DISTRIBUTION OF WEALTH.

As to the general effect of protection upon the productiveness of a people, the following estimate of the average yearly wage-earnings

per capita among the nations— an estimate the latest and most careful yet made—is as comprehensive and as conclusive as can well be imagined: Australia, \$205; United Kingdom (Great Britain and Ireland), \$165; United States, \$135; Canada, \$133; Continental Europe, \$90. The pre-eminence of Australia is certainly due, in considerable measure, to the fact that Australia is a *new* country, a virgin soil for endeavor, where fresh opportunities lie open on every hand to apply mind to matter, the energies of the human spirit to the conquest and utilization of the energies of nature. Similar remarks apply to America, only with somewhat abated emphasis. But the splendid record of Britain, scored under highly unfavorable natural conditions—a small and densely populated island, where every avenue of employment, not to say profit, has long been crowded—this astonishing record has been made possible by one or both of two causes: the superior character of her people and the superior wisdom of her commercial policy. But for one, as an American, I am unwilling to concede a *higher average* of virtue, energy, or intelligence to our British kinsman; there is no choice, then, but to yield the palm to his policy. So far, however, as the happiness of the whole people is concerned, the supreme consideration in statesmanship, a lower average of earnings might well be preferred to a higher one, if the former were more *evenly* distributed. The same poet who said “Evil communications corrupt good manners,” also said, “Flee avarice and choose equality.” How stands the case, then, in Britain? The number of estates subject to legacy and succession duties has grown twice as fast as the population, the average amount per estate has only slightly increased. Of all estates assessed for probate duty (1886), 77½ per cent., were worth less than \$5,000. Since 1843 the national income has swollen by \$3,775,000,000, from 2575 to 6350 millions—about 147 per cent. The income of capitalists has more than doubled (from \$950,000,000 to \$2,000,000,000); while the amount per head, of capital, has risen only 15 per cent., the total amount has risen by over 150 per cent., that is, the number of capitalists has more than doubled. The income of the upper and middle classes has more than doubled itself, growing from 770 to 1600 millions of dollars; but the income of the bread-winners has more than trebled itself, swelling from \$35 to 2750 millions, nearly 230 per cent. Meantime their numbers grew by only 30 per cent.; consequently the gain per cent. in average income was 154! The number of incomes over \$5,000 is stationary or slowly sinking; the number of incomes less than \$5,000 and more than \$750 is steadily rising by about 2 per cent. per annum,—even during the panic decade from '76-'86, it rose by nearly 20 per cent., from 317,839 in '77 to 379,064 in '86. For incomes

still smaller, below \$750, the record, if kept, would certainly be still far more gratifying, as the above average gain of 230 per cent. clearly indicates. Such is the report of the Royal Statistical Society. Summing it all up we may say with Mr. Giffen: "The rich have become more numerous, but *not richer* individually; the poor are, to some smaller extent, fewer; and those who remain poor are, individually, twice as well off as they were fifty years ago. The poor have thus had almost all the benefit of the great material advance of the last fifty years."

Surely no one can read this wonderful record without feeling his heart throb with delight and kindle anew with hope for the race. And what has High Tariff in America to place by the side of this shining Roll of Honor of Free Trade in England?

While the Highlands of wealth have been slowly, almost insensibly, sinking in Britain, and the Midlands and Lowlands rapidly rising, what has been the movement in this continental Republic? ALMOST PRECISELY THE REVERSE! Does any one need to be told that among us the accumulation of inconceivable riches in a few families has proceeded for the last twenty-five years at an accelerated rate without parallel in the history of mankind? Are not the mountain-peaks of wealth shooting up all around us to dizzying heights? To more than princely, more than kingly, more than imperial altitudes? But yesterday, and the chasm between the poor or merely well-to-do and the rich was spanned by a bridge of four or five, or at most six ciphers; now, at least six or seven, and even eight, are needed. Wealth is no longer reckoned in thousands or tens and hundreds of thousands, but in millions, tens and hundreds of millions. This is not mountains, but mountains of mountains; not riches, but the square of riches; it is riches in the second degree. And it is possible to stop here? Will not the third degree soon follow? Will not another cipher to the right be soon needed? In another generation, will not the myriads of myriads become thousands of thousands of thousands? Having piled Ossa on Olympus, will not the same gigantic children of Dives upheave and hurl Pelion atop of Ossa? The \$150,000,000 of an Astor, even at 5 per cent., will grow in forty years to over \$1,000,000,000. In thirty years the hundred millions of Rockefeller, Stanford, Gould, and the Vanderbilts will grow at 8 per cent. each into over a thousand millions. And are they likely to be content with a less rate of increase? The colossal estates amassed in a single generation in this Republic are each from three to five times as great as the vastest hereditary estates in monarchical England, which have descended in gathered volume thro hundreds of years. These latter,

besides, are now practically stationary, both in amount and in number, while the American brood of mammon are continually multiplied and magnified daily. Across the waters one-thirtieth of the people own two-thirds of England; on this side, where all men are equal, less than one-sixtieth own more than two-thirds of the United States! But perhaps some one may think that this amazing accumulation of wealth has taken place only in a few exceptional cases, and that after all the bulk of national wealth is not so unevenly distributed. Let him then read the article of Mr. Shearman in the *Forum* of November, 1889, on "The owners of the United States," and let him make any reasonable, any not altogether extravagant, discount from the estimate there made. If he be still skeptical, let him regard steadfastly this single official statistical fact: The centre or the mid-line of population is moving steadily and even rapidly westward. In 1880 it lay near Cincinnati; the census of 1890 will show it still farther on its way to the Mississippi. Meantime what has the mid-line of wealth been doing? If the wealth of the nation were spreading itself more evenly over our people, or even if it were not growing more uneven, then clearly the mid-line of wealth would follow and keep up with the mid-line of population. On the other hand, the monstrous fact is that the mid-line of wealth is retreating eastward. In 1860 it lay west of the Alleghanies; in 1880, while the mid-line of population had moved on westward to Cincinnati, this mid-line of wealth had retraced its steps and recrossed the Alleghanies, moving eastward. In 1860 more than half the wealth of the country was west of the mountains (8330 out of 16,160 millions); in 1880 more than half was east of the mountains (full 23000 out of 43642 millions). In other words, while the population has been spreading itself out over the Mississippi valley, the wealth has been heaping itself up along the Atlantic slope. In this one *tremendous fact*, there is found the decisive proof of our thesis; while the mid-lines of wealth and population are moving in opposite directions, it is impossible that the distribution of wealth should not be growing more and more uneven. No one who has calmly considered the matter can doubt that concentration of wealth in a few hands has proceeded during the last ten years with steadily increasing velocity; the census of this year, if correct, unpartisan, "undoctored," will certainly show a still greater excess of wealth on the sea-board, will show the average level in the east raised far higher absolutely and still higher relatively, while the level of the Great West will be found relatively lowered. It is exceedingly doubtful whether the average wealth level of the Mississippi Valley will be found appreciably raised; whatever rise it may show will be due not to any general



improvement in condition of the laboring and farming classes—assuredly these latter are not conscious of any such amelioration—but to the rapid growth of large towns, like Chicago and Kansas City. What we need in our census report is a classification and tabulation of incomes as: of all under \$500; of all between \$500 and \$1,000; between \$1,000 and \$2,000; between \$2,000 and \$5,000; and so on. This, along with a similar classification of estates, as: of less than \$1,000; between \$1,000 and \$2,500; between \$2,500 and \$5,000; between \$5,000 and \$10,000; and so on—these tables and only these, compiled for each State and for each town of more than 10,000 inhabitants, would reveal the true state of case, and would disclose such an inequality in the distribution of wealth as has perhaps never before presented itself in a civilized community—an inequality, not the melancholy heirloom of generations of feudal tyranny, not an accursed legacy from the Middle Ages, as in Great Britain and Continental Europe, but the sudden creation of the last thirty years of Republican Freedom, the prodigious birth of our own age and government—an inequality not slowly sinking away before the steady rise of civilization and the progress of humanity, as is the case in England, but daily growing greater, more threatening, and more deformed—an inequality which is at the same time an iniquity, since it is in large measure begotten and nourished by unjust legislation. It may not be possible to enumerate or even discover all the conditions which have helped to bring about this alarming concentration of wealth. Probably (the sagacious suggestion of Prof. Tiedeman) it is due in a degree to the unequalled facilities which we offer for the formation of private corporations and the tender regard with which we treat them. Ours is pre-eminently the land of corporations, our statutes and reports the source and origin of corporation law. But while many influences may have conspired to the result in question, ONE at least stands out eminent, conspicuous, and demonstrable; it is that of INDIRECT TAXATION. This latter applies the doctrine that all men are created equal, in a most marvelous way, namely, by making the burdens equal on all, altogether irrespective of the ability to bear the burden. This working of Indirect Taxation is no matter of conjecture or theory, but of daily observation and experiment, as well as of simple and conclusive proof. A duty is imposed on some article of daily consumption, of universal use, as sugar, iron, wool, tin, hides, and the like. The price of every one is raised, to the poor, as to the rich. Of every one the rich man may consume two or three or possibly ten times as much as the poor man; but his ability to bear this burden of taxation, of extra price, is a hundred or many hundred times as great as the other's.

The indirect tax falls like a feather on the rich and strong: it falls like a millstone on the poor and weak. If the price of sugar be advanced but three cents per pound by the present tariff, which renders the Sugar Trust possible (it ranges from 3 to 5 cents per pound in England, then a workman with a family of 5 consuming 200 pounds of sugar yearly, 40 pounds a piece, (in England the average is 74 pounds per head), is taxed \$6 in the item of sugar. Even if the rich man with equal family buy ten times as much, his tax of \$60 is for him scarcely perceptible. For the poor man it takes away from 1-200th to 1-50th of his year's earnings. In like manner the tariff on wool, which even the Republican and Protectionist organ of the northwest, the *Chicago Tribune*, reckons at \$10 per family of five, will dock his income by from 1-100 to 1-30 of itself. But what is it to the rich man, even if it costs him \$100? Like may be said of the tariff-tax on iron which nibbles incessantly at the laborer's earnings, gnawing away another \$10 in a year, and of the other multitude of necessaries on all of which the wretched consumer is taxed, till \$50 per annum appears to be a reasonable estimate of the average indirect tax per family of five, of the fine imposed by our tariff laws on the purchase of the common commodities of life. This yearly tribute to the minotaur of Protection is not felt by the nobility of wealth; ten times, fifty times, even one hundred times as much, would be for our princes but a fly on a bull's horn; but for the poor, for the common vessels of humanity, it is a crushing, an insupportable, burden. For him who toils for \$1 per day it is one-sixth of his income, it is a discount of 16 per cent. from his wages, it is a theft of one day out of every week, of two months out of every year. Even for the skilled artisan who earns \$1000 yearly, it is a discount of 5 per cent., a theft of two and a half weeks out of the year. The exceeding sinfulness is seen in this circumstance: that the greater the laborer's need of time, the more of his time does the tax steal away. But the inmost core of this grievous wrong is not yet exposed. The tax is paid, not only out of the poor man's earnings, but also, which is far worse, out of his savings. Suppose the former to be \$500 yearly; suppose that of this sum \$400 would naturally go for the maintenance of the family; the \$100 would remain as his savings. This latter alone counts for the improvement of his condition, it alone helps to lift him out of penury and slavery into freedom and competence. But what does the tariff-tax do? It increases the cost of his living by \$50, it cuts down his savings by \$50 out of \$100. Thus, while it discounts his wages by only 10 per cent., it discounts his accumulations, his profits, by 50 per cent.! So far then as as the improvement of his condition is concerned, the one matter of supreme interest to the industrious, fore-sighted man,

protection plunders him, not of one day in the week nor of one month in the year, but of one *ONE-HALF* of his productive life! On the other hand, the man already rich, who, without the practice of the slightest self-denial, merely by shunning insane extravagance, may save, must save, \$1,000, \$10,000, \$100,000—he bears the load of three times, ten times, one hundred times such a tax like an elephant would a baby; it reduces his accumulations by only ten, or five, or two, or 1 per cent.: while as soon as he enters the circle of the elect, of the millionaires, the per cent. of reduction shrinks to a pitiful, vanishing, microscopic fraction. For the rich man it tenderly clips the extreme growth of his luxuriant locks of Absalom; the poor man's head it passes over with the edge of a razor. In his swift flight toward kingly wealth and luxury, it binds the wings of the rich and mighty with gossamer threads of spider; but in his slow toiling march toward comfort and competence, it clogs the poor man's foot with chains and fetters of iron. No wonder that the cry is heard even on sober lips, in the pulpit, that our government has developed into one of the worst known to history, where the rich grow richer and the poor grow poorer. This is not strictly true; but the truth is nearly as bad, namely, that the rich are becoming very rapidly richer, while the poor are becoming very slowly less poor. Hence the chasm between them is widening fast and widening daily. The total wealth of the nation is increasing at a steady pace, the average of wealth is rising gradually. But the wealth of the rich is increasing at an astonishing rate, while the struggle grows harder and harder, for the poor to better their condition. Under our present iniquitous system of taxation, which slices away yearly from 30 to 100 per cent. of the hard-won savings of the farmer and laborer, but only from 10 to one-tenth per cent. of the effortless accumulations of the moneyed lord, the wealth of a continent is piling itself up and must pile itself up, even without, even against, the will of the individual, higher and higher in the hands of the rich, until it is only the question of a few years, of another generation, when all of the available, the disposable, the easily-wielded wealth of the nation will be centred in a few, in at most fifty thousand persons, and these, reigning in more than oriental magnificence along our eastern coast, will thence stretch out the sceptre of their dominion over the whole of our Union. Terrific, tremendous fulfillment of Scripture! To him that hath there is given, and he hath in abundance; from him that hath not there is taken away even the little that he hath.

## THE MCKINLEY BILL.

In the face of these facts, which are considered unquestionable and whose significance and import cannot be overestimated, it is interesting to note the remedies which Protection proposes for the evils inflicted by Protection. They are summed up in one word: MORE Protection! McKinley, Porter, Rusk,—all tell the farmer that what he needs is to have his own products protected, that the “paupers of Europe” are underselling him at home, and that he must shut out their competition by building up around him a high wall of Tariff, as the manufacturers have done! It is the old story. A man steals from you \$10. You modestly complain. He sympathizes with you and tells you to steal back \$5 from some one else! But is it possible to hoodwink the intelligent farmer by such palpable nonsense? Can even the grossest lies and perversions of statistics blind him to the fact that he is supreme in agriculture and is naturally the feeder of the world? The Chief of Census, Mr. Porter, puts “the agricultural protected imports, on which duty was levied last year, at over \$250,000,000.” Figures, it has been said, will not lie; but manifestly they were not figures in the hands of Mr. Porter. What is the first item? It is sugar—\$93,000,000. Citizens of Missouri, of Iowa, of Kansas, of Illinois—for it is to you that I speak in particular—this is the protection afforded to your agriculture—a tax on every pound of sugar you buy! The miserable unprotected Englishman pays from 3 to 5 cents per pound: but you, protected and happy, have to pay only from 7 to 10! But if this tax is a blessing to you, instead of a curse, why take off the duty on raw sugar, as the McKinley bill does? Why? in order that a score of refiners, forming the Sugar Trust, may get it for less, and then sell the refined sugar to you for the same price—for they are still perfectly protected by the tariff on the refined article! Of course they need this protection, for as it is they report only about 29 per cent. annual profit on their capital! If you object to such protection as this for your farm-products, you are hard to please and would perhaps object to being hung.

But what is the second item? “Animals and products”—\$41,000,000. This is a marvelous statement. Count in Ivory at \$500,000, Bristles at \$1,300,000, Dairy products at \$1,400,000, animals at \$7,200,000—and we still lack over \$30,000,000! But perhaps Mr. P. forgot and counted in \$25,000,000 for hides and skins—on which there is no duty! However, what profit are the existing duties to the farmer? Does he raise elephants or rhinoceroses for their ivory? Does he deal in bristles? Does he, can he, grow the

peculiar cheeses which make up nearly the whole dairy product? Is he helped by a tax on his own importations of superior breeds of horses, cattle, swine, sheep, and poultry? Assuredly not! And when a duty is laid on hides, will Armour & Co., of Chicago, give him a nickel more per hundred for his Short-horns? Scarcely! They will doubtless make a good round sum out of the duty, by selling the hides at an advanced price; the Massachusetts shoemakers will advance the price of the farmer's boots a little, or, perhaps, use inferior leather or thread in making them; but will this help him to lift a mortgage? And if a "drawback" is allowed the manufacturers when they export shoes at reduced prices, does it benefit the farmer—this selling shoes dearly to him and cheaply to the foreigner? Was there ever a more ingenuous device to afflict him? A duty is laid on hides—but he does not sell hides, only beeves, and the Beef Trust laughs at the idea of letting the hide affect the price of the beef. However, the Trust raises the price of the hides it sells in immense numbers, and the shoemakers raise the price of shoes. But the duty is paid back to them in case they export the shoes; so they export as many as possible, sell to the foreigners as cheaply as possible, and make it up in the returned duty and in the extra price charged their own countryman, the farmer!

Let us now look at the third item: Fibres (animal and vegetable), except wool, \$60,000,000. Here again is misstatement equally gross and misleading. The importations were in round numbers: Flax \$2,000,000; Hemp \$4,000,000; Jute \$3,000,000; Sisal grass and other vegetable fibres \$4,000,000; rags, shoddy, waste, \$2,000,000—in all \$15,000,000 instead of \$60,000,000. But who of you raises flax for its fibre? It is grown in great quantities, but not for its fibre, on the contrary, for its seed. The fibre is burned in the open field. The tax of \$20 per ton merely makes your linen dear. The like may be said of jute and sisal grass. You do not grow them, and the tax on them merely takes out of your pocket, it puts nothing in. There are, indeed, 25,000 acres of hemp grown in Kentucky, the glorious result of 67 years of protection to hemp! Well, if the hemp-raisers vote for the tax, we shall not complain; but you, gentlemen, why do you want your ropes, your twine, and your cordage made dear? Possibly, because you love the Kentucky hemp-raisers so, but surely not because it makes for your own advantage. Lastly, rags, shoddy and waste—\$2,000,000. This is a comfort to you, gentlemen. You all raise rags in abundance, and the tax of ten cents per pound helps you mightily, by opening a fine market for your old clothes. But as the shoddy is used mostly in the clothes you yourselves buy, where is the good to you? What

profit is there in selling to your own tailor at a high price the goods he sells back to you for still more when you get your suit of clothes?

We come now to the fourth item: Fruits—\$19,000,000. What fruits? Tropical and sub-tropical ones, such as figs, lemons, oranges, raisins, dates, pine-apples, along with limes, prunes and Zante currants. Farmers of the West and North-west, the whole matter is clear—it is competition in raising figs, dates and pine-apples that is ruining you! Can the force of absurdity any further go? None of these products are grown in your region, most of them can never be grown profitably in the U.S., until the axis of the earth is tipped up ten or twenty degrees. Protection is indeed mighty; but not quite equal to elevating the plane of the Equator. As to oranges, and some other southern and California fruits, on which it is proposed to raise the duty, for years the possession of an orange grove has been considered a genuine bonanza. These fruit-growers have long been boasting enormous profits, and now the price is to be raised to increase those profits, and you are asked to thank the "Principle of Protection" for making all these delicious articles so dear and putting them out of the reach of your children!

Lastly, as to Barley and other cereals, put at \$9,000,000 and Leaf Tobacco at \$11,000,000—the benefit to you is scarcely less imaginary, where it is not positive injury. These articles are not imported in competition with home-products, but are of a kind not raised among us, not suited to our soil and climate. It is just as reasonable to protect Nebraska against Virginia tobacco, as Virginia against Cuba leaf. But in some cases the tax not only does no good, it does direct harm; as when 500,000 bushels of wheat were imported by our farmers for seed. That is the way the Tariff blesses you! by making you pay a heavy extra price on your imported seed wheat. Its very blessings are curses.

Such is the list of the Chief of the Census. Such is the best exhibit he can make of the "protection" given the farmer. Out of \$250,000,000 of agricultural products imported, against which he claims you are protected, not over \$30,000,000 are products even apparently in competition with your own. The remainder (\$220,000,000) was paid for desirable articles, the natural products of other lands, and the tariff "protected" you against them by making you pay for them an extra price.

This is not all, however. In 1889 you exported: Breadstuffs, nearly \$124,000,000; meat-products, nearly \$93,000,000; dairy products, nearly \$11,000,000; tobacco, nearly 23,000,000; seeds,

nearly \$4,000,000; fruits, over \$5,000,000; furs and skins, over \$5,000,000; hops, nearly \$3,000,000 (importing \$4,000,000); leather and its manufactures, nearly \$11,000,000; sugar (syrups) \$2,000,000—a total of \$280,000,000 of the very classes of articles against which we are said to be protected. It is plain, then, that this protection has hit wide of the mark. No sale for these products can be secured by raising the price. If we could afford to make them for foreigners we can afford to make them for ourselves. And yet we have been importing and exporting at the same time. How and why? The answer is easy. We have been exporting those kinds which we could produce naturally and at an advantage; we have imported those kinds which others could produce more naturally and at greater advantage; and the productions of each working at what he could do best were exchanged with mutual benefit.

Such is the uniform procedure of common sense, which not even the most blundering Protection can wholly check or turn entirely aside. But Mr. Rusk will have none of this. His remedy for agricultural depression is to stop all this international trading, to quit buying of the foreigners and raise all these things ourselves; and he would force us to this by fining every man who buys a foreign cheese, or banana, or date, or orange, or pound of sugar or flax, or piece of ivory. We must raise all these things ourselves; if we cannot raise them at a profit, why, let us raise them at a loss, and tax all around to make up the loss. Raise them, however, we must. Well, suppose we do; suppose we all live under our own vine and fig-tree, fatten and slaughter for their tusks our own elephants and rhinoceroses. Suppose that all of Mr. Porter's \$250,000,000 is kept at home, paid out to the home-producer. That would be truly glorious. But what about the \$280,000,000 of exports of these same classes of products? When we buy \$250,000,000 less of the foreigner, will he not, must he not, buy so much less of us? Unquestionably! It is impossible for him to buy except with what he sells. In 1889 our total foreign commerce was \$839,000,000 exports and \$774,000,000 imports—an excess in exports of only \$65,000,000; in 1888 it was \$742,000,000 exports against \$783,000,000 imports, an excess in imports of \$41,000,000. Thus the beam of trade turns now one way, now the other, but never very far to either side. The years of greater exports than imports are by no means, however, always the most prosperous years. The year 1873 was a very good one, unusually good up to the last of September,—but the imports exceeded the exports by \$56,000,000; the years 1874, '75, '76, '77 were years of great distress,—yet the exports exceeded the imports by 57, 52, 120, 167,—millions.

It is not a sure sign of prosperity for a man to be "selling out." Even, then, if we did decrease our import by 250 millions, it would not mean that we were thriving, it would merely signify that we had failed to make a number of good bargains. But the actual working would certainly be this: we should diminish our sales in about the same measure as our purchases; we should lose one customer to gain another; we should produce at great expenditure of time, energy, labor, and capital, what we could buy at a much less expenditure; the whole people would be made poorer by the difference between the values of the products of the same time, energy, labor, and capital when naturally and profitably employed, and when unnaturally and unprofitably employed: a few favored capitalists would get enormously rich, but their gains as well as the total loss above mentioned would be taken in dimes and nickels from the pockets of the people, under the form of increased prices for the products under discussion. Even then, if Mr. Rusk's plan were feasible, as it is not, even if you should raise your own dates and bananas, elephants and ostriches, it would be at the sacrifice of at least an equal amount of far more profitable industry, at the loss of an equal amount of far more gain-bringing commerce. I pass over the other suggestions and criticisms of Mr. Rusk. He thinks you are careless and slovenly and ignorant; that you ought to be as pains-taking with your hundred-acre fields and pastures as the Frenchman or Belgian with his one-acre garden-patch, which wife and daughter keep clean by pulling up the weeds: that you are too greedy of land and must reduce the size of your farms—sell off some to pay off the mortgage; that you need special training in wheat and corn raising, that you are behind the times and must turn over a new leaf, must catch up;—all these kind and valuable ideas of the Secretary of Agriculture are left for you to consider. Only this question would I put to him: When did you, the farmers, fall into these ruinous habits of sloth, extravagance, and old-fogyism, which he so tenderly charges upon you? And how will a high tariff help you to mend your ways and become like European peasants, after Mr. Rusk's own heart?

I also pass over the other features of Mr. McKinley's bill, such as the increase in the duty on tin-plates, which are not made in this country, and on carpet-wools, which can not be grown here. Suffice it, that even Philadelphia Republican journals, and in fact the better journals of his own party everywhere, acknowledge it to be simply scandalous, drawn up utterly without regard to the interests of the people at large, in every section framed for the advantage of some special class and sometimes of private individuals (as of the



Pittsburgh firm, that thinks it can make tin-plates profitably, if allowed, by increased tariff, to extort a price high enough), out of whom the "fat was fried" to carry the election of 1888, and out of whom still more must be "fried" in 1892: that its pretence of "applying the principle of protection" to the farmers by taxing imports of articles that he rarely imports, but on the contrary exports, is not only idle vamping, but is also an offense to his intelligence, an insult to his common sense. You, gentlemen, farmers of the west, this infamous bill proposes to take out snipe-hunting; but I suspect that your confidence has been abused once too often.

#### THE WAGES ARGUMENT.

All sorts of fallacies flourish in the garden of the protectionist. Some are very specious and plausible, some are grotesque and transparent. Among all, perhaps the most amusing, as well as the most serviceable, is the claim that the manufacturer must be "protected," so as to make high profits in order to enable him to pay high wages. This precious argument (!) assumes that if able to pay high wages, he will also be willing to do it: that when he can, then also he will. But is this a fact? Jay Gould is doubtless able to pay a dollar for having his boots blackened; but does he do it? By no means! He pays his nickel, like a little man. And what do the manufacturers? They import the "pauper labor" of Europe, Italians and Hungarians, to displace at lower prices, their own countrymen, in the mines, at the furnaces and the spindle; they pocket the proceeds of every rise in price, they scale down wages on the slightest pretext. Are they peculiar in this? Is it not a familiar fact that the rich drive as hard bargains as their poorer fellows? Such is the all-grasping greed of soulless corporations, such the grinding oppression of protected employers, that they are periodically at war with their workmen, whose only defense of their own rights, whose only assertion of their own manhood is found in that blind boomerang, the "strike." When was any advance of wages in any protected industry, obtained except by strong compulsion? How are wage-rates maintained except by eternal vigilance on the part of trades-unions? Is it not well-known that the average of wages in the protected industries is considerably below the average in the unprotected? If it be possible for any one to hesitate in answering these questions, let such a one consider this single official fact: By the U. S. census of 1880 the total value of manufactures was \$5,340,000,000; the total amount paid in wages was \$948,000,000—not quite 18 per cent of the total product. In the most highly protected of all states, Pennsylvania, the product was \$745,000,000, the wages only \$134,000,000,—

not 18 per cent. This means that on the average only \$18 was paid in wages for making \$100 worth; the other \$82 was cost of materials, profits, etc. However, the average duty was 47 per cent.; that is, \$100 worth, in foreign market, cost \$147 when imported; or \$68 worth, cost \$100 when imported; or the increased price was \$32 in every \$100.

Now protection holds that the tariff is needed to compensate for the difference in wages in Europe and in the United States. But while the total wages is only \$18, the tariff is \$32. Now suppose the wages here to be twice as high as in Europe; then the difference will be \$9 in the \$100, but the tariff is \$32! Even suppose the wages here to be thrice as high as in Europe; then the difference will be \$12, but the tariff is \$32! Both these suppositions are extravagant. Wages are not 50 per cent. higher in the United States; the difference is not so much as \$6, but the tariff is \$32! The tariff is in fact fully six times as high as would be needed to compensate the utmost difference in wages. Even if the manufacturer in Europe paid no wages at all, the wages here would raise the price by only \$18 in \$100; but the tariff raises it by \$32!! If now you still think that the present duties, whether needed or not, are used by the manufacturer, not to enrich himself, but for the good of his workmen, read this specimen extract from a stanch Republican High Tariff journal, the *Philadelphia Enquirer*, of March 28, 1890: "FIVE HUNDRED WEAVERS STRIKE. They refuse to accept starvation prices from the mill owners. \* \* \* The weavers held a meeting at 2434 Kensington Avenue yesterday, and adopted resolutions declaring that the wages they are asked by the firm to accept are not sufficient to keep body and soul together, or to provide even a moderately comfortable support for their families." The duties on textiles are very high, sometimes running up to 150 per cent.; the mill-owner begs for them, he must have them, to "enable" him to pay—"starvation" wages. It is necessary to have infinite patience in fighting the sophisms of Protection; only the steady rain of argument, the continual dew of persuasion, can soften and dissolve the hard and stubborn prejudices lodged in the minds of honest and intelligent men. But the philanthropic pretenses of the merciless protected classes, who insist that they are gorging themselves with high prices for their products, not in order to fatten themselves—no, bless you! never!—but that, pelican-like, they merely chew up the high prices in order to feed out the same to their dearly beloved workman—these gross and shameless hypocrisies it seems an offense to truth and honor and manhood, to expose by serious or respectful reasoning; they must be blasted by the lightning of indignation.

TABLE OF PRODUCTS AND PRICES OF BESSEMER STEEL RAILS.

Year.	Net tons made in U.S.	Net tons imported.	Average price per gross ton. in U. S..	price per ton. in Eng.	Extra price paid in U.S.
1871	38300	—	91.70	\$57.70	\$34.00
1872	94000	150000	99.70	67.30	32.40
1873	129000	160000	95.90	74.40	21.50
1874	145000	101000	84.70	57.50	27.20
1875	291000	18000	59.70	44.10	15.60
1876	412000	None	53.10	37.70	15.40
1877	432000	None	43.50	31.90	11.60
1878	550000	None	41.70	27.20	14.50
1879	684000	25000	48.20	24.70	23.50
1880	954000	158000	67.50	36.00	31.50
1881	1330000	249000	61.10	31.20	29.90
1882	1438000	182000	48.50	30.00	18.50
1883	1286000	38220	37.75	25.40	12.35

This enormous tax imposed on railway construction, and thereby on shippers of produce, that is, on farmers, in this extra price, is only a small part of the burden which the iron industry of Pennsylvania lays on the whole country. From the pamphlet of Mr. Swank, general manager of the American Iron and Steel Association, Philadelphia, 1888, it appears that from '78 to '87, ten years, the average price of foundry iron in Philadelphia was about \$22 per ton, in Great Britain it was about \$13 per ton;—a difference of \$9, or, freight counted in, \$7 per ton. Of bar-iron the price in Philadelphia was about \$50 per ton; in England about \$36 per ton—a difference of \$14 per ton, a difference which grows as the grade of iron rises. The United States consumed in the ten years nearly 60,000,000 tons; at the very lowest rate of difference, \$7 per ton, here was paid an extra price of \$420,000,000! Of steel the consumption was over 20,000,000 tons; the average prices were \$44 per ton in the United States and \$30 in Great Britain—a difference of \$14 per ton. Take off the \$7 already allowed in the iron reckoning, and there remains a difference of \$7 per ton on 20,000,000 tons, that is of \$140,000,000—and a total of \$560,000,000 paid in ten years as extra price of iron and steel. An average of \$56,000,000 per year! But the evil grows huger as the industry grows. Thus in the one year, 1887, the extra price ran up to \$80,000,000! How much of this fabulous sum was needed to pay high wages? In 1880 the whole number engaged in this iron industry was put at 205,000 earning \$365 yearly each, about \$75,000,000. A high estimate for 1887 would be 300,000 at \$400 yearly. This over-estimate would yield \$120,000,000. Accordingly, giving the iron-men the benefit of every doubt in the calculation, we see the people of the Union paid them an extra price of \$80,000,-

000 to enable them to pay their workmen merely ordinary, scarcely ordinary, wages,—\$1.30 per day. That is, the employers paid their laborers 43 cents per day, the people paid the other two-thirds, 87 cents per day! Of this \$80,000,000 drained in one year, by one industry, from the pockets of the users of iron, as the extra price of protection—how many millions were poured into the money-pools of the manufacturers, how many ran to waste in supporting badly and unnaturally situated foundries and furnaces, we neither know nor care:—for us it suffices that \$80,000,000, at least two-thirds of the whole amount of wages, was the extra price paid for protecting iron—an infant industry, over one hundred years old!

#### CONCLUSION.

The fiction that prosperity and contentment have been brought to the Continent of Europe has already been exposed in the case of France, Germany and Russia; and a letter from Mantua, under date of March 28, 1890, written to the *NATION*, with no reference to our political or economical issues, thus vividly describes the happiness of Italy under high tariff:

“This country at the present is in a dismal financial plight. Land and income are overburdened with taxation; every article of common necessity is taxed. The rupture of commercial treaties has ruined many industries, banks have gone under, manufactories and industrial establishments failed. \* \* \* \* The city of Milan, one of the of the wealthiest in the kingdom, has hard work to assist its disoccupied workmen. The entire population, rich and poor, aristocratic and ultra-democratic citizens, are straining their every nerve to help them; the king has just sent 10,000 francs from his own purse. But the fact is, the utter stagnation in the industrial and commercial world cannot cease as long as the enormous burden of taxation continues to weigh on the entire country.”—Such are the delights of the “Home-Market” bought by “rupture of commercial treaties”! Surely the blessings which twenty years of Protection have brought to Italy are “blessings in disguise”; and the “disguise” is perfect.

And now, having looked on that picture, look on this. In spite of the approaching exhaustion of some of her mineral resources, England for the last two years (even the *Globe-Democrat* admits it), has been “booming.” Mr. Goschen’s last budget shows a surplus of \$15,000,000 in the treasury—a surplus accumulated without taxing a single “common necessity” except tea, whereas we tax indirectly, thro the tariff—and heavily tax,—nearly every one: and now Mr. Goschen proposes to reduce the tariff—tax on tea “for revenue

only," from 12 cents to 8 cents per pound, whereas McKinley proposes to increase greatly the taxes on nearly everything in sight—his motto being like that of the Celt at the fair—"whenever you see a necessary of life, tax it as hard as it will bear." Moreover, while we, having ruined our marine commerce and swept our flag from the seas by protection, are preparing to restore them by subsidies, by hiring a few rich men to run ships under the American flag on pretense of carrying United States mail, lo! the English postal receipts are \$500,000 greater than all the expenses, including all payments made to the ocean-mail lines.

Finally, the doctrine of Commercial Freedom here advocated teaches that the human race is an organism, a highly complicated one, where each part has its own duty to perform, and that the greatest happiness and the most rapid improvement, especially of the gifted and mighty, like ourselves, are to be attained by perfecting this organism, by each one doing that which he can do best, by serving the whole world, and at the same time making the whole world serve him, by administering, thro his own industry, to the entire earth from pole to equator, and at the same time laying all regions, the nearest and the remotest, under contribution to his own comfort and enjoyment. This is the very core and centre of modern Industrial civilization, this is the priceless boon of applied science, the double blessing of Steam and Electricity, which has conquered Time and abolished Space,—which scatters our own products to the poles, to the tropics, and pours out the treasures of every zone at our own threshold,—which contracts the earth to the grasp of our fingers, and expands our own workshop till it covers the planet. Such is Progress. Such is Common sense. Such is Civilization. Such is Christianity. But what does the prevailing Protection, the doctrine of commercial restriction, teach and what does it promise? Luckily we have its own words to quote, as found in one of its own organs, the *Citizen*, of Iowa, under date of April 23. "In our opinion, the farmer owes it to himself to adopt such a line of policy as will make him self-sustaining, and enable him, if necessary, to live independent of all the world." Precisely! Beho'd, gentlemen, the consummation, the ripened fruit of Protection. What a cheering prospect spread out before you! What a land of Canaan you are invited to enter and conquer! Only be "self-sustaining"! Live "independent of all the world"! Spin your own yarn, weave your jeans and linsey, cobble your own shoes, hammer out your own hoes and shovels, frame your own bedsteads, press out your own wine, grow your own figs and oranges and bananas, raise your own cod-fish, camels and elephants. In a word, go back to the Middle Ages, nay further, to the dawn of human society. A

glorious privilege this—"of being independent"! Don't you see that Civilization and Wealth and Progress are a fraud, a delusion, and a snare? that they do not render it possible for one to be "self-sustaining," or to live "independent of all the world"? On the contrary, do they not make you daily more and more inter-dependent? Think of the wretched inhabitants of New York, of London, of Paris, of Berlin,—these centres of civilized life. Don't you see how far from "self-sustaining" they are? How miserably dependent on every land and sea, on every tribe and tongue, on every wind and wave and climate? Compare with them that genuinely happy and "self-sustaining" gentleman, Mr. Robinson Crusoe, who for 27 years dwelt on a desolate island, pursuing a strictly protective line of policy, "living independent of all the world." He, of all men, is the classic model, the perfect exemplar, after whom the High Tariff frankly bids you pattern. Is it not as plain as two and two make five, that Steam and Electricity, all mechanical inventions and scientific appliances, are mere devices of the devil to rob you of your primeval independence and entangle you inextricably in the all-encompassing death-web of modern civilization? Does not your "saving common-sense," as Speaker Reed calls it, tell you that it is folly to let any one do for you what you can, by any means, do for yourself? that it is wanton waste to buy prints at 5 cents a yard when your wife and daughters might weave all you need at home and for nothing? that it is reckless extravagance to pay the foreigner 4 cents a pound for sugar when you yourself by "proper effort" might raise your own sorghum cane or your own grove of maples for nothing? Surely no one man can dispute that the straight road to riches is for every one to work like the devil and not spend a cent, for every one to sell continually and not buy at all, for every one to supply all his own needs and to dispose of his surplus not in trade, which is civilization and nonsense, but for cash, to supply the needs of his fellows. This is "saving common-sense," and the man who doubts it would perhaps deny that the "sun do move," or that the earth, which has "four corners," is square. And why should we, sons of "independence," let the South American impoverish us by selling us bananas at ten cents a dozen when we might raise them, under proper protection, in our own hot-houses, for a dollar apiece? Why degrade ourselves and compromise our dignity by trading at all with such low-bred foreigners, paupers and barbarians? Does not all history warn the rich and strong and intelligent to shun the poor and weak and ignorant as a viper? Do not the latter always get the better of the former? fleece them, hoodwink them, send them away naked and empty? Has not England been humbled, weakened, impoverished by such commerce with her inferiors in both hemispheres, and reduced by degrees

from a "a right little tight little island" to a mere Empire encircling the globe with its drum-beat and supreme on every sea? Have not we ourselves been well-nigh ruined by bargaining in land and furs with "Lo! the poor Indian"? Has he not traded us out of half a continent? And shall we, the strongest, richest, mightiest, most daring, energetic and intelligent race that ever trod this "orbed round," shall we, the very royal blood of Humanity, shall we have any commerce or intercourse with inferior peoples who would plunder us at pleasure, and cheat our very eyes out? Never! As well might you expect a Wall Street "bear" to have any dealing with a "lamb" from the country, or a highly protected lion to cultivate acquaintance with a defenseless sheep-fold.

And now does some genuine patriot, some large-hearted lover of the whole country, some broad-minded statesman, complain that this argument, from beginning to end, is sectional, that its speech bewrayeth it, exhibiting on every page intense anti-eastern feeling? Such undoubtedly is the outward seeming. Yet beyond contradiction the writer entertains no prejudice against the East whatever. Man by man, he will readily concede the Atlantic slope to be fully and in every respect a fair match for the Mississippi Valley. It is the accursed Tariff which has kept sentry, like one of Clerk Maxwell's "demons," on the crest of the Appalachians, and sorted our people according to hateful and hate-engendering principles. It is Protection which arrays producer and consumer over against each other, which partitions the Union by lines of latitude and of longitude, which alienates the sections and begets the sharpest antagonism of classes. It is High Tariff, commercial restriction, which forbids all men to be brethren, which would make each one an Ishmael—his hand against every man, and every man's hand against him; which is rapidly solidifying the West in artificial hostility to the East.

Neither will the writer confess to any unfriendliness toward the millionaire as an individual member of society, however he may regard the concentration of vast riches in a few hands as a fatal omen, pregnant with ruin for the Republic. As men the wealthy on the average are neither much better nor much worse than their poorer fellows. It is the protective system which has heated to seven-fold fury the furnace of the lust for gold by offering premiums and unheard-of bounties to any "producer" who would undertake to "develop the resources" of the country by overcharges exacted by law from the consumer. It is Indirect Taxation which weights the many and wings the few in the race for wealth. Yet it is "we the people" who have willed both the one and the other. "Where the

carcase is, there will the eagles be gathered together." Hands will never be wanting to pick the goose which insists on a picking. Which of us would not accept graciously, or at least with resignation, the opportunities for accumulation which the prevailing—nay, almost exclusive—class-legislation at Washington thrusts upon the moneyed men of the Seaboard? Even the deeply pious and highly protective and stalwart Republican Globe-Democrat admits, avows that "Hitherto the great body of the legislation adopted by Congress has been in the especial interest of the region east of the Alleghany Mountains"—a sentence, from a recent editorial worth a year's subscription to the "Great Religious Daily." It is the infamous system that we attack, rather than its beneficiaries. It might not have been "spiritual" but it was certainly "natural" for them to take advantage of our Western simplicity and good-heartedness; and after all, there is a good deal of human "nature" about a man, even tho he be a Pennsylvanian.