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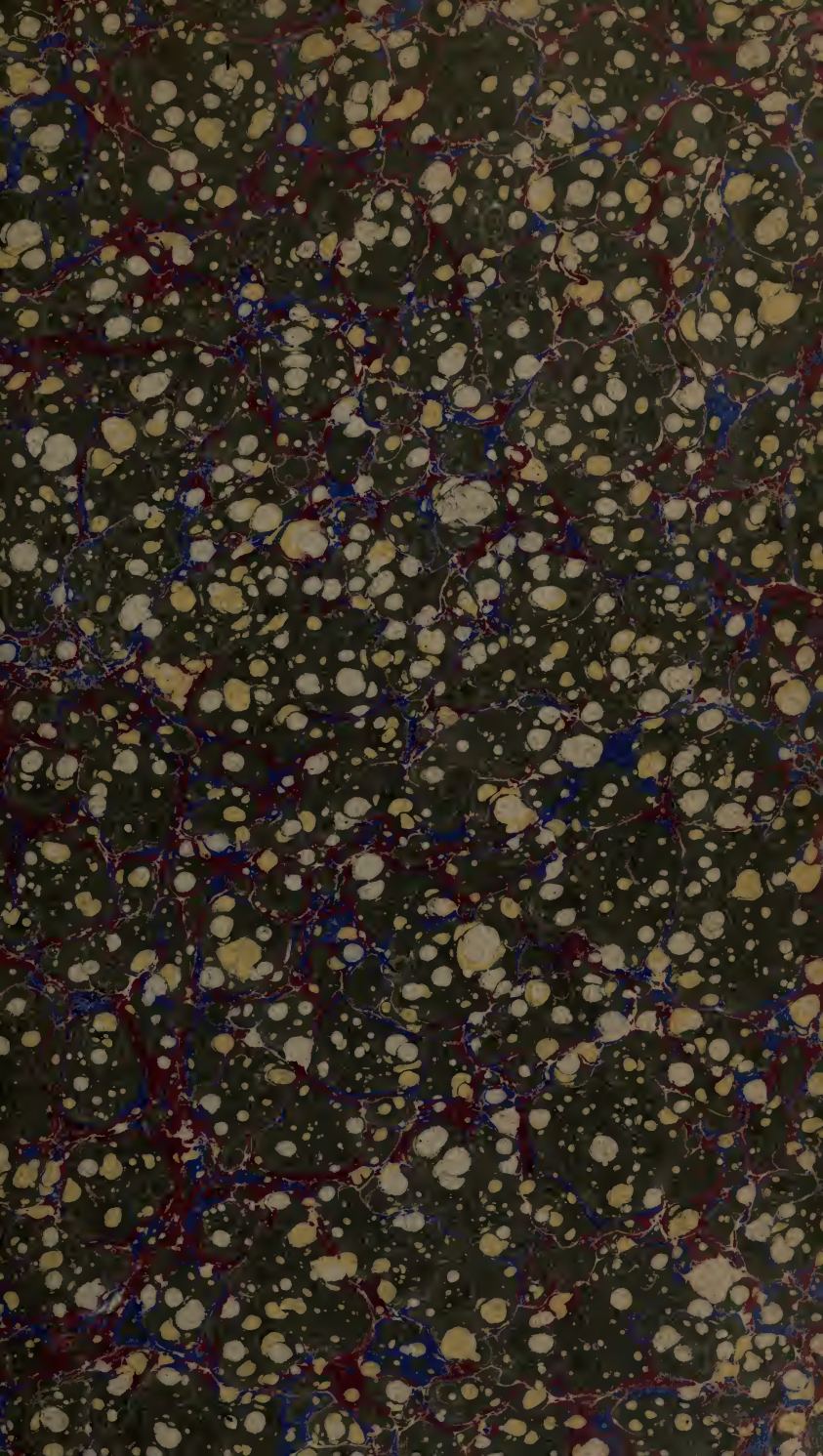


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Protection Against Free Trade.



SPEECH

OF

HON. M. A. FORAN

OF OHIO,

IN THE HOUSE OF REPRESENTATIVES,

Tuesday, May 1, 1888.

The House being in Committee of the Whole House on the state of the Union, and having under consideration the bill (H. R. 9051) to reduce taxation and simplify the laws in relation to the collection of the revenue—

Mr. FORAN said:

Mr. CHAIRMAN: Since I have been a member of this House, during almost every session at which I was present, I have heard gentlemen denounce and condemn and breathe out fiery invective against the protective system of this country. I have listened to messages and documents read from the Clerk's desk, inveighing in the most bitter terms against the tariff. Gentlemen, otherwise calm, suave, and dignified, I have seen when this subject was under discussion become satirical, abusive, censorious, captious—almost common scolds. I have heard the tariff characterized as "vicious, inequitable, and illogical," cruel and merciless—in fact the whole vocabulary of invective and scold words have been hurled at it, in season and out of season—in order and out of order—until I almost fancied and was made to believe that every manufacturer in the country was a being of whom it could be said—

Through life's dark road his sordid way he wends,
An incarnation of fat dividends.

Nay, more, I came to fancy and almost believe that the tariff was another Minos to whom the people paid tribute, that the manufacturers were the Minotaurs who devoured the tribute, and that the only Theseus who could deliver us from this galling thralldom was the star-eyed deity of free trade. Nor was this all, for my imagination has, at times, been so wrought upon by the glowing and fervid eloquence of these gentlemen that it painted every consumer a Sinbad, and the tariff an old man of the sea that clung to the consumer as closely as the shirt of Nessus. But it was only fancy and imagination, which, like a morning mist, fled at the first touch of the sunlight of truth and investigation.

How much does this great burden figure up in dollars? What is the weight of this old man of the sea which each person in the United States has to bear? The revenues of the United States from all sources during the year 1887 were \$371,403,277, or about \$6 per capita. Of this \$154,116,364 came from internal revenue, land sales, and miscel-

laneous sources. There is no complaint made about this tax. Just at this time temperance fanatics, if they happen to be free-traders, benignly smile upon and lovingly caress the florid face of old John Barleycorn. The balance, \$217,286,893, came from customs duties, and is the bone of contention. It is upon this tax that the vials of wrath have been so unsparingly poured. It has been computed by very careful statisticians that of the customs tax only about \$85,000,000 are collected from articles of prime necessity. I do not include in this estimate sugar, because the committee has seen fit to leave it practically untouched. They treated it, whether they so regarded it or not, as a purely revenue commodity.

Now, if it were admitted that the \$85,000,000, which is collected from articles of prime necessity, is added to the cost of home-made articles of similar character to the imported articles upon which it is laid, still the burden would be only about \$1.25 per capita, or about what we now pay for pensions. Here, then, is the incubus—the old man of the sea—the mountain of oppression and iniquity which is crushing and paralyzing the farmer and the consumer—\$1.25 per annum. But I propose presently to show that scarcely a dollar of this \$85,000,000 is added to the cost of home-made articles of the same kind as those upon which it is laid. But I desire to first call attention to the fact that the committee do not appear to have had, when they framed this bill, a very alarming conception of the burden which is fastened with “relentless grasp” upon the people. I take it that the committee knew what they were doing and that they honestly endeavored to meet the “condition” with which we are confronted. This “condition” is an annual surplus of nearly \$60,000,000. The duty of the committee, supposing of course that their only object was to meet the “condition,” was to frame a bill that would prevent any further augmentation of this surplus. Have they done so? If this bill is passed will the “condition” disappear, and if so, will it, like Banquo’s ghost, rise again to haunt and plague those who are responsible for its attempted taking off? Let us see. The bill places upon the free-list articles which in 1887 yielded a revenue of \$22,189,595.

This reduction we are sure of, as well as a reduction of internal taxation to the amount of \$24,455,607 if the bill should pass; but these two items will only reduce the revenue \$46,645,202, leaving us still about \$15,000,000 away from the “condition.” Oh, but, say the committee, we have carved and butchered this “vicious, inequitable, and illogical” tariff, we have so badly wounded and crippled it that it will not yield during the coming year within \$31,530,941 as much as it did in 1887; that is, we estimate a still further reduction of over \$31,000,000 because of the cutting, slashing, and carving we have done. But there will be no such reduction, and these gentlemen know it. In groping through the labyrinthian corridors of the tariff, their footsteps must have been guided by the light of the lamp of experience. Possibly the distinguished chairman may have snatched a ball of woolen thread from the industry he proposes to ruthlessly destroy, and thus have performed the feat of Theseus by the aid of this woolen Ariadne—at least wool and its products seem to be the pivot upon which the wheel of the scheme revolves. But to the point. I venture the assertion that should this bill pass, within three years from the date of its passage the customs revenues will be greater than they are to-day. I base this assertion upon the experience of the past. By the act of July 14, 1870, the free-list was enlarged \$2,403,000, and an estimated reduction from the dutiable list of \$23,651,748 was made. This was a total reduction of over

\$26,000,000. The revenue from customs during the year 1870 was \$194,538,374. The revenue from this source during 1871, instead of being \$26,000,000 less, was \$206,270,408, or nearly twelve millions more than it was the year before the estimated reduction was made; during the following year, 1872, the revenue rose to \$216,370,287. This is the way the reduction of duties reduces customs revenue.

The act of May 1, 1872, placed tea and coffee upon the free-list. The revenue derived from these articles amounted to \$15,893,847. By the act of June 6, of the same year, the free-list was still further enlarged to the extent of \$3,345,724, and reductions were made from the dutiable list, which it was estimated would amount to \$11,933,191. These two acts made a total reduction, free-list and estimated, of \$31,172,762. The customs revenue for 1872 was \$216,370,287. The revenue for 1873 amounted to \$188,089,523, nearly \$4,000,000 more than it was estimated to be by reason of the reductions of the previous year. By the act of March 3, 1883, the free-list was still further enlarged \$1,365,999, and reductions were made upon articles on the dutiable list, which it was estimated would still further reduce the revenue \$19,489,800, or a total reduction of \$20,855,799. The customs revenue during the year 1883 was \$214,706,497. During the years 1884-'85 there was a slight falling off in the revenues from this source; but during the year 1887 the customs revenue amounted to \$217,286,893, or nearly three millions more than it was during the year 1883, when an estimated reduction of over \$20,000,000 was made. In 1866, the first year after the war, the customs revenue amounted to \$179,046,652. By the acts of July 6, 1870, May 1, 1872, June 6, 1872, and March 3, 1883, the customs revenue was reduced by free-list and reductions upon articles on the dutiable list \$78,083,309 annually, and yet, notwithstanding this enormous reduction, the revenue derived from customs during the year 1887 was \$32,240,241 more than it was during the year 1866, before these reductions were made. In light of this experience, what reason have we to hope that this bill will permanently reduce, in any appreciable degree, the present customs revenue?

The revenue from this source was greater last year than any year since the close of the war except 1882, when it was about three millions larger than it was last year. How is this increase accounted for? It can be accounted for in no way except by increased importations, and these increased importations, made possible by the reductions of duties, are so great that they largely overbalance the free-list, which has been increased from time to time. It seems to me that in the light of this experience, or of these facts, there is nothing clearer than that a reduction of the customs duty upon any article which is now in competition with a home product, will increase the importation of that article so largely that notwithstanding the reduction of duty the revenue will be largely increased. It may be claimed that the increase here shown is due to the increase of our population. I do not concede this; but grant that it is true, how will that help us out of the difficulty? The President says we are confronted by a "condition," the surplus. The facts I have here stated demonstrate beyond controversy that we can not meet this "condition" upon the lines marked out in this bill.

There are only two ways of meeting the "condition" and preventing a further accumulation of surplus, and that is by the reduction of internal-revenue taxation or by enlarging the free-list to an amount equal to the annual surplus, to do which would wipe out and forever destroy the whole American protective system. I am loath to believe that the gentleman who framed this bill did not understand what effect previous

reductions of duty had upon the amount of revenue collected or goods imported. They certainly must have been aware of these things, and I am therefore reluctantly and much against my will compelled to believe that the projectors of this bill were governed, rather by a desire to cut and slash the tariff than to honestly meet the "condition," which the President of the United States expected them to meet, and which the best interests of the country demanded they should meet, and that is, to prevent an unnecessary absorption of the circulating medium of the country and prevent its being hoarded in the Treasury and taken from the channels of trade and commerce. But what does this bill in reality accomplish? A reduction of a little over \$46,000,000, \$24,455,607 of which is taken from tobacco. Of this tobacco tax the gentlemen who have so vigorously in times past denounced the tariff never complained, so that the only reduction the committee saw fit to make from the "vicious, inequitable, and illogical" tariff that could be applied to meet the "condition" is the \$22,189,505 which constitutes the free-list provided for in this bill. Notwithstanding the vehement and fiery eloquence and vindictive aspersions with which the tariff has been assailed upon this floor by members of the House, and by the President and some members of his Cabinet, yet the committee did not dare to enlarge the free-list beyond \$22,189,505; and this is in reality the only reduction which this bill, if passed, will make in customs taxation.

It therefore seems to me that this bill is a humiliating confession that all the evil things which these gentlemen have said concerning the tariff are not true. Twenty-two million dollars is about 6 per cent. of the total taxation of the United States, or about 35 cents per capita. Thirty-five cents a year, then, in the estimation of the committee, is the terrible burden that has weighed down the farmer and consumer—this is the heavy load that has curved the spine and paralyzed the energies of the laborer for lo! these many years. In view of all these things I am irresistibly driven to the conclusion that this measure is intended rather as an attack upon the protective system of America than an honest attempt to reduce the annual surplus.

Mr. Chairman, watch any gentleman while advocating this bill—mark him well, for some time during his discourse his face will become transfigured—

While shakes his ambrosial curls, and gives the nod,
The stamp of fate, and sanction of the god.

Behold! He strikes an attitude, such as the old masters gave Jove when launching his thunderbolts; there is a terrible glitter in his eye, which is "in fine frenzy rolling," and there bursts from his throat, like a shell from a cannon, these words, which appal the ear and strike terror to the heart as they bellow through the vast and boundless recesses of this Hall: "Shall the blanket of the poor man be taxed and whisky be free?" These words have been ringing in my ears, dancing in my brain, until in the wild delirium of a fever-racked imagination I heard some millions cry, "Whisky! whisky! Open, ye stills of Kentucky, and pour the mighty deluge and flood a thirsting world! Ye earthquakes, split the globe, the solid rock-ribbed globe, and lay all bare its subterranean spirit rivers and fresh-whisky seas!"—while other millions I did see, blanketless and shirtless, shake and shiver and "wallow naked in December snow."

From this mental mirage I turn to the stern realities of hard facts and figures. I find that in the estimation of the committee this "vicious, inequitable, illogical" tax which forces the consumer to "wal-

low naked in December snow," amounts to \$17,720,635. That is the amount of free-list and estimated reductions on wool and woolen goods.

Many of the gentlemen who have of this tax sung such sad refrains as would draw "iron tears down Pluto's cheek" and cause every farmer to think himself a "child of misery baptized in tears," fought like valiant knights, and lengthened a day into a week, in a bold attempt to take from the Treasury just about that amount of money. The direct-tax bill carries just about the amount the committee thinks the consumer pays on woolen goods. Year after year, upon this floor, gentlemen who shed scalding tears because the poor man's blanket is taxed, vote without a heart pang or qualm of conscience for river and harbor improvements about as much money as the committee say the consumer is unjustly taxed on woolen goods. Seventeen million seven hundred thousand dollars, then, is the amount, after all, that is wrung "with relentless grasp" from the consumer by this tax. This is about $4\frac{1}{2}$ per cent. of the entire tax the people pay, or about 29 cents per capita.

Twenty-nine cents, then, is the monstrous sum which this "cruel and merciless" tax wrenches from a single man every year. What an enormous hole this fabulous amount must leave in his income. Is it any wonder that the young men of the present day can not afford to marry? How could they afford to marry and also pay a tax of 29 cents a year? Adopt female suffrage and the party that would dare to continue this burdensome tax would be swept from power with the rapidity of the red-winged lightening.

Free whisky? I have not the figures, but I venture the assertion that the tax on the alcohol that is used in the manufacture of drugs and on the liquors used in the sick room, amounts to as much as the tax which the committee say is unjustly wrung from the consumer on woolen goods. Why did the committee, if the love they profess for the poor man is genuine, not endeavor, at least, to give him cheap medicine? Will any gentleman of the committee answer? In these comparisons I have admitted, for the sake of the argument, that the claim of the free-trader that the duty is added to the cost of the home-made article is true. The protectionist claims it is not true; but suppose we concede the free-trader to be half right, for the sake of further comparison, and then take into account the fact that poor men do not buy as much woolen clothing as the wealthy or middle classes, and where do we find ourselves? That the wool and woolen tax amounts to scarcely 12 cents per capita. Surely there has been, on this subject, a great deal of cry and very little wool. But why should the farmer and the manufacturer be placed in antagonism? Are they not correlatives in the operations of nature? Then why should they not be correlatives in the operations of human industry? When the farmer and the manufacturer are separated by long distances is not the middleman, the trader, the agent, and above all the transporter, a severe tax upon the energies and activities of both? When they are brought together, as they are by the protective system, this tax is to a large extent removed.

I think I have some personal knowledge of this subject. I was born in a farm-house and hoed my own row on a farm. I remember how the farmer prospered under the ad valorem tariff of 1846. It was in reality a free-trade tariff, as is always an ad valorem tariff that does not contain provision for the forfeiture of falsely invoiced goods. Under the operations of the tariff of 1846 the farmers of my native county sold their cattle and surplus products to drovers, traders, and agents, who had them transported to New York on the Erie canal and on the

Erie road after it was built. For the farmer, in those days, there was mighty bad sledding on the road to Hard Scrabble. He was fleeced by middlemen, and frequently ruined by wildcat banks and depreciated currency. We did not, during those halcyon days of free trade, lay awake nights lest the nightmare of a woolen tax would freeze our blood. There was no such tax to annoy us. Our mothers spun the wool we sheared from the sheep we raised on the farm and wove the thread into cloth on a hand-loom. This was the only woolen cloth we wore. Last fall my county celebrated the centennial of its first settlement, during which time I revisited the glimpses of my childhood. Fancy's magic wand could not create a more striking change than I beheld—beautiful farms, neat and substantial buildings furnished with all modern improvements everywhere greeted the eye. In twenty-five years the thriving manufacturing towns of Binghamton and Owego, Susquehanna and Great Bend, have grown until their population is nearly 100,000. These towns are either in or upon the borders of my native county. The middleman has disappeared, the consumer and the producer, the farmer and the manufacturer are side by side, and both are prosperous and happy; and this is the condition of things in every State where has been adopted the American policy of bringing into proportionate and harmonious relation the four great branches of industry—agriculture, manufacturing, commerce, and transportation. Need I say more; can more be said upon this phase of the question?

The eminent gentleman from Texas [Mr. MILLS] in presenting this bill to the House undertook, with an ardor and persistency worthy of a better cause, to show that the high rate of wages paid in the United States is not due to the protective system. The gentleman well knew and fully appreciated the fact that if it was admitted that the protective system enhanced the price of labor it would be extremely dangerous to in any way mutilate or injure that system. He is well aware that labor is the pivotal point around which this discussion centers. The main portion of his argument, therefore, was intended to demonstrate that the high rate of wages paid in the United States is due to coal, steam, and machinery. He says:

It is these three powerful agents that multiply the products of labor and make it more valuable, and that high wages means low cost of product.

I admit that a high rate of wages means a low cost of product. That is an economic axiom half a century old. Having established this fact, and I do not deny it, the gentleman asks why it is that while the labor cost is lower in the United States while the rate of wages is higher, yet England produces her goods at a total cost lower than ours. His answer to this question is that labor does not cause this difference, but that it is caused by the cost of the material; that England has cheaper machinery and cheaper raw material than we have, and therefore the total cost of any given product is lower in England than in the United States, notwithstanding the higher rate of wages paid by us. Upon this point I take issue with the gentleman from Texas. He seems to have overlooked the all-important fact that capital is cheaper in England than it is in the United States. England has been able, quite recently, to fund her entire national debt at 2½ per cent. Four per cent. has been the lowest rate at which we could fund any appreciable amount of our public debt for any considerable length of time. In old, wealthy countries money is always cheaper than it is in countries comparatively new and poor. Money is cheaper in New York than it is in Chicago, and

cheaper in Chicago than it is in Kansas City. The farther you go from the moneyed centers the dearer money becomes.

Now let us apply this quantity to the Mills equation and see if the answer to the problem will not be different. Suppose, for instance, that a plant costing a million dollars is to be erected in Pennsylvania or Ohio. The capital stock of such a plant could not be sold upon our markets unless a dividend of at least 6 per cent. was guaranteed, and for the reason that the money of capitalists is now earning that amount or more. Capital to establish a similar plant in England could be easily procured for 3 per cent. The interest cost of the American plant would, therefore, be \$60,000 a year, while the interest cost of the English plant would be but \$30,000 a year; so that it will be seen that the American plant would have to withdraw from its earnings \$30,000 a year before it would be upon the same plane as the English plant. This \$30,000 added to the total cost of the American product will perhaps account for most of the difference in the cost of producing goods in each country. Let me quote against the distinguished free-trader from Texas a distinguished English free-trader. Mr. J. E. Cairnes is an eminent English publicist and writer of the free-trade school. His works are clearer and more incisive than the writings of either Adam Smith, Ricardo, or John Stuart Mill. Mr. Cairnes, in his work on Political Economy Clearly Expounded, in discussing this very question, and the question that a high rate of wages means a low cost of product, says, in speaking of the United States:

How happens it then that, enjoying industrial advantages superior to other countries, they are yet unable to hold their own against them in the general markets of commerce?

This in substance, though not in form, is the identical question asked by the gentleman from Texas. I have given the answer of the chairman of the Ways and Means Committee. Now hear the answer of the distinguished and eminent English free-trader. This is what Mr. Cairnes says is the answer:

What it means, and what it only can mean, is that they are unable to do so consistently with obtaining that rate of remuneration on their industry which is current in the United States. If only American laborers and capitalists would be content with the wages and profits current in Great Britain, there is nothing that I know of to prevent them from holding their own in any markets to which Manchester and Sheffield send their wares.

At last the cat is out of the bag. According to Mr. Cairnes—and he is an authority as great and as distinguished, let me say it with all due deference, in my opinion as the gentleman from Texas—according to Mr. Cairnes there is nothing to prevent us from holding our own in any market to which Manchester and Sheffield send their wares, provided our capitalists and laborers are content to take the wages and profits paid and received in Great Britain. Could this proposition be more tersely stated? It can be and it is more tersely stated by the same author in the same chapter. Speaking of the inability of America to compete with the pauper labor of Europe, he says:

They can not do so and at the same time secure the American rate of return on their work. The inability no doubt exists, but it is one created, not by the drawbacks, but by the exceptional advantages of their position. It is as if the skilled artisan should complain that he could not compete with the hedger and ditcher. Let him only be content with the hedger and ditcher's rate of pay and there will be nothing to prevent him from entering the lists, even against this rival.

Yes, indeed, the American workman can compete with the English workman if he will be content to take the English workman's pay, and the American capitalist and manufacturer can compete with the

English capitalist and manufacturer if he will be content with the same profit that the Englishman realizes upon his investment. Here is the whole case in a nutshell. Pass this bill and the American workman will be compelled to compete with the English workman and receive the English workman's pay, or starve.

I fully appreciate the anxiety displayed by the gentleman from Texas [Mr. MILLS] when he discussed this phase of the question; and I am inclined to believe that he felt while he was discussing it that it was the rock upon which his scheme would be wrecked. The gentleman said, farther along in his argument, that our prosperity was due to the intelligence of our labor and the unrestricted movements of our exchanges among sixty millions of people at home. Again, he seems to have forgotten to state the reasons why our labor is intelligent, and why we have exchanges to move unrestrictedly among sixty millions of people. But I anticipate. I will discuss this phase of the question farther along. As bearing upon the question of the relative cost of production in England and the United States, let me quote for the edification and information of the gentleman from Texas [Mr. MILLS] from a report made to the House of Commons on the condition of the mining district in 1854. Among other things the report says:

The large capitals of this country are the great instruments of warfare against the competing capital of foreign countries, and are the most essential instruments now remaining by which our manufacturing supremacy can be maintained.

Even as early as 1854 the statesmen of England became convinced that they could neither wheedle nor force other nations to adopt their free-trade policy, so they admitted that their immense and colossal aggregations of capital were the great instruments of warfare against the competing capital of foreign countries. Please mark the word and heed it well—warfare. I think the gentleman from Texas [Mr. MILLS] may now well understand why England can manufacture goods at a lower cost than the United States, and why it is vitally essential that American workmen should be protected, not only against the cheap labor of England, but also against its gigantic accumulations of cheap capital, which are used, as they themselves admit, to make war upon the industries of other nations. And shall other nations not protect themselves by measures sufficiently restrictive to at least counterbalance this warfare? Whenever revenue measures are discussed upon this floor the commercial policy of England is approvingly and ostentatiously lauded. Why?

Are we to adopt free trade because England has done so or because England wishes us to do so? What is the commercial policy of England? Before answering let us glance at some of the conditions which led to and aided in creating her present policy. Ninety-five per cent. of all the land in England is owned by less than 5 per cent. of the people. These land owners are mostly titled noblemen—lords, dukes, counts, and marquises. These lords of the land have converted the most fertile portions of England and Ireland into deer parks, pleasure parks, sheep walks, cattle ranches, drives, and lawns. The amount of land in England and Ireland withdrawn from agriculture and devoted to idle, non-productive, and useless purposes is simply enormous. Meanwhile the population of the kingdom steadily increased. The inevitable result followed. England could not feed her people with the productions of her own soil. Bread and meat had to be procured abroad; and when this condition of things was reached, when because of the dead weight of a useless and blighting landed aristocracy, population began to press upon subsistence, England was forced to abandon

her protective policy, which for five hundred years had promoted and fostered her manufactures, and throw her ports open to the world, primarily in order to procure cheap breadstuffs. The corn laws which protected British agriculture were removed, because cheaper food became a vital necessity.

Nearly all the old restrictive or custom laws were repealed or greatly modified in order to induce, by the example, other countries to open their ports to British goods. To-day the settled policy of England is to have all the nations of the earth compete in her market for the sale of their raw material, so that through such competition she may be able to fix the price of what she wishes to buy; and in addition to that it is her policy to have all nations compete in her home market for her manufactured goods, to the end that through that competition she may be able to fix the price of what she has to sell, and thus become mistress not only of the seas, but of the industries and commerce of the globe. In pursuit of these aims and in establishing this policy England has been aggressive, unscrupulous, dishonest, and brutal. She laid a heavy hand upon the manufacturing industries of Ireland and they withered and perished from the face of the earth—labor became a drug in the labor market—the island being densely populated, the soil, the most productive in the world, was unable to feed the large extra manufacturing class that was thrown upon it—bad seasons and consequent failure of crops produced famines, and the people of Ireland melted away by starvation and expatriation almost as rapidly as the hosts of Sennacherib melted and withered before the breath of the angel of God. Six hundred and fifty years of the most barbarous cruelty and oppression, of bayonet rule, of rapine, plunder, bloodshed, and murder; six hundred and fifty years under the iron heel of the ruthless invader, under the domination of the most rigorous and prescriptive penal code ever known, at the mercy of incarnate brutality, under the shadow of the great robber nation of the world, and yet the spirit of the Irish people remained buoyant and unbroken.

But what all the engines of torture, the ingenuity of tyrants could devise, failed to do, the free-trade policy of England quickly accomplished, and poor, blasted, ruined, desolated Ireland weeps to-day, the Niobe of nations. What more? *Laissez faire, laissez passer* is inscribed upon the commercial banners of England; liberty for exchange, liberty for commerce, liberty for work, but no liberty for the human bodies she holds in hopeless bondage. *Laissez faire, laissez passer*—let us pass. Liberty for trade, and she blew Sepoys from the mouths of her cannon with as little compunction as the soldier discharges grape and canister at the advancing foe. Liberty for trade, and the Indian slave pays the transportation upon his raw cotton to England and the transportation upon the manufactured product when it is returned." Liberty for commerce," she cried, while she forced the helot of Hindostan to eat unsalted, putrid fish because he was unable to pay the enhanced price of imported British salt, salt that he might have manufactured for a mere trifle at his own door. *Laissez passer*, and the shotted guns of England's war ships are turned upon the villages of the untutored, savage African, and the vilest, deadliest compounds, miscalled gin and rum, are forced upon these naked savages, and thus a deeper darkness throws a blacker shadow over the dark continent. *Laissez faire*, and the boom of England's cannon and the screech of bursting shells were heard in the ports and cities of China, and India's poisonous drug, the seductive opium, in the name of liberty, was forced down the throats of the resisting Chinese.

Let commerce be free—*laissez passer*—but in the early years of this country, when American ships were transporting the products of our country to French ports, our ships were seized, our citizens impressed, and our commerce destroyed by this same power that forever cries, “Liberty for trade, liberty for commerce.” *Laissez passer*, and in the name of liberty for trade, this same robber nation passed up the Potomac and with a fiendish barbarity and unheard-of brutality sacked this city and applied the torch to this Capitol. This act of vandalism was perpetrated not eighteen hundred years before, but eighteen hundred years after the birth of Christ.

Laissez faire—liberty to work, to manufacture, but only for England, say her capitalists and manufacturers when they reduce prices and run their factories and works at a loss, as they have frequently done, in order to strangle and destroy the industries of other nations.

The war of 1812 closed our ports and forced us to manufacture goods we had previously imported. When peace was declared, England, in the name of liberty for trade and commerce, systematically began to cripple and strangle these new industries. In 1815, shortly after that war, Lord Brougham said:

It was well worth while to incur a loss on the exportation of English manufactures in order to stifle in the cradle the foreign [American] manufactures.

Laissez passer, let commerce pass, let it be free, said England, during the late war, when she built with her own money privateers, manned them with British crews, and, under the flag of the Confederate States, launched them upon our merchantmen and drove our commerce from the seas.

Laissez faire, indeed. Whenever any nation establishes a new industry or one that enters into competition with an established English industry, England will be on hand offering the same goods at cheaper prices.

Wherever God erects a house of prayer
The devil always builds a chapel there.

In every great crisis of our history as a people, whenever our liberties were endangered, whenever the existence of our institutions was jeopardized and the life of the Republic hung in the balance, let us not forget that England was and has been our most aggressive, active, dangerous, and deadly enemy. Her Canadian dependency is a menace to our prosperity and peace, and always will be so long as England's flag floats over that country. The military system of Canada is as perfect as British craft and experience can make it; nor should it be forgotten that the railway system of Canada, fostered and aided as it was and is by England, was projected as much with a view to future strategic military as present commercial purposes. A glance at any map of the United States and Canada will convince the casual observer of this fact. The rapid vaporings of the Anglomaniac about kinship of race, even if re-echoed in England, do not deceive the American patriot. Every thinking man knows that the ruling classes of England are hostile to this Republic—ever have been, always will be. The English press and English statesmen favor the bill now under discussion, and this in itself furnishes a reason, a very strong and cogent reason, why the American Representative should give it grave, thoughtful, and prayerful consideration before he decides to support it or vote for it.

Having glanced at the policy of England, let us turn our attention to our own country. What is, what ought to be our national policy? It seems to me that our policy should be to develop to the highest attainable limit, within our own boundaries, and as far as possible bring

into proportionate and harmonious relation, the four great branches of industry—agriculture, manufacturing, commerce, and transportation.

No pent-up Utica contracts our powers,
For the whole boundless continent is ours.

There are but few things which contribute to the happiness and comfort of man, and the creation and growth of great national life that can not be found in our mines or grown from our soil. Our climatology is as varied as the wants of man are diversified. There is no reason why we can not, if we so desire, become a distinct, independent people. It certainly ought to be our policy to create such industrial conditions, that if occasion demanded it, we could supply our people with every commodity in the whole range of human desires from within our own borders.

Why should we throw our markets open to the foreigner? It has cost us an incalculable amount of capital, an immeasurable aggregate of human exertion, besides great sacrifice of life, to transform the American forests and wilderness into the most opulent and powerful of nations and to maintain and preserve the most beneficent institutions known to man. And shall the alien and the enemy be given a share in the results of all our toil and effort without paying therefor a single cent? That would be to discriminate against our own citizens in favor of the foreigner. Nay, more; it would be permitting the alien, favored by cheap labor and cheap capital, and the industrial experience and development of six or seven centuries, to subject our people to the blighting competition these advantages would give him in our markets. This may be free trade, sugar-coated into "fair trade," but it is not fair treatment or fair play, nor is it common sense. Place upon the country which by nature or adventitious circumstances is given special advantages over other countries in some particular line of trade or commerce, a restriction sufficient to counterbalance the special advantage, and you simply follow the great law of human existence, self-preservation.

But the doctrine of protection is in theory as sound and tenable as it is in practice beneficial and salutary. Let me not be misunderstood. I do not take shelter behind the doctrines of List that there is a distinction between the theory of values and living forces—that is, between wealth and its causes; nor do I pin my faith to the distinction between cosmopolitan and national political economy. I do not look longingly forward to that visionary, mythical illusion, the millennium, to furnish me an excuse and pretext for being a free-trader. I am an advocate of the industrial protective system because I believe in it. Free-traders claim a preponderance of argument over protectionists in all discussions upon this question. This is often apparently true, but it is due to the misleading and imperfect way the protective idea or case is presented. The free-trader, to be at all successful in argument against the industrial protective system, must attack that system in detail; and if by joining issue on each particular customs duty he shows what appears to be an injustice against any particular class of citizens, he loudly proclaims the injustice of the whole system. This is neither fair nor honest discussion. The fact is, the protective system stands as a whole, and if it is to fall it must fall as a whole.

The strength of the system lies in its entirety—in its *ensemble* and completeness as a system. When the free-trade lawyer, for instance, claims he is unjustly taxed, for the benefit of others, on the clothing which he wears, he is attacking the system in detail, and makes an apparent case against it. But when it is remembered that the retainer of

the lawyer and the fees of all professional men rise and fall as the rate of wages rises and falls, it will be seen that the protective system works no injustice to them, because under that system the rate of wages being higher, their fees are relatively and correspondingly higher, and their ability to pay slightly more for what they consume is thereby assured. The manufacturer of iron can not justly complain that his clothing is costing more than it would under the free-trade system, because the manufacturer of cloth could retort that he was paying relatively more for the iron and machinery he purchased. The farmer may say to the manufacturer that he is paying more for his agricultural implements and clothing than he would if foreign articles of the same kind were admitted free; but the manufacturer replies that the farmer has a home market created for him, and is paid more for the productions of the field than he would receive if he had to transport these commodities thousands of miles to some foreign market; so that, as M. Alby very pointedly puts it, we find that—

As we run successively the entire circle of industrial and agricultural production with each new industry that we take account of, the era of the apparent injustice will be continually narrowing till we end by finding ourselves in the presence of a series of people paying dearer for what they purchase, but making others pay dearer for what they sell.

This is the industrial protective system in its completeness as a whole, in its *ensemble*. It is a great patriotic national system of assurance against the unjust and ruinous competition of the pauper labor, cheap commodities, cheap capital, and cheap men of foreign countries. Man's power over matter is but imperfectly developed by perfection in any single industry. Agriculture subdues the earth in one direction only, and its highest degree of perfection depends upon the aid it can receive from the whole range of art and science. The degree and extent to which the people of any community can command the forces and services of nature indicates the degree of civilization attained by that community, and the extent to which a people have diversified their industries—the variety of their pursuits, gives the best test of their power to command the governing forces of matter.

The greater the diversification of industry in a State the greater is the degree of material progress and intellectual development attained by its people. The gentleman from Texas [Mr. MILLS], in his remarks in presenting the bill under discussion, contended and insisted that the high rate of wages labor receives in the United States was not due to the tariff, but to labor-saving machinery, which vastly augmented the laborer's productive capacity. In his eager haste to score a point against the tariff, the gentleman admitted, unintentionally no doubt, the very converse of the proposition for which he was contending. Whence came this labor-saving machinery? What was it that stimulated the inventive genius of the country? Is it not a law universally recognized in economics that inventive genius is most active and efficient in that country where wages are highest? High wages then preceded invention and the highest types of labor-saving machinery and appliances, and high wages were the result of the tariff. Hence it will be seen that when the gentleman from Texas [Mr. MILLS] claimed that high wages were the result of labor-saving machinery he was simply arguing in a circle. But let me quote an eminent and learned free-trader against the distinguished chairman of the Ways and Means Committee. Mr. Henry George, in an article on Chinese immigration, in one of our encyclopedias, says:

To apply to the machinery and industrial methods which are in one country (America) the outgrowth of high wages, the cheap labor which in the other

country (China) destroys the incentive to improvement may for the time result in large profits to those who make the combination, but if the effect be ultimately to reduce the general rate of wages the result in that country is to check invention and lessen productive power.

Mr. George is an authority in the free-trade camp, and justly so for he is a close student and a deep thinker. He says the machinery and industrial methods of our country are the outgrowth of high wages. The gentleman from Texas [Mr. MILLS] says the high wages are the outgrowth of the machinery and industrial methods. Both of these eminent economists belong to the same school; but then doctors will disagree. But there is in the extract quoted from Mr. George a suggestion which it would be well for the gentleman from Texas [Mr. MILLS] to take into prayerful consideration. If the effect of free trade will be to reduce the general rate of wages in this country—and there can be no doubt upon that point—the result, as Mr. George says, will be to check invention and lessen productive power. It seems, then, that wherever we find great diversity of industry we find a high state of normal progress in all the essentials of intellectual and national life, including active and effective inventive genius. Consequently, then, the degree of inventive genius found in a State indicates very clearly the general progress of that State.

Let us now apply the test of fact and see if this assertion can be proven. The report of the Patent Office for 1886 furnishes some very interesting data. During the year 1860 there were issued by the Patent Office 4,778 patents and reissues. This was 1 patent to each 6,580 of the population of the country. During the year 1870, notwithstanding the terrible war we had passed through, yet under the stimulating influences of the Morrill tariff the number of patents increased to 13,333, or 1 to every 2,891 of population. And during the last year, 1886, the number increased to 22,503, or 1 to every 2,665 of population upon a basis of 60,000,000. These figures demonstrate beyond question that a protective tariff stimulates and quickens invention, and the great apostle of free trade, Mr. George, is authority for the statement that active invention is the result of high wages, which statement, if true—and it unquestionably is—emphasizes and accentuates the proposition that a high rate of wages invariably results from a protective tariff.

It may be laid down as a general proposition which is susceptible of accurate demonstration that purely agricultural nations, or nations having but few manufacturing industries are invariably poor. Ireland and India are notable examples.

Do we want to be placed in this category? If so, we have only to adopt the free-trade policy of England. But are agricultural communities invariably poor? Let us see what the facts establish in our own country. Take the New England States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, and Connecticut. These States have an area of only 66,465 square miles, but a population of 4,010,529, according to the census of 1880. The assessed value of the property of these States in 1880 was \$2,652,011,532, or \$660 per capita. Now let us turn our attention to the fourteen Southern States, including Missouri and West Virginia, which are not wholly agricultural.

These States have an area of 882,700 square miles, and in 1880 had a population of 14,425,723, and property assessed at \$2,370,923,269, or a per capita of but \$164. The contrast would be more striking still if those portions of Maine, New Hampshire, and Vermont which are purely agricultural were subtracted from the calculation. But let us pursue this inquiry a little further. The Middle States, including Maryland, Delaware, New Jersey, Pennsylvania, and New York, have

an area of 116,460 square miles, and had, in 1880, a population of 11,578,529, and property assessed at \$5,564,578,488, or a per capita of \$480. The twenty-one Western States and Territories have an area of 1,883,975 square miles, and had in 1880 a population of 16,963,428, and property assessed at \$6,187,266,625, or a per capita of \$358. It must be remembered that the great manufacturing States of Ohio and Illinois and the semi-manufacturing State of Indiana aid in keeping up the per capita of wealth in the Western States. From these figures it is clearly seen that the States, like the New England and Middle States, which combine manufactures with agriculture, and in which the true patriotic American policy of bringing into harmonious and proportionate relation the four great branches of industry is pursued, are far more wealthy and prosperous than the States whose industry is confined almost exclusively to agriculture.

According to the census of 1880 Alabama had an estimated or actual per capita of \$299, North Carolina \$319, Wisconsin \$737, while Massachusetts had \$1,568, Pennsylvania \$1,259, New York \$1,499, and so on. These figures speak in thunder tones for the diversification of industry.

All human experience goes to show, and common sense would seem to indicate, that the farmer who has a home market, whose land is contiguous to the workshop and the factory prospers better and has a steadier and more stable market and receives larger prices than the farmer whose market is some thousand miles from the scene of his labors. The average wealth of the citizen of New England is four times as great as the citizen of the Southern States, while the citizen of the Middle States has a per capita wealth three times as large. This is wholly due to the manufacturing and greatly diversified industries of the New England and Middle States, and these industries have been created, brought into being, fostered, and promoted by the protective system, which this bill seeks to strangle and paralyze. To still further accentuate the striking difference between the States of but one industry and the States of many and varied industries, let us again look at the report of the United States Patent Office. During the year 1886 there were issued to Massachusetts 2,116 patents, or one for every 842 of her population. During the same year there were issued to the people of Minnesota but 288 patents, or only one to every 2,711 of her population. The contrast between these two States is striking. It shows that there is three times more inventive activity and industrial progress in Massachusetts than there is in Minnesota. I do not wonder that the latter State has a united free-trade delegation upon this floor. Men are practically what their environment and conditions make them.

During 1886 there were issued to New York a patent to every 1,233 of her population; to Pennsylvania, 1 to every 1,871; to Ohio, 1 to every 2,000; to New Jersey, 1 to every 1,225; to Illinois, 1 to every 1,711; to Connecticut, 1 to every 729; to Rhode Island, 1 to every 1,101. These, with Massachusetts, are the great manufacturing States. Now look at the West and South: Missouri had issued in 1886, 1 to every 3,165; Wisconsin, 1 to every 3,305; Nebraska, 1 to every 3,453; Alabama, 1 to every 21,398; Texas, 1 to every 5,984; Georgia, 1 to every 11,015; South Carolina, 1 to every 21,640, and so on through the list. The average shows from five to fifteen times more inventive ability and industrial progress and activity in the manufacturing States than in those devoted almost entirely to agriculture. It is, perhaps, natural that the latter States

will, upon this floor, vote almost solidly for this bill, while the progressive manufacturing States will vote almost solidly against it.

In view of these practical results from following a single industry, what becomes of the claim that free trade will make the United States wealthy and prosperous? It vanishes as do the theories of the college graduate after his mind has been sharpened by the friction of the realities of practical life. But what of the theory? If free trade will make this country wealthy, why not all countries? Other nations will not permit us to grow prosperous at their expense. If all nations had protective laws, commerce would exist under the conditions these laws made possible. Wipe out these laws everywhere—invalidate the reign of universal free trade—the conditions would immediately change, but when trade and commerce became adapted to the new conditions would the sum total of the wealth of the world be increased? Wealth is only created by labor, and to increase wealth the productive power of labor must be increased by opening up new fields for its activities and by the invention and use of better and more productive labor-saving appliances. Invention is stimulated by protective duties; new fields of labor are opened by them and by the diversification of industry; the results we have already seen.

That we should not collect more money than is needed for an honest and economical administration of the Government no one denies. There is no question here to discuss; but when economy is carried to a parsimonious policy of Government expenditure, there is an issue. In a country having no large standing army and an honest administration, as this country undoubtedly now has, a high rate of taxation does not in the least alarm me; for it will be found as a general rule that a highly civilized and progressive community can not exist, nor can a high and advanced degree of civilization be attained and maintained, without a comparatively high rate of taxation. And why should objection be made to taxing goods and products? All taxes are necessarily added to the cost of production and are of course paid by those who consume products, at least primarily, for it must not be forgotten that after the process of diffusion, percussion, and repercussion by which taxes reach and fasten upon all visible species of property has operated, yet after all it is the men who earn the money that goes into the Treasury who pay the taxes. That being true, does it make any difference to them how they pay them? Certainly not.

But the claim made by the gentleman from Texas [Mr. MILLS] is that they not only pay the taxes but a bounty to the American manufacturer as well. If this were true and there were no compensating advantages, I would not only retire from the field of discussion, but apologize for having appeared upon it.

The gentleman from Texas [Mr. MILLS] made the extraordinary and startling statement that the laborer has to work twice the number of days under the protective system to earn the price of a suit of clothes that he would have to work under the free-trade system. This is indeed important, if true. It is the old claim that the duty is added to the price of the home-made article. But is it true? It may be laid down as a general proposition that when home production is small and competition slight, much of the duty is paid by the consumer, but as home production increases and home competition becomes sharper, as it rapidly does under the stimulating effects of a fair tariff, the amount of the duty which the consumer pays steadily diminishes, and when the home supply equals or nearly equals the home demand, practically all of the duty is paid by the foreign manufacturer and importer. If

the duty is added to the price of the protected article it is beyond controversy that the reduction or repeal of the duty will reduce the price of the home-made article by the amount of the duty removed.

Three times since the close of the late war duties have been decreased, but has there been cited a single instance of a corresponding decrease in the price of the home-made article? Advantage has not been taken of these opportunities to prove this reckless assertion. In 1879 American steel rails were worth in the American market \$40; the duty was then \$28. If the theory of the gentleman from Texas [Mr. MILLS] is sound, the repeal of the duty would have reduced the price of American steel rails to \$12 per ton, although at that time the same grade of steel rails could not be purchased in the English market for less than \$22 per ton. From 1846 to 1849 English iron sold in our market for \$40 per ton. It cost the American at that time \$60 per ton to produce like grade of iron. By 1851 the American furnaces were closed up and home competition no longer existed. The English iron immediately rose to \$80 per ton. The gentleman from Texas [Mr. MILLS] seems to forget that even if this wild, reckless statement was based upon even the shadow of truth, the laborer would be in no way benefited by the removal of the duty, for as soon as the foreign manufacturer obtained control of the home market, prices, even if decreased, would be again advanced.

It is a fact, and I challenge contradiction, that hundreds of protected articles can be purchased in our retail stores for the same price that they can be purchased for in England.

It must have been such absurd and extravagant statements as these made by Mr. MILLS that induced the First Napoleon to say that "if an empire were made of adamant, political economy would grind it to powder." The gentleman from Texas [Mr. MILLS] also claimed that the manufacturer does not pay the workman a fair proportion of the margins which protection gives him. In many instances this is unfortunately too true. I meet the charge fairly and squarely. I would rather create and maintain an industrial condition which produces manufacturers—ay, monopolies and trusts, if you will—who have the ability to pay remunerative wages but who do not, than to create an industrial condition under which the manufacturer could not exist. In the latter case the laborer would starve. In the former case he can oppose combination by combination and fight industrial trusts with labor trusts. These combinations which so alarm my friend from Tennessee [Mr. McMILLIN] have no terrors for me. The giant Cyclops, competition, will take care of the trusts. When profits become excessive or phenomenal in any line, outside capital will immediately rush in and it will be trust eat trust.

Even if outside capital does not rush in, excessive profits will cause a trust to fall to pieces of its own weight. The Knights of Labor organization is a vast labor trust, and this trust, with other labor trusts, will be able to prevent the industrial trusts from insisting upon unjust exactions. But right here I am reminded that the protective system is charged with the creation of these industrial trusts, another reckless assertion. The greatest of all trusts—in fact, the parent trust, the Standard Oil Company—does not owe its existence to the tariff; neither does the whisky trust, for whose welfare the gentleman from Tennessee [Mr. McMILLIN] is so very solicitous. Trusts are the result of social forces now operating in all industrial countries, whether under the protective or free-trade policy. They are simply one of the many phases which the evolutions of mankind present. Should they

abuse the patience of the people to the extent my friend fears, it will certainly be bad for the trusts. There is a higher law than a written constitution, and it is sometimes evoked.

But again it is said the protective system produces tramps, that the country is swarming with idle, unemployed men, and that the tariff is responsible for this condition of things—another absurdity. If free-trade England is more prosperous than we are why are English laborers and mechanics constantly fleeing from that country and flocking to our shores? Since 1873 there have landed upon our shores 169,000 adult Englishmen, seeking better wages and better environment, and this immigration is increasing, not diminishing. There are almost as many Canadians in the United States as there are in Canada. The Dominion has encouraged immigration in many ways, but immigrants will not bide with her; they almost invariably find their way to this tax-cursed, tramp-inflicted land of ours. Mr. F. B. Sanborn, an eminent American publicist, says it costs the United States less than 50 cents per capita to care for our paupers, while it costs England \$1.50 per capita, or three times as much. At the last official enumeration there were 1,017,000 paupers in the United Kingdom, 803,000 of whom were in England, 115,000 in Ireland, and 99,000 in Scotland.

France has a larger population than England, but has only 417,000 paupers. England is a free-trade country; the United States and France are not, yet England has three times as many paupers as France or the United States. How these base charges melt away when the light of truth is turned upon them. But let us be honest to our convictions of truth. Paupers and tramps would exist no matter under what policy the world's industries and commerce were carried on—to a much less extent under the protective system, as the facts show; but still they would exist, always will exist while human selfishness is the dominant factor of social progress. Their very existence is an ever present, eternal protest against that universal selfishness upon which the whole fabric of our civilization is based and buttressed. Ambition and selfishness have been the main springs of human activity, but the time is at hand when the good that these human impulses accomplish will have to be separated from the evil that necessarily accompanies them. Great material progress is commendable, but our ultimate aim must be higher. A progress along the line of matter becomes a curse and an evil unless along the same line there is a progress of soul.

Man is progressing along this line, too, but he advances slowly and moves on a calvary highway, but by his sufferings he is exhausting and consuming the evil of his environment. Great philosophic truths do not become popular as soon as discovered; they must be first humanized by suffering souls or so translated by some inspired genius that the multitude can understand them. The proposition that the reign of law and order and the security of life and property is best subserved by a juster and more equitable distribution of the productions of labor than now pertains ought to be regarded and acted upon as a great economic truth, but unfortunately it is not. We have not yet fully emerged from those social conditions which prompted Hobbes to say *homo homini lupus*; but who will undertake to say that the time is not fast approaching when man will find pleasure in being humane even to the wolf—*homo lupo homo*.

The gentleman from Michigan [Mr. FORD] has called attention to the importation of pauper labor by capitalists and manufacturers. That was done, but I fail to see how the heartless cupidity and cruelty of

these followers of Hobbes can be charged against the tariff. Let me vouchsafe to my friend some information of which he is perhaps not aware. When in the Forty-eighth Congress I was presenting to this House the merits of a bill which I had reported from the Committee on Labor, preventing the importation of pauper labor under contract, the word "demagogue," ever and anon, floated to my ears in muttered whispers; and it was uttered and launched upon this not ambient but vapor-laden air by gentlemen who are now advocating and supporting the bill under discussion; and whatever opposition that measure received came from friends of the Mills bill. It came from gentlemen whose knowledge of the great labor problem was derived from tableaux and object lessons. Ring up the curtain. Behold the lights of other days, free-trade days; at the front of the stage an uncovered pine table, upon which is a lighted tallow candle, and farther back, in the shade, is a black man couchant and a white man and a rawhide rampant.

I do not say these things in bitterness; I only refer to them to show how very difficult it is to break away from the prejudices that are born with us, or to break through the environment of conditions that have influenced most of our lives. One of the greatest evils the curse of slavery brought upon our kinsmen of the South was the creation of a caste, because it has outlived all the other evils which flowed from this Pandora box. There is no despotism so cruel and harsh as the despotism of caste. It is supersensitive to any intrusion into its fancied realm, and anything whose tendency is to ennoble and elevate human dignity and independence always encounters its fiercest hostility. The caste of the South, by example and propinquity, caused and stimulated the birth of a Northern caste, which because of its lack of age and the fact that it is largely composed of parvenues and illiterate boors, who in many instances are the creation of fortuitous circumstances, is a hundred times more despotic and exacting than the Southern caste, which has the advantage of age, culture, manners, and refinement.

It is the castes who have created the new gospel which claims for the benefit of society the divine right of selfishness, and offers up with sardonic glee the poverty of the poor as an inevitable sacrifice to the Moloch of greed and competition.

It is the castes and the consuming desire to enter their charmed circle that has created and produced paupers and tramps in this country, as in England their presence is largely accounted for by the oppressions of the aristocracy. It is the reign of caste and the gross and brutal selfishness it creates that compels us to admit that, although the slave is no longer in the South or beneath us, yet he is among us. The barbarian is no longer away out upon the horizon of our vision; he is by our side. The shackles are laid away in the museum of the Limbo of the past, yet in reality slavery still abides with us. But these things do not deter me from looking hopefully to the future. The test of every system, political, religious, or economical, is the man it produces; and I know the protective system has produced better men and more of them for America than the free-trade system. The protective system gave the mechanics of the North better wages, more leisure, better schools, more of all the essentials of civilized life, and the result is that we frequently see mechanics and laborers, the sons of the humble and lowly poor, grow steadily in mental strength and vigor until, by their own exertions and the benefits derived from diversified industrial conditions, they become intellectual giants and suddenly burst through the fetters caste riveted upon them—burst through the disadvantages surrounding

their lowly lives, and "flame like stars in the forehead of the morning sky."

The pauper question has led me into this digression, but before I leave the subject let me say a few words, not warningly, but rather advisory, to the people who live in the realm of caste. It must be always borne in mind that until the laws governing the distribution of wealth are changed, the great majority in every State must necessarily be comparatively ignorant, poor, and dependent, with but very little interest in the preservation of law, order, and government. It therefore follows as an inevitable sequence that the State is at the mercy of any accident or concatenation of circumstances, which unchains the pent up passions of the multitude and lets slip the dogs of mobocracy; and if in such emergency law and order is overthrown, let us not forget that the catastrophe will be due to the harsh and cruel conditions which the castes blindly created for the State's existence. Society sometimes dances the stately minuet or the ravishing valse on the lava floor of a crater, unmindful of the fact that the volcano beneath slumbers only, and is not extinct or dead. Let every man do unto others as he would others should do unto him, and these evils will be averted, and tramps and paupers will exist in history only.

But to the point. Every gentleman who has spoken in favor of this bill has complained of the dearness of American goods. Cheapness, then, is the great desideratum to be attained. If I could I would expurgate the word "cheap" from all living languages. I hate it, and hate all inanimate cheap things as thoroughly as I despise cheap men.

It is said protection discriminates against the consumer in favor of the producer. If there be consumers who are not producers, it would be good policy to discriminate them out of existence. The citizen who consumes but does not produce is a curse to the community in which he lives; his sole purpose in life, the object of his existence, is to eat up the results of the producer's labor. This consumer, who is not a producer, can have no interest in the State, no interest in the welfare of his fellow beings, no interest in anything except to minimize the cost of all things which he consumes; cheapness is to him the sum of all earthly happiness. To have cheap sugar he would grind the negroes of Cuba and Louisiana into sirup; to have cheap provisions he would make the farmer a serf; to have cheap clothing he would pauperize and brutalize the laborers and mechanics of the country.

Low wages sends the pregnant mother into the factory and stamps upon her offspring the mark of premature age; low wages sends children into the shop, and dwarfs them physically and mentally; low wages prevents marriage and increases bastardy; low wages fills the brothel as well as the jail. Angels weep, while hell gaps and yawns, and demons dance and howl when Ricardo's low natural wage limit is reached, as it is, alas! too frequently in this country, but not because we have a tariff, but because of man's inhumanity and brutality to his fellows.

Cheap goods mean cheap labor, cheap labor means cheap men, cheap men mean poverty, ignorance, vice, brutality, and barbarism. Man's value to himself, to his family, to the state, is governed by his wages; his soul, his spirit rises as his wages advance—falls as his wages decline. Destroy a man's wages and you destroy the man. Destroy the high rate of wages paid American workingmen and our industries and liberties would be jeopardized. Do the advocates of this bill desire an era of general cheapness at this tremendous sacrifice? If they do their advocacy has wisdom and method in it.

And now, Mr. Chairman, I have reached a phase of this discussion which I would fain pass over in silence, but the gentleman from Texas [Mr. MILLS] will not have it so. He has proclaimed to the world, upon this floor and through the press, that this revenue bill involves Democratic principles and Democratic duty. In a letter written by the distinguished chairman of the Ways and Means Committee to the Iroquois Club of Chicago, the Cobden Club of America, he very clearly and emphatically declares that the Democratic party is not only pledged to the support of the policy involved in this bill, but that the coming Presidential campaign is to be contested upon the lines laid down in this measure. Against this assumption upon the part of the gentleman from Texas [Mr. MILLS] I, as a Democrat, here and now enter my most solemn protest. In the letter referred to Mr. MILLS says:

Our President has boldly planted the colors on the field, and challenged our opponents to try results with us upon issue presented.

The President in his message to this Congress indicated most clearly that in his opinion the reduction of taxation, necessary to wipe out the surplus and prevent its further accumulation should be made wholly from customs duties, and that the internal-revenue system of taxation should not be disturbed. My political reading and education lead me to believe that the policy of the Democratic party in the past, and in present, was and is hostile to an internal-revenue system of taxation.

Mr. Jefferson denounced this system more than eighty years ago. That great statesman said that this system of taxation covered our land with officers, opened our doors to their intrusions and domiciliary vexation. Samuel J. Tilden more than twenty years ago also denounced in unmistakable terms the system of internal-revenue taxation. I always supposed that Mr. Jefferson and Mr. Tilden were prophets in the Democratic party, whose utterances could be relied upon as enunciating principles of the Democracy in all their purity. If we are to take the utterances of the gentleman from Texas [Mr. MILLS] for granted, we must take the position that free trade is a cardinal principle of the Democracy. I, for one, will not be driven into any such false and ridiculous attitude. Mr. Jefferson, in his sixth annual message to Congress, nearly ninety years ago, pointedly and interrogatively said:

Shall we suppress the impost and give the advantage to foreign over domestic manufactures?

Later on, in 1816, the father, not only of the Declaration of Independence, but the father and founder of the Democratic party, Mr. Jefferson, said:

Experience has taught me that manufactures are as necessary to our independence as to our comfort.

The messages of Mr. Madison and Mr. Monroe fairly bristled with declarations and recommendations in favor of protecting American manufactures and American industries. In those early days our tariff laws were protective in character, and strange enough one of these laws protected and fostered into existence the immense cotton industry of the South.

The question never took a political shape until 1832. South Carolina, under the leadership of Senator Hayne and Mr. Calhoun, about this time discovered that free trade would be of more advantage to the South than protection. Senator Hayne perhaps accurately described the situation when he said, in 1832:

We can not manufacture except as to a few coarse articles. Slave labor is utterly incapable of being successfully applied to such an object. Slaves are too

improvident and incapable of that minute, constant, delicate attention and that persevering industry which are essential to the success of manufacturing establishments.

The fact is the South, because of the curse of slave labor, found herself at a disadvantage, as compared with the North, in diversified industrial pursuits. Slave labor was adapted to only one industry, agriculture, and that being the case it was of course to the advantage of the South, at least for the time being, to purchase those manufactured goods she needed in the cheapest market she could obtain, while she sold her staple products in the highest market she could obtain. It will therefore be seen that the free-trade sentiment in this country was the outgrowth of peculiar conditions and peculiar environment, and perhaps nowhere in the history of the world is the tenacity of prejudice more strongly exemplified than in the fact that this sentiment continues a quarter of a century after the conditions and environment which gave it birth have passed away and no longer exist. Many gentlemen upon this floor can not help being free-traders. They were born so. It is rather the result of congenital causes than conviction based upon research and investigation.

Prior to the first election of General Jackson, local sectional feeling, especially in the South, became quite bitter upon this subject. In his first message to Congress, President Jackson used these words:

In deliberating therefore, on these interesting subjects, local feeling and prejudices should be merged in the patriotic determination to promote the great interest of the whole. All attempts to connect them with the party conflicts of the day are unnecessarily injurious and should be discountenanced.

Thus spoke President Jackson in relation to tariff legislation and the tariff in December, 1829. That President Jackson was a protectionist is clearly revealed in his messages, and especially in a letter written to Dr. Coleman, in which he says:

The American farmer has neither a foreign nor a home market, except for cotton. Does not this clearly prove that there is too much labor employed in agriculture, and that the channels of labor should be multiplied? Common sense points out at once the remedy.

It seems to me that it would be well for those who are now endeavoring to apotheosize this bill, and who proclaim that it involves Democratic principle and duty, to occasionally refer to the teachings of the founders and fathers of the Democratic party. It would be especially well for them to heed the warning advice of President Jackson, that—

All attempts to connect customs-revenue legislation with the party conflicts of the day are necessarily injurious and should be discountenanced.

I am well aware that about 1830 both parties began to trim somewhat upon this question. Even so great a protectionist as Henry Clay, who would "rather be right than be President," was in favor of a compromise upon the question of the tariff. Mr. Clay, as well as Mr. Jackson, wanted to be President, and, as Mr. Thompson very tersely puts it—

The concealed magnet in the White House often makes the most honest compass deflect from the North Star of principle.

The electoral vote of the Southern States was a stake for which many good men sacrificed both honor and principle; and from the time of Van Buren to that of Buchanan the Democratic party in its onward march sometimes obliqued toward the side of free trade. Since the close of the war a school of Democrats, of which the gentleman from Pennsylvania [Mr. RANDALL] is a conspicuous example, have been endeavoring to lead the party back to the principles that controlled it from Jefferson to Van Buren, a period which covered over forty

years. This school of thought prevailed in 1884, as the plank in the Chicago platform upon which Mr. Cleveland was elected demonstrates.

The tariff plank in the Chicago platform clearly suggests, if it does not positively declare, that the necessary reduction of revenue to prevent the accumulation of a surplus, should be made along the line of internal-revenue taxation. It certainly does not justify, in the light of any possible construction, the claim that this reduction must be made entirely from customs duties.

It is clear and emphatic that the necessary reduction in taxation can be effected, and it declares that it must be effected without depriving American labor of the ability of competing successfully with foreign labor; and it further declares that as high rates of duties shall be levied as will be necessary to cover any increased cost of production which may exist in consequence of the high rate of wages prevailing in this country. I know it has been said by advocates of the present bill that the Chicago platform was considerable of a fraud. Gentlemen who make this declaration seem to forget that if it is true, the present Administration was elected by fraud. In 1884, when I advocated the election of President Cleveland, I believed that my party, through the Chicago convention, proclaimed honestly its views upon the tariff question. I did not then, nor did any other speaker or newspaper, say to the people of this country, "This platform is a fraud; we do not mean what we here say about the tariff. Although we here proclaim that the surplus can be reduced by the reduction of internal-revenue taxation, and that American industries must be fostered and protected, we do not mean that, but the very converse of the proposition."

If the Democratic leaders took that stand, if the Democratic party in 1884 appealed to the people in that way, Mr. Blaine would now be occupying the White House instead of Grover Cleveland.

I have no objection to any gentleman entertaining upon this great economic question any views which his judgment dictates, but I do protest now, and will protest at all times and upon all occasions, against the false assumption and suicidal declaration that this so-called "Mills bill" involves a Democratic principle or a Democratic duty. As a measure for reducing the surplus and preventing a still further accumulation of surplus, it will, if passed, in my judgment, prove an abortive failure. I therefore oppose it for that reason as well as those already given. As a measure, as it now stands and as it is here presented, enunciating Democratic principles and Democratic faith, I not only condemn it, I repudiate and denounce it. I have heard gentlemen upon this floor tear a passion to tatters and declare in impassioned speech that they would vote for this bill, not because it was a just or wise measure, but because they were Democrats. I believe in Democracy, but there is no Democracy in this bill. I know of but one guide by which to shape my official as well as my private conduct, and that is the light which comes from my inner, moral consciousness—by this light my convictions of right and duty are formed; and if the time should ever come when party or any other kind of prejudice becomes stronger than my judgment, and I find that the courage of my convictions is departing from me, I will be ready to exclaim with Brutus in honest candor and sincerity—

Be ready, gods, with all your thunderbolts
Dash me to pieces.

A brief summary of the history of our industrial legislation and policy may not be out of place here. We had no manufactures before the

Revolution. That war forced the people to manufacture articles of necessity at least. But after peace was declared in 1783 the country was flooded by English goods. England had the factories, the machinery, the skilled labor, and our infant industries were crushed and ruined in a short time. The old articles of confederation created a government too feeble and weak to remedy this and other evils, hence the Constitutional Convention and the Constitution, which owed its existence to commercial necessity more than to any other cause. The power to regulate foreign and domestic commerce which is clearly vested in the Constitution did not exist in the articles of federation, but was a power claimed and exercised by each State. The first Congress was literally besieged with petitions from the business men of the country praying for protection against the absolute ruin which the competition of the foreign manufacturer and trader had brought upon the country. The first tariff law was passed and signed July 4, 1789. It imposed "duties on goods, wares, and merchandise imported." This tariff was very low. January, 1790, Washington recommended to the adjourned session of the First Congress a protective policy, and a bill was passed August, 1790, really protective in character.

Strangely enough raw cotton was one of the first industries specially protected at this period—3 cents per pound or 10 per cent. of its value. This protected the South against India. In 1794 Whitney's cotton gin put the South ahead of competition and outside of the need of protection. The war of 1812 found the country still wholly unprepared for such an emergency. The country could not even make a blanket. The limited protection afforded was not sufficient to promote woolen or iron industries, and others of a like character, to render the country independent of foreign markets.

Up to 1824 the tariff laws, though protective in character, were inadequate to protect the industries of the country from the supremacy of foreign manufactures.

It was the policy of England then to keep this country in the position of colonial dependence. That is her policy to-day, and free-trade would render us simply the producers of food and raw material for England.

In 1823 President Monroe for the second time urged the adoption of a higher tariff. The following January a new bill was reported. This was the first real protective tariff. Under it the country prospered as it had never prospered before.

In 1833 the tariff was modified by a gradual 20 per cent. reduction, which was to take full effect in June, 1842. This increased imports 75 per cent. The gradual reduction went on, and shops and factories closed up and disappeared as the reduction went into effect, until in 1837 the crash came—banks closed, and the country verged upon the point of bankruptcy. The imports fell away because the people were too poor to buy, and the Government had to borrow money to meet its ordinary expenses. The cry, "Work! give me work!" was heard everywhere in the land.

In 1840 the country was so thoroughly aroused that the Democratic party was defeated, and General Harrison, a protectionist President, was elected. The tariff of 1842 was still more protective than the one of 1823-'24 to 1828. Even the South did not now object, for it had been demonstrated that free trade was not the unmixed blessing it was claimed to be.

Next came the tariff of 1846. It was, strictly speaking, an ad valorem tariff, and therefore vicious, for ad valorem duties make the home market far more dependent upon the fluctuations of the foreign market,

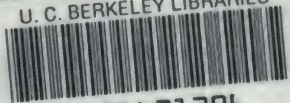
besides being more liable to permit and allow frauds and encourage perjury. The tariff of 1846 did not materially change the tariff of 1842 except by the adoption of vicious ad valorem methods.

This ad valorem tariff of 1846 lasted until 1857, to the ruin of many industries. In 1857 duties were reduced 25 per cent.; another great panic—collapse and ruin followed.

In 1860 the Republican party, with protection as one of its cardinal principles, carried the country, and for the third time Democratic supremacy was broken. We have changed our financial policy nine times in one hundred years, seduced always from protection to free trade by the seductive voice of theorists, but in every instance driven by hard and bitter experience back to protection. Are we going to repeat the experience once more? I ask again, are we going to be seduced from duty only to be driven back again? Will we ever learn anything? It might perhaps, taking an optimistic view of the matter, be well to try the free-trade experiment again, for the terrible lesson it would teach us would certainly settle the question for all time to come.

Mr. Chairman, that great *doctrinaire* and apostle of free trade, Robert J. Walker, in a report as Secretary of the Treasury in 1845, speaking of commerce and exchanges, said: "Let them alone." Those of our people who have followed this advice are surrounded by commercial inanition and industrial asphyxiation. This is an age of ideas, of thought, of active, rapid flight of mind onward, ever onward and upward; our faces are toward the noon-day sun of science, and the "Let them alone" dictum is far behind us. We let nothing alone. We recognize that mental activity is the supreme law of human destiny, and that the kingdom of matter must be conquered and subdued by the empire of mind; we push incessantly onward on the mighty track-way of civilization; we pierce the mountain-side; we span the river and the valley for iron roads on which trade and commerce forever flow; we organize the capital, the thought, the energies and activities of our people; we go down into the bowels of the earth, into the very arcana of nature, and tear out the heart of her mystery; we control and utilize the air, penetrate and investigate the secrets of the upper atmosphere and hoary ocean awful depths; we touch every known element of nature with the deft fingers of art and the all-powerful hand of science; we apply to them living forces, the cunning but mighty hand of intellectualized labor, and change, transform, and transmute them into objects of use and beauty, to minister to our bodily wants and esthetical desires; we touch dull, inert matter with the wand of industrial genius, and sentient forces appear and become the slaves of our will; the electricity, which for cycles and ages only flashed its red glare in advance of the bellowing thunder, we have harnessed to the car of progress and utilized in an hundred ways to enhance the comforts and increase the potential possibilities of humanity; with it we annihilate time and space, propel machinery, decompose elements, chase away darkness, and send the human voice along the pulsing wires to points a thousand miles away. All this and vastly more have we accomplished, not by letting force and matter alone, but by applying to them the crystallizations of thought that we have inherited from the centuries of progress and human evolution that have gone before. [Great applause.]

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