

had under consideration the bill (H. R. 5893) to reduce import duties and war-tariff taxes, and had come to no resolution thereon.

Mr. MORRISON. I move that the House now adjourn.

The motion was agreed to; and accordingly (at 8 o'clock and 15 minutes p. m.) the House adjourned.

PETITIONS, ETC.

The following petitions and papers were laid on the Clerk's desk, under the rule, and referred as follows:

By Mr. AIKEN: Petition of the Louisiana Educational Society; also, the petition of sundry citizens of Oconee County, South Carolina, for aid to common schools—severally to the Committee on Education.

By Mr. BARKSDALE: Papers relating to the claim of Reuben Collins—to the Committee on War Claims.

By Mr. BELMONT: Petition of Martin Kalbfleisch's sons and 24 others, merchants doing business on Newton Creek, New York, asking an appropriation for the improvement of the same—to the Committee on Rivers and Harbors.

By Mr. BLACKBURN: Petition of Peter P. Little, administrator of estate of Michael Shiner, deceased—to the Committee on the District of Columbia.

By Mr. CLEMENTS: Memorial of the Lookout Mountain and Mission Ridge Horticultural Society, for an appropriation to maintain a frost signal station at Chattanooga, Tenn.—to the Committee on Appropriations.

By Mr. S. S. COX: Memorial of Capt. J. A. Duble and others, captains, masters, pilots, &c., for the purchase of land, &c., for snug harbors—to the Committee on Commerce.

By Mr. CRISP: Petition of W. J. Williams, John F. McRae, Clark Wilcox, D. M. McRae, and others, citizens of Telfair County, Georgia, asking for the passage of the Blair educational bill—to the Committee on Education.

By Mr. DIBRELL: Memorial of the Lookout Mountain and Missouri Ridge Horticultural Society, asking for frost signals at Chattanooga, Tenn.—to the Committee on Appropriations.

By Mr. FINDLAY: Petition of the Master Plumbers' Association of the city of Washington, D. C.—to the Committee on the District of Columbia.

By Mr. HARDY: Papers relating to the claim of James Donagho—to the Committee on War Claims.

By Mr. HERBERT: Petition of R. E. Bolling, M. G. Wharton, and others, for revision of war-tariff taxes—to the Committee on Ways and Means.

By Mr. HUTCHINS: Petition for the improvement of the Bronx River, Westchester County, New York—to the Committee on Rivers and Harbors.

By Mr. B. W. JONES: Petition of James H. Van Wagenen for a pension—to the Committee on Invalid Pensions.

Also, petition of ex-soldiers and others of Illinois, for a pension for Dayton D. Tyler—to the same committee.

Also, resolutions of James Mason Post, No. 106, Grand Army of the Republic, Department of Wisconsin, relative to pensions, &c.—to the same committee.

By Mr. McCORMICK: Petition of citizens of Ironton, Ohio, for the passage of H. R. 5057 relative to the militia—to the Committee on the Militia.

Also, petition of citizens of McArthur, Vinton County, Ohio, of the same purport—to the same committee.

By Mr. MANZANARES: Petition of citizens of Bernalillo County, and of citizens of Valencia County, New Mexico, relating to the General Assembly of said Territory—severally to the Committee on the Judiciary.

By Mr. J. J. O'NEILL: Papers relating to the claim of Clarissa E. Gierlow—to the Committee on War Claims.

By Mr. J. S. ROBINSON: Petition of citizens of Mount Vernon, Ohio, relative to the Nez Percé Indians—to the Committee on Indian Affairs.

By Mr. W. F. ROGERS: Resolutions of the Buffalo Merchants' Exchange, for a liberal appropriation for the Signal Service—to the Committee on Appropriations.

By Mr. T. G. SKINNER: Petition of L. C. Howland and others, for educational aid—to the Committee on Education.

By Mr. TUCKER: Petition of John R. Cooke, for the removal of his political disabilities—to the Committee on the Judiciary.

By Mr. WOODWARD: Resolutions of N. A. Tator Post, Grand Army of the Republic, of Reedsburg, and of Wilson Colwell Post, Grand Army of the Republic, of La Crosse, Wis., relating to pensions, &c.—severally to the Committee on Invalid Pensions.

SENATE.

WEDNESDAY, April 30, 1884.

Prayer by the Chaplain, Rev. E. D. HUNTLEY, D. D.

The Journal of yesterday's proceedings was read and approved.

EXECUTIVE COMMUNICATION.

The PRESIDENT *pro tempore* laid before the Senate a communication from the Secretary of the Interior, transmitting, in answer to a

resolution of the 20th ultimo, a letter from the Commissioner of Pensions relative to the return of the rolls of Revolutionary soldiers belonging to any of the States which are now in the possession of the United States; which was read.

The PRESIDENT *pro tempore*. The letter, with the accompanying report, will be printed and referred to the Committee on Military Affairs, if there be no objection.

Mr. CULLOM. I thought from the reading of the communication that it refers to pensions. Does it not?

The PRESIDENT *pro tempore*. It relates to the return of Revolutionary muster-rolls. The Chair will refer it to the Committee on Pensions if the Senator from Illinois desires.

Mr. CULLOM. I do not desire to have it referred to that committee unless it refers to pensions proper.

The PRESIDENT *pro tempore*. It refers to the military muster-rolls of Revolutionary soldiers.

Mr. CULLOM. Then let the communication be referred to the Committee on Military Affairs.

The PRESIDENT *pro tempore*. It will be so referred.

PETITIONS AND MEMORIALS.

Mr. MANDERSON presented a petition of A. B. Fox Post, No. 175, Grand Army of the Republic, Department of Nebraska, praying for certain pension legislation; which was referred to the Committee on Pensions.

Mr. HARRISON presented a petition of Hambright Post, No. 270, Grand Army of the Republic, Department of Indiana, and a petition of Burnett Post, No. 183, Grand Army of the Republic, Department of Indiana, praying for the passage of certain laws relating to pensions; which were referred to the Committee on Pensions.

Mr. DOLPH presented resolutions adopted by Burnside Post, No. 23, Grand Army of the Republic, Department of Oregon, Ashland, Oreg., in favor of certain pension legislation; which were referred to the Committee on Pensions.

Mr. PALMER presented the petition of Mrs. Livinia Robinson, mother of Alfred W. Robinson, late a teamster in the United States Army, praying for a pension; which was referred to the Committee on Pensions.

He also presented the petition of Nahum Gilbert and other citizens of Allegan, Mich., praying for an increase of pension to William S. Pardee, late private Company C, One hundred and twenty-ninth Indiana Volunteers; which was referred to the Committee on Pensions.

Mr. MORRILL presented the memorial of Guy, Kimball & Gay, William L. Saunders, W. A. Patrick, and other citizens of Rutland, Vt., and of E. B. Kimball and other citizens of Gaysville, Vt., remonstrating against the proposed repeal of the present patent laws; which were referred to the Committee on Patents.

Mr. HOAR presented the petition of Wallace F. Robinson and other members of the Boston Produce Exchange, of Boston, Mass., praying for additional mail facilities; which was ordered to lie on the table.

REPORTS OF COMMITTEES.

Mr. HARRISON, from the Committee on Military Affairs, to whom were referred the following bills, reported them severally without amendment, and submitted reports thereon:

A bill (H. R. 351) authorizing the muster-in and discharge of Henry Z. Blinn; and

A bill (S. 1921) authorizing the Secretary of War to adjust and settle the account for arms, ammunition and accouterments between the Territory of Montana and the United States.

Mr. DOLPH, from the Committee on Claims, to whom was referred the petition of William N. Berkeley, of Alexandria, Va., praying to be paid for church property destroyed by United States troops, submitted an adverse report thereon, which was agreed to; and the committee were discharged from the further consideration of the petition.

Mr. GEORGE, from the Committee on Claims, to whom was referred the petition of Thomas P. Morgan, jr., praying the payment of a certain amount of money alleged to have been earned under his contract for dredging in Norfolk Harbor, Virginia, submitted a report thereon, accompanied by a bill (S. 2132) for the relief of Thomas P. Morgan, jr.; which was read twice by its title.

Mr. CAMERON, of Wisconsin, from the Committee on Claims, to whom was referred the bill (S. 2055) for the relief of Basil Moreland, asked to be discharged from its further consideration, and that it be referred to the Committee on Indian Affairs; which was agreed to.

He also, from the same committee, submitted the following report:

The Committee on Claims, to whom was referred the bill (S. 864) for the relief of William G. Ford, administrator of John G. Robinson, deceased, have carefully considered the same, and in accordance with the resolution of the Senate of February 7, 1884, report as follows:

That they have referred the same to the Court of Claims under the provisions of an act entitled "An act to afford assistance and relief to Congress and the Executive Departments in the investigation of claims and demands against the Government," approved March 3, 1883.

Mr. MANDERSON, from the Committee on Claims, to whom were referred the following bills, submitted adverse reports thereon, which were agreed to; and the bills were postponed indefinitely:

A bill (S. 171) for the relief of J. W. Bowling and J. S. Gollady; and

A bill (S. 1270) for the benefit of Mrs. Mary H. Chawning.

Mr. MANDERSON, from the Committee on Claims, to whom was referred the petition of Susan A. Shelby, praying compensation for cotton alleged to have been taken, captured, or sold by the United States, submitted an adverse report thereon, which was agreed to; and the committee were discharged from the further consideration of the petition.

Mr. BAYARD, from the Committee on the Judiciary, to whom was referred the bill (S. 688) for the relief of Alexander K. Shepard, asked to be discharged from its further consideration, and that it be referred to the Committee on Claims; which was agreed to.

Mr. HAWLEY, from the Committee on Printing, to whom was referred the joint resolution (H. Res. 235) to print additional copies of certain publications, reported it without amendment.

THE HERNDON EULOGIES.

Mr. HAWLEY. I am directed by the Committee on Printing, to whom was referred the joint resolution (H. Res. 240) to print 12,500 copies of eulogies on Thomas H. Herndon, late a Representative in Congress, to report it without amendment. If there be no objection I should like to have the resolution passed. It is a mere matter of form, and might as well be disposed of at once.

There being no objection, the joint resolution (H. Res. 240) to print 12,500 copies of eulogies on Thomas H. Herndon, late a Representative in Congress, was considered as in Committee of the Whole.

The joint resolution was reported to the Senate, ordered to a third reading, read the third time, and passed.

BILLS INTRODUCED.

Mr. HARRISON introduced a bill (S. 2133) granting a pension to Caroline E. French; which was read twice by its title, and referred to the Committee on Pensions.

Mr. GORMAN introduced a bill (S. 2134) for the relief of William C. Spencer; which was read twice by its title, and referred to the Committee on Military Affairs.

PAPERS WITHDRAWN AND REFERRED.

On motion of Mr. LAPHAM, it was

Ordered, That the papers in the case of Thomas H. Lawrence, late a second lieutenant in the United States revenue-marine service, be taken from the files of the Senate, and referred to the Committee on Commerce.

DISTRIBUTION OF DOCUMENTS.

Mr. WILSON submitted the following resolution; which was considered by unanimous consent, and agreed to:

Resolved, That the Committee on the Library be directed to inquire into the expediency of making provision by law for authorizing the Secretary of the Interior to distribute to libraries designated for the reception of public documents under chapter 7 of the Revised Statutes, one copy each of the Statutes at Large and the CONGRESSIONAL RECORD hereafter to be published, and to report its conclusion by bill or otherwise.

MESSAGE FROM THE HOUSE.

A message from the House of Representatives, by Mr. CLARK, its Clerk, announced that the House had passed the bill (S. 767) for the relief of Columbus F. Perry and Elizabeth H. Gilmer.

The message also announced that the House had passed the following joint resolutions; in which it requested the concurrence of the Senate:

Joint resolution (H. Res. 179) authorizing the President of the United States to appoint from the sergeants of the Signal Corps two second lieutenants; and

Joint resolution (H. Res. 209) granting the use of cannon, tents, and muskets to ex-Union soldiers for reunion purposes.

ENROLLED BILLS SIGNED.

The message further announced that the Speaker of the House had signed the following enrolled bill and joint resolution; and they were thereupon signed by the President *pro tempore*:

A bill (H. R. 5966) to change the name of the Marsh National Bank of Lincoln, Nebr., to that of the Capital National Bank of Lincoln, and to increase the capital stock of the First National Bank of Nashville, Tenn.; and

Joint resolution (H. Res. 223) authorizing the Secretary of War to loan to the mayor of Richmond, Va., a certain amount of flags and bunting for use at a fair.

ESTATE OF WILLIAM PERINE.

The PRESIDENT *pro tempore*. The Chair lays before the Senate the Calendar under Rule VIII, beginning with Order of Business 260, being Senate bill 1240.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 1240) for the relief of Sarah E. E. Perine, administratrix of the estate of William Perine, deceased.

Mr. PLATT. I should like to have the bill read once more.

The PRESIDENT *pro tempore*. The bill will be read for information, having been read hitherto as in Committee of the Whole.

The Chief Clerk read the bill, as follows:

That the Secretary of the Treasury be, and he is hereby, authorized and directed to pay to Sarah E. E. Perine, administratrix of the estate of William Perine, deceased, out of any money in the Treasury not otherwise appropriated, the sum of \$132,493.23, being the amount due to William Perine, as found by the

Selfridge board, for building the light-draught monitor Naubuc and the iron tug-boats Triana and Maria.

Mr. PLATT. Mr. President, as I said yesterday when I objected to the consideration of the bill, the history of this claim can not be stated in five minutes, but I think within five minutes' time I can show enough to satisfy the Senate that this bill ought not to pass without further examination by the Senate or by the committee which reported it.

The bill represents one of a class of claims which were known as the claims of the ironclad contractors. In 1865 some forty or more contractors of gunboats and other vessels during the war applied to be paid extra compensation upon two grounds, one that the price of materials had advanced upon their hands during the progress of the work, and the other that the Government had changed the plans and had delayed them in the construction. The result was that Congress passed an act under which the Secretary of the Navy established a board for the examination of those claims, which was called the Selfridge board. The Selfridge board examined the claims and among others reported that it had cost William Perine to construct three vessels the amount specified in this bill; but that was solely for the reason that the materials had advanced in price after he took his contract.

Upon that report being submitted to Congress a bill was introduced to pay the contractors the amounts reported. That bill was cut down in the Senate by one-half the amount. It went to the House of Representatives and the House refused to pass the bill in that shape, but passed a bill sending all those claims to the Court of Claims, which received the concurrence of the Senate. That bill was vetoed by President Grant.

There had been previous to that time a new board organized under an act of Congress to ascertain how much of the amounts reported by the first board were the result of delay on the part of the Government or change of plan. That board reported in perhaps eight of the cases that certain amounts were the result of delay, but in the Perine case they reported that none of the claim was the result of delay on the part of the Government, and that the claim was entirely because materials had risen in price after the contract was taken.

Senators who have been here longer than I will remember that there was a good deal of scandal about the Secor claim, and the Secretary of the Navy was charged with having corruptly paid to the Secor firm \$93,000. That matter was investigated at length. The Secor claim was one of these contractors' claims.

I have given this short history (concise as it must be when I can speak only five minutes) for the purpose of showing that this is a matter which has been settled in the Congress of the United States for thirteen years. Since General Grant vetoed the bill to send these claims to the Court of Claims not one claim has been paid of this class of claims. There was a prior payment of one of these claims, but since that time no claim has been paid of this sort. There are still outstanding against the Government claims of this precise nature which amount to more than \$2,000,000. The payment of this claim acknowledges the duty of the Government to pay all of those claims, and therefore I insist that it ought not to be hurried through the Senate in this way.

I do not believe that the Government can adopt the principle of paying to every contractor under the Government all the money that he may have lost on his contract by reason of the fact that materials have advanced on his hands during the time within which he has been completing his contract. That is precisely the principle which is involved in this case. I can not believe that the committee—

The PRESIDING OFFICER (Mr. HOAR in the chair). The time of the Senator from Connecticut has expired under the rule.

Mr. PLATT. I move to amend the bill by reducing the sum from \$132,000 to \$10,000.

The PRESIDING OFFICER. The Senator from Connecticut moves an amendment. It will be reported.

The CHIEF CLERK. In lines 7 and 8 of the bill it is proposed to strike out "\$132,493.23" and to insert "\$10,000."

Mr. PLATT. I think I can speak to that amendment.

The PRESIDING OFFICER. There being no objection, the Chair will recognize the Senator from Connecticut.

Mr. PLATT. I can not believe that the Committee on Claims has investigated the entire history of this claim. The Committee on Claims put it entirely upon the report of the Selfridge board, as if that was the last action which had ever been taken by Congress or any board under the authority of Congress with reference to this claim. Since the Selfridge board, as I have already stated, there has been another board organized to say whether any of this \$132,000 was the result of delay on the part of the Government. That board has reported that none of it grew out of delay on the part of the Government. That board was called the Marquand board. Some Senators may be able to remember it. But the committee in this report refer only to the Selfridge board.

The committee go on to state that one of these claims has been paid, the case of Donahue, Ryan & Secor, and that was paid in 1867. What the exact facts relating to that claim were I have not been able to ascertain, but I do know that it was a case which was in court at the time the board made their report, and therefore in that respect it differed from the other claims and from the claim which is now before

the Senate. The precise reason for the payment of that claim I do not know; but since the payment of that claim, as I have already stated, a bill to submit these cases to the Court of Claims was passed and vetoed by General Grant.

The committee go on to say:

In addition, the following special acts have been passed to relieve contractors in similar cases, to wit:

Act of February 18, 1873, to relieve the heirs of George C. Bester, \$125,000, 17 Stats., 733.

Act of June 1, 1872, to pay Charles W. Whitney \$50,000, 17 Stats., 671.

Act of June 10, 1872, to pay J. S. Underhill \$23,310.75, 17 Stats., 691.

Act of March 2, 1875, to pay Daniel S. Mershon, Jr., \$46,715.08, 18 Stats., 635.

But I desire to say of these claims that not one of them was included among the claims which went before these boards; they are different claims. This claim is one of the class of cases which was reported upon by these two boards, which has received time and time again the consideration of Congress, and which has been backed here by a powerful lobby, which a Secretary of the Navy in an investigation testified was the most powerful lobby he had ever known before Congress. The claims upon which reliance is placed in the report of the committee are an entirely different class of claims.

I can not believe that the Committee on Claims has been fully informed with relation to the history of these cases and the facts in regard to them.

Mr. McPHERSON. Mr. President, this is one of a class of cases that since the commencement of my service in the Senate have been usually referred to the Committee on Naval Affairs. I remember well four or five cases of like character which were referred to that committee, in the first place asking for a specific appropriation of money covering the amount the parties conceived the Government owed them. When they found the committee refused to take action upon the bills they wished that the claim might be referred to the Court of Claims in order that they might present their statement to the Court of Claims and get an award from that court.

The Committee on Naval Affairs up to this hour have refused to report to the Senate such a bill because it would be a confession that some money was due the claimants from the Government, when the facts are that not a single dollar is due. But on the application of these gentlemen with their supposed claims against the Government, two or three different boards have been appointed. First, the Selfridge board was appointed, which adjudicated every point of controversy between the claimants and the Government. The claimants receipted to the Government for everything due them. They gave a receipt in full of all debts, demands, and claims.

Afterward, and by what process I can not conceive, a new board was appointed, I think the Marquand board. They investigated the subjects which were again raised by the claimants. An award was made, if I recollect aright, which covered very largely the claims due for delay, the increased cost of material incident to and attendant upon the delay, &c., in the construction of the vessels. The claimants a second time receipted to the Government.

The Government holds to-day three receipts: the original receipt on the delivery of the property under the contract, the second receipt upon an adjusted claim, which covered every ground of controversy so far as the board were willing to allow it up to that time; and the third receipt covers everything that could possibly be resurrected in the shape of a claim on the part of the claimants.

These people are here again. A bill was introduced which has been reported back from the Committee on Claims making an award of one hundred and thirty-odd thousand dollars in this case upon exactly the same facts that two different boards of survey and adjudication appointed by the Government have completely and absolutely settled.

If it is in order to object to the consideration of this bill, so as to let it go on the Calendar where the proper discussion of the matter can be had, I object to its consideration.

The PRESIDING OFFICER. The Senator from New Jersey objects to the further consideration of the bill, and it goes over under the rule.

POTOMAC FREE BRIDGE.

The bill (S. 1477) to authorize the construction of a bridge across the Potomac River at the Three Sisters, near Georgetown, D. C., was announced as next in order upon the Calendar.

The PRESIDING OFFICER. Under the understanding of yesterday, this bill goes over for one week, unless sooner called up by the Committee on the District of Columbia.

LOTTERY ADVERTISEMENTS.

The bill (S. 1017) to prohibit the mailing of newspapers and other publications containing lottery advertisements, and prescribing a penalty for the violation of the same, was announced as next in order upon the Calendar.

The PRESIDING OFFICER. This bill it was agreed should go over until the return of the Senator from Tennessee [Mr. JACKSON].

INDIANS ON UMATILLA RESERVATION.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 66) providing for allotment of lands in severalty to the Indians residing upon the Umatilla reservation, in the State of Oregon, and granting patents therefor, and for other purposes.

The PRESIDING OFFICER. The pending question is on the amendment proposed by the Senator from Iowa [Mr. ALLISON]. It will be read for the information of the Senate.

The CHIEF CLERK. In section 3, line 10, after the word "draw," it is proposed to strike out the words "four per centum per annum interest," and to insert "such rate of interest as is now or may be hereafter provided by law;" so as to read:

That the funds arising from the sale of said reservation lands, after paying the expenses of survey, appraisal, and sale, and reimbursing any Indian or Indians for the value of any improvements belonging to such Indian or Indians, and the equitable share of any Indian to the funds arising from the sale of said reservation lands as herein provided, and reimbursing the United States for improvements made by the Government and under the provisions herein, shall be placed in the Treasury of the United States to the credit of said Indians, and the same shall draw such rate of interest as is now or may be hereafter provided by law.

Mr. BECK. The Senator from Massachusetts [Mr. DAWES], the chairman of the Committee on Indian Affairs, is engaged at this moment in the Committee on Appropriations. I have sent for him. He will be here in a moment. Unless it is very pressing I should prefer not to have action upon this amendment before he comes in. I left the committee-room a moment ago, saying that I would send for him if the bill came up. I do not know anything about the bill.

Mr. SLATER. Mr. President—

Mr. BECK. The Senator from Oregon I suppose understands it.

Mr. CAMERON, of Wisconsin. I will inquire of the Senator from Oregon what rate of interest is now provided by law?

Mr. SLATER. I understand that it is 5 per cent. on all Indian trust funds.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Senator from Iowa [Mr. ALLISON].

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

ABBY P. ARNOLD.

The bill (S. 764) granting an increase of pension to Abby P. Arnold was announced as next in order.

Mr. CONGER. That is reported adversely. I suppose it will go over.

Mr. ALDRICH. I should like to have that bill retain its place on the Calendar. It is a bill introduced by my colleague [Mr. ANTHONY].

Mr. CONGER. Let it go over, holding its place.

The PRESIDING OFFICER. If there be no objection the bill will go over, holding its place on the Calendar, until the return of the senior Senator from Rhode Island.

WASHINGTON MONUMENT COMPLETION CEREMONIES.

Mr. MORRILL. I ask unanimous consent to call up the joint resolution reported yesterday in relation to the Washington Monument. I think there will be no objection to its passage.

The PRESIDING OFFICER. The Senator from Vermont asks unanimous consent to take up Senate joint resolution 82.

There being no objection, the Senate as in Committee of the Whole proceeded to consider the joint resolution (S. R. 82) in relation to ceremonies to be authorized upon the completion of the Washington Monument.

Mr. MORRILL. In line 4, after the words "five Senators," I move to amend by inserting the words "appointed by the President of the Senate," and after the words "eight Representatives," I move to insert the words "appointed by the Speaker of the House of Representatives."

The amendments were agreed to.

Mr. MORRILL. I desire to say that a small appropriation is necessary to cover some incidental expenses, for even a cannon can not be fired with ammunition belonging to the United States without accounting for it, and if there is any powder burned it will have to be paid for.

The joint resolution was reported to the Senate as amended, and the amendments were concurred in.

The joint resolution was ordered to be engrossed for a third reading, read the third time, and passed.

CINNABAR AND CLARK'S FORK RAILROAD.

The bill (S. 1373) granting the right of way to the Cinnabar and Clark's Fork Railroad Company was announced as next in order.

Mr. HARRISON. That bill proposes to grant a right of way some forty miles in length through the Yellowstone National Park. I do not want to make an objection that will carry it off the Calendar under Rule VIII, but I ask that it may be passed over without prejudice until the Committee on Territories, which committee has been giving some consideration to this subject, may consider the question whether there is not some route which this road can take that will not invade the park. We shall have a meeting of that committee on Friday, and I ask unanimous consent that the bill may retain its place on the Calendar and be passed over until our committee can look into it.

The PRESIDING OFFICER. The Senator from Indiana asks unanimous consent that the bill be passed over, retaining its place on the Calendar. Is there objection?

Mr. CULLOM. As I understand, the Committee on Railroads have

no objection to that if the Committee on Territories will give it early consideration.

Mr. SAWYER. I was going to say that I hope that will be done.

The PRESIDING OFFICER. There being no objection, it is so ordered.

CHRISTIAN KROPP'S ADMINISTRATOR.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 1072) for the relief of Samuel B. Seat, administrator of Christian Kropp, deceased. It provides for the payment to Samuel B. Seat, of Montgomery County, Tennessee, of \$933.72, to refund to Seat the amount hitherto paid by him in excess of what was actually due by him to the United States, and which he paid in satisfaction of an erroneous judgment.

Mr. PLATT. Is there a report?

The PRESIDING OFFICER. There is. The report will be read.

Mr. CAMERON, of Wisconsin. The report on that bill is very long. I think the Senator from Oregon [Mr. DOLPH], who reported the bill, can in a very few minutes state the substance of the report, and that that will be satisfactory to the Senate.

Mr. PLATT. I do not ask for the reading of the report if some member of the committee will make an explanation.

Mr. DOLPH. Mr. President, the facts in this case are about as follows: On the 17th of February, 1869, Thomas T. Carter, intending to be engaged in the business of a distiller in the vicinity of Clarksville, Tenn., entered into a bond to the United States in the sum of \$5,000, with Thomas B. Harrison and Christian Kropp as sureties. In April, 1874, the United States commenced a suit upon said bond against Carter as principal and Harrison and Kropp as sureties. No service was had upon Carter, he having left the State, but service was had upon Kropp and Harrison, the sureties, in June or July, 1874. Thereafter Kropp died, and the claimant, Samuel B. Seat, was appointed administrator of his estate, and on the 8th of May, 1878, the suit was brought to trial in the United States district court for the middle district of Tennessee, and judgment obtained against the sureties, and in favor of the United States for \$1,168.08. Execution was issued and the amount of the judgment was paid into court by the administrator of Kropp. It afterward appeared that while the amount for which the judgment was rendered was the amount of taxes legally due from Carter, Kropp had not been surety of Carter at the time when all the taxes accrued, and that the judgment was erroneous to the extent of \$933.72. The administrator, Seat, thereupon made an application to the Commissioner of Internal Revenue for relief under section 3220 of the Revised Statutes, which authorized the Commissioner, subject to regulations prescribed by the Secretary of the Treasury, on appeal being made to him, to remit, refund, and pay back all taxes erroneously or illegally assessed or collected. The Commissioner of Internal Revenue rightfully thought that inasmuch as the money had been paid upon a judgment he was not authorized to pay it back upon the application, and so notified the applicant. Thereupon the attorney of Seat wrote to the collector asking whether, if the court which rendered the judgment would correct it, upon application made, he, the Commissioner, would thereupon refund the money under the provisions of this statute. The Commissioner answered in substance that if such a correction of the judgment should be made the claim for refunding the money would be considered; and also wrote to the district attorney in regard to the matter. Application was made to the court and the judgment was corrected. The recital of the record of the proceedings shows that the court determined that the judgment was erroneous to the extent of the \$933.72. Thereupon the application to the Commissioner of Internal Revenue was renewed, and he, supposing that he now had authority to refund the money, made out a voucher for that purpose and submitted it to the Secretary of the Treasury, and the Assistant Secretary of the Treasury, Judge French, approved the repayment of the amount, and the claim so allowed was stated by the Fifth Auditor. When it came to the First Comptroller of the Treasury he refused to allow it.

Thereupon a suit was brought in the Court of Claims, and that court decided that the court in correcting the judgment had acted without authority, without jurisdiction, two years having elapsed since the judgment was rendered; that the power of the court to amend the judgment was gone after the term at which the judgment was rendered had expired, and that it was not competent for the district attorney to consent to the amendment of the judgment even when directed to do so by the Commissioner of Internal Revenue, and that inasmuch as the court had acted without jurisdiction the judgment was still in force and the Commissioner of Internal Revenue had no authority under the statute to repay the money, and that the Court of Claims had no jurisdiction to render a judgment in favor of the claimant.

The PRESIDING OFFICER (Mr. HARRIS in the chair). The Chair will state to the Senator from Oregon that his time has expired.

Mr. DOLPH. I shall be through in a moment.

The PRESIDING OFFICER. If there be no objection the Senator will proceed. The Chair hears none.

Mr. DOLPH. It therefore clearly appears that the judgment rendered against the claimant was rendered for too large a sum by mistake, and that the claimant being the administrator of Kropp and coming into the case just before the trial was not familiar with the facts,

and a proper defense was not made, and the committee say that "by the excusable inadvertence of the claimant the judgment rendered in the district court of the United States for the middle district of Tennessee, on May 8, 1878, in favor of the United States, and against the claimant as administrator of Christian Kropp, was erroneous to the extent of \$933.72," and that the amount should be refunded to him.

Mr. WILSON. I should like to ask the Senator how long after the entering of the judgment was it before this petitioner commenced his proceedings to have it corrected?

Mr. DOLPH. It was very soon after.

Mr. WILSON. I understood the Senator to say that some two years had expired.

Mr. DOLPH. It was the 19th of February, 1880, and the money was paid on the 9th of July, 1878, but two years had elapsed before the court that rendered the judgment undertook to correct it. The order of the court attempting to correct the judgment shows conclusively that the original judgment was entered by mistake. The United States having received the money and it being in the Treasury, the committee thought it ought to be refunded, and we ought not to hold that the judgment was conclusive upon Congress.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

GOVERNMENT WHARF AT WILMINGTON, N. C.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 1251) to authorize the purchase of a wharf for the use of the Government in Wilmington, N. C. It proposes to direct the Secretary of the Treasury to cause an examination to be made of the wharf in front of the custom-house and other property at the port of Wilmington, N. C., offered by E. E. Burress, president of the First National Bank of Wilmington, and on inquiry as to the necessity of the use of the property described for the revenue-marine service and other customs purposes at that port, and if it shall be found advantageous and necessary for such purposes, to purchase the same at a reasonable price, not exceeding \$30,000.

Mr. McMILLAN. Upon the letter of the Department accompanying the papers in this case and upon the statement from the Department the committee were unanimously of the opinion that the bill should be reported favorably.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

BRIDGES ACROSS WILLAMETTE RIVER.

The bill (S. 820) to authorize the Oregon Pacific Railroad Company to construct one or more bridges across the Willamette River, in the State of Oregon, and to establish them as post-roads, was considered as in Committee of the Whole.

The bill was reported from the Committee on Commerce with amendments.

The first amendment was, in section 2, line 3, after the word "draw-bridge" to strike out "or other form of draw;" so as to read:

That any bridge built under the provisions of this act may, at the option of said railway company, be built as a draw-bridge, or with unbroken or continuous spans.

The amendment was agreed to.

The next amendment was, in section 2, line 16, after the word "of," to insert "such width as the Secretary of War shall determine, and which shall be;" so as to read:

Provided, That if any bridge built under this act shall be constructed as a draw-bridge, the same shall be constructed with an opening over the center of the channel of such width as the Secretary of War shall determine, and which shall be at least one hundred feet in the clear, and the piers of said bridge shall be parallel with the current, and the draw of said bridge shall be over the main or deep channel of the river, as may be fixed and determined by the Secretary of War.

The amendment was agreed to.

The next amendment was, in section 4, line 4, after the word "thereof," to insert "or the corporations or persons controlling the same;" so as to make the section read:

SEC. 4. That the right to alter, amend, or repeal this act is hereby expressly reserved; and the right to require any changes in said structure, or its entire removal, at the expense of the owners thereof, or the corporations or persons controlling the same, whenever Congress shall decide that the public interest requires it, is also expressly reserved.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

TRUSTEES OF ISAAC R. TRIMBLE.

The bill (S. 91) for the relief of the trustees of Isaac R. Trimble was announced as next in order.

Mr. McMILLAN. Is there any report accompanying the bill?

The PRESIDING OFFICER. There is a report.

Mr. McMILLAN. Let it be read.

Mr. CONGER. I have been looking for the report through my list of reports, but it did not happen to be filed there. I wish this bill

might go over, retaining its place on the Calendar, until the report can be examined.

Mr. HAWLEY. The Senator from South Carolina [Mr. HAMPTON] having the bill in charge can explain it. There is a full report. It is a proposition that received the approval of the Committee on Military Affairs. It gives these petitioners a chance to be heard before the Court of Claims on the equities of their claim. The Senator from South Carolina understands the case better than I do.

Mr. CONGER. May I inquire of the Senator whether this bill makes the decision of the Court of Claims a final judgment, or whether it is to be reported to Congress again?

Mr. HAMPTON. I have the bill—

Mr. CONGER. Let the bill be read again. It is short.

The PRESIDING OFFICER. The bill will be read.

The Chief Clerk read the bill, as follows:

Be it enacted, &c., That the claim of the trustees of Isaac R. Trimble against the United States for the construction and use by the War Department of Howe's patent truss in the bridge over the Potomac River be, and the same is hereby, referred to the Court of Claims for hearing and adjudication; and to that end jurisdiction is hereby conferred on said court to proceed as a court of equity and to render judgment therein.

Mr. CONGER. I think the bill should be amended so as to direct the court to report the result of their findings to Congress. That is the form of the general law.

Mr. PLATT. You want it under the Bowman bill?

Mr. CONGER. Yes, sir. It could go there for examination and a report of the findings of the court without the passage of this bill, unless there is some limitation.

Mr. PLATT. I understand what is called the Bowman bill to be this: that any committee of either House, or either House of Congress, may refer any claim pending before it to the Court of Claims to hear the facts and report the facts to Congress. The chairman of the Committee on Claims may correct me if I am wrong.

Mr. CAMERON, of Wisconsin. The Senator has stated it a little broader than it is.

Mr. PLATT. I understand also that the Court of Claims has recently determined that the fact that more than six years have run against a claim does not deprive them of jurisdiction under the Bowman bill. They have rendered a decision to that effect.

Mr. CAMERON, of Wisconsin. Not to that effect exactly. If the Court of Claims ever had jurisdiction of a claim, and more than six years has elapsed, the court holds that under section 3 of the so-called Bowman act it has not jurisdiction to hear that claim. If it never had jurisdiction, then of course no statute of limitations ever has run against it, and I suppose it never had jurisdiction of this case; I do not know whether it had or not, but if it never had jurisdiction to hear and try this case, then there is no statute of limitations in the way.

Mr. PLATT. I may not be able to state exactly just what the court has decided with reference to the question whether it has jurisdiction in these cases, but I think it is this: In claims for the use of a patent by the Government, if there was anything which looked to a license or an agreement on the part of the patentee that the Government might use it with the expectation of compensation, they hold that in those cases there was an implied contract within the meaning of the original act of jurisdiction; but where it is simply a case where the Government has used a patent without any consent whatever of the inventor or the owner of the patent, I think that question is still open, and that it is undecided in that court whether they have jurisdiction in those cases or not. Several cases have been heard which have been leading along toward a decision of that question, but I think it is still open.

The PRESIDING OFFICER. The Chair will direct the Secretary to read the third clause of Rule XV for the information of the Senate.

The Chief Clerk read as follows:

3. Whenever a private bill is under consideration, it shall be in order to move, as a substitute for it, a resolution of the Senate referring the case to the Court of Claims, under the provisions of the act approved March 3, 1883.

Mr. CAMERON, of Wisconsin. It might be in order to move to refer it, but it is possible that the Court of Claims would have no jurisdiction even if Congress did refer it.

The PRESIDING OFFICER. The Chair understood the Senator from Minnesota to call for the reading of the report.

Mr. CONGER. The report is very long.

Mr. McMILLAN. I withdraw the request for the reading of the report.

Mr. CONGER. I would suggest to the gentleman making the report that the bill be amended so that the case may be examined by the Court of Claims, as provided in this bill, but with no authority to render judgment, and that the court report its finding to Congress. My objection is to leaving to the decision of the court by this bill the finding of an unlimited amount of damages for the use of any patent. I have no objection to the court finding the facts in the case and the right of the party and reporting to Congress, and then an appropriation may be made, if one is needed.

Mr. MAXEY. The original report in this case adopted by the Committee on Military Affairs was submitted by myself on behalf of the committee at the last Congress, and that report after very careful consideration by the committee was adopted without dissent, and the bill

was presented to the Senate and was passed by the Senate unanimously *in hæc verba* as it is now reported. The bill failing in the House, it was reoffered in the Senate and referred to the committee, and came back from the committee with a favorable report at the present session.

The report itself shows quite clearly that this is a case where the Court of Claims should hear and determine as a court of equity, and in that view, as it is a question of fact, the committee directed the bill to be reported conferring upon that court the authority to hear and determine the case just as any other case of a disputed claim between the Government and a private individual. I think myself that if the Senator from Michigan would hear the report read he would find that the bill is properly worded as it is now, and that the Court of Claims ought properly to have jurisdiction. The bill itself is framed upon a decision of the Supreme Court involving the title and right to this truss in the Railroad Company *vs.* Trimble, in 10 Wallace. The title was found by the court to be in the assignees of Trimble. This claim is for the use by the Government of a patent precisely like the use by the railroads. In that case the assignees recovered. In this case the United States is the user of the truss; and the claimants, the assignees of Trimble, simply ask that the Court of Claims take this case up as any other claim against the United States and hear and determine it.

That was our view of it, and I will suggest to the Senator from South Carolina that the bill as it is is properly drawn and should remain as reported.

Mr. CONGER. The committee report that—

In the opinion of the committee, the claimants have a right to establish the use by the Government of their patent; that they have not been paid therefor, and the reasonable value of use, and to introduce evidence of ownership and loyalty. In short, the examination made by the committee shows a state of case which, in the judgment of the committee, entitles the claimants to a hearing in the Court of Claims.

I have no objection to a hearing in the Court of Claims if it be according to the general law applicable to other parties. Let there be a hearing and a finding of the facts reported to Congress. In order that an amendment may be drawn to that effect for the consideration at least of Senators, I ask that the bill go over by common consent without losing its place on the Calendar.

The PRESIDING OFFICER. The Senator from Michigan asks unanimous consent that this bill may be passed over informally, holding its place on the Calendar under Rule VIII. Is there objection? The Chair hears none.

DAVID WOOD.

The bill (S. 1553) to remove the charge of desertion against David Wood was considered as in Committee of the Whole. The preamble recites that David Wood, a boy under 11 years of age, was constantly with the Sixth Missouri Cavalry for over one year, doing efficient work as orderly, and was mustered for pay on two occasions as bugler of Company A, Wood's Battalion, Sixth Missouri Cavalry, and was with the Army through Arkansas to Batesville, Clarendon to Helena, and was taken sick with malarial fever at Helena, Ark., in August, 1862, and his attending physician declared that his immediate removal to a northern climate was necessary to his restoration to health; that his father, in command of the regiment, resigned and obtained leave of absence and took him to his home in Kansas, not knowing that he had been mustered for pay as a soldier; and that David Wood was afterward reported as a deserter, and so stands upon the muster-roll of the battalion. The bill therefore directs the Adjutant-General of the United States to place the name of David Wood upon the Army-roll of the United States, and issue to him an honorable discharge from the Army of the United States, to date from August 12, 1862.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

The PRESIDING OFFICER. The question is on the preamble.

The preamble was agreed to.

VACATION OF AN ALLEY.

The bill (S. 869) to vacate an alley in square 234 in the city of Washington was considered as in Committee of the Whole. It proposes to authorize the commissioners of the District of Columbia, in their discretion, to convey to the owners of abutting lots the ground occupied by the alley running east and west in square 234, between certain lots described in the city of Washington, D. C., and to vacate and close up the alley if the owners shall appropriate for public use, as an alley, an area of ground in the same square equal to that in the alley to be conveyed.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

HEIRS OF WILLIAM G. WALKER.

The bill (S. 1691) referring the joint claim of T. A. Walker and Augusta C. Todd for proceeds of cotton to the Court of Claims for adjudication was announced as next in order.

Mr. CAMERON, of Wisconsin. The report had better be read.

The Secretary read the following report, submitted by Mr. GARLAND March 3, 1884:

The Committee on the Judiciary, to whom was referred the petition of T. A. Walker and Augustus C. Todd to have their claims referred to the Court of Claims for adjudication, beg leave to report:

That heretofore, as a rule, they have reported adversely to individual peti-

tions for the removal of the bar of the statute of limitations, but this case arises on an exceptional state of facts.

First. The matter complained of was committed by the unauthorized act of the guardians or tutors of these petitioners when minors, and whose duty it was to protect them and their estate instead of squandering it.

Second. Petitioners were minors when the acts complained of occurred, and remained such until the statute bar accrued, and both of their guardians or tutors have long since died and their estates are entirely insolvent.

The Treasury Department heretofore passed adversely on the claim, but upon the want of testimony and the conflict of testimony as well, and on no other grounds.

Under these circumstances the committee think this a meritorious case for the Court of Claims, and can not form a precedent for the future for action in such applications, and that the prayer of the petitioners should be granted, and therefore report a bill to that end.

Mr. CONGER. This is one of the old cotton claims, and there is nothing in the report to show any facts or circumstances connected with it. I object to its consideration.

The PRESIDENT *pro tempore*. The bill being objected to goes over.

Mr. GARLAND. I hope the Senator will not object to that. The Committee on the Judiciary has, I believe, since I have been connected with it, enforced the rule, and this is the only case where it has relaxed the rule as to the statute of limitations. The report shows that these were two minors at the time the acts took place and were minors long after the application was made to the Treasury Department, and that their guardians, who disposed of the cotton, have died and their estates are insolvent. The Treasury Department simply denied relief; but, without committing the United States in any way, we simply send the parties to the Court of Claims, removing the bar and letting them be heard there. The report was unanimous from the Committee on the Judiciary.

Mr. CAMERON, of Wisconsin. It does not appear from the report what was done with the cotton, whether it was sold and the proceeds covered into the Treasury or not.

Mr. GARLAND. The report was not made at length on those points, but I can state that their guardians, as alleged in the report, sold this cotton—at least that is the statement—and the Government got possession of it under the act of Congress, and it was sold and the proceeds paid into the Treasury. They petitioned the Treasury Department for relief. The Treasury Department passed upon the case, holding that there was a conflict of testimony as to the ownership, and there being a conflict the Department refused to grant relief. In the mean time the statute bar applied against these minors. It is a very exceptional case, and it is the only one since I have been connected with the Committee on the Judiciary where they have reported in favor of removing the bar of the statute.

Mr. CONGER. Under the usual custom and rule of the Senate, I do not know how this case ever got to the Committee on the Judiciary. It is purely a claim against the Government, belonging to the Committee on Claims, and I think the report should state the facts, especially as the bill provides for sending the case to the Court of Claims for final judgment, and there is an adverse report of the Treasury Department against the claim. I do not feel willing to let it stand under the five-minute debate, and I object to its consideration.

The PRESIDENT *pro tempore*. The bill being objected to, goes over.

ESTATE OF FRANK SOULÉ.

The bill (S. 336) releasing the estate of the late Frank Soulé, late collector of internal revenue for the first district of the State of California, and his sureties on his official bond, was considered as in Committee of the Whole.

The bill was reported to the Senate without amendment, ordered to be engrossed for a third reading, read the third time, and passed.

FLATHEAD, KOOTENAY, AND UPPER PEND D'OREILLES INDIANS.

The Senate, as in Committee of the Whole, proceeded to consider the bill (S. 1706) to accept and ratify an agreement with the confederated tribes of the Flathead, Kootenay, and Upper Pend d'Oreilles Indians for the sale of a portion of their reservation in the Territory of Montana required for the use of the Northern Pacific Railroad, and to make the necessary appropriation for carrying out the same.

Mr. GARLAND. Let the report be read.

The PRESIDENT *pro tempore*. The report will be read.

The Secretary read the following report, submitted by Mr. CAMERON, of Wisconsin, March 4, 1884:

The Committee on Indian Affairs, to whom was referred the bill (S. 1706) to accept and ratify an agreement with the confederated tribes of the Flathead, Kootenay, and Upper Pend d'Oreilles Indians for the sale of a portion of their reservation in the Territory of Montana, required for the use of the Northern Pacific Railroad, and to make the necessary appropriations for carrying out the same, have examined the same, and report as follows:

On the 22d of July, 1882, Joseph K. McCammon, Assistant Attorney-General, was directed by the Secretary of the Interior to proceed to the Flathead (Jocko) Indian reservation, in Montana, for the purpose of conferring and arranging on the part of the United States with the Indians on said reservation for the extinguishment of their title to so much of the land of that reservation as is required for the right of way for the Northern Pacific Railroad through it.

The act of July 2, 1864 (13 Stat., 365), incorporating the Northern Pacific Railway Company, besides granting that company a right of way across the public domain, also provided that the United States should extinguish, as rapidly as might be consistent with public policy and the welfare of the Indians, the Indian title to all lands falling under the operation of the act and acquired in the donation to the road.

By the second article of the treaty between the United States and the confederated tribes of Flathead, Kootenay, and Upper Pend d'Oreilles Indians, concluded at Hell Gate, in the Bitter Root Valley, July 16, 1855 (12 Stat., 975), duly ratified and proclaimed, it is provided that "if necessary for the public convenience, roads may be run through the said reservations, and on the other hand the right of way, with free access from the same to the nearest public highway, is secured to them, as also the right in common with citizens of the United States to travel upon all public highways." This provision was extended by a subsequent treaty with the same Indians.

In 1881 the Northern Pacific Railway Company, through its president, requested the Secretary of the Interior to proceed, in accordance with the act of 1864, to extinguish the Indian title to a certain strip of land, designated in plats filed in the Department, running across the Jocko reservation, which land was required for the road-bed of the company.

Mr. McCammon was thereupon sent out as a commissioner to secure the cession of this land.

The terms of the agreement made by Mr. McCammon with the confederated tribes of the Flathead, Kootenays, and Upper Pend d'Oreilles Indians, resident on the Jocko or Flathead reservation, in Montana, are, briefly stated, that a strip of land not exceeding 200 feet in width, aggregating about 1,300 acres, together with about 130 acres for station purposes, are ceded to the United States, the consideration being \$16,000, which is at the rate of \$11.18 per acre. And further, the United States agrees to pay to individual Indians \$7,625 as compensation for damages to improvements of fenced or cultivated fields which may be sustained by reason of the surrender and relinquishment of the lands above described.

The bill reported by your committee is approved by the Secretary of the Interior, and provides for the ratification and confirmation of the aforementioned agreement.

The amount of \$7,625 for the payment of damages to individual Indians was paid by the Northern Pacific Railway Company to the Secretary of the Interior, and was by the Secretary's orders disbursed to the Indians referred to by Major Roman, their agent.

The remaining sum of \$16,000 was paid by the company to the Secretary of the Interior, and by him it was deposited to his official credit in the Treasury of the United States. The bill reported contains a clause ratifying the action of the Secretary of the Interior in disbursing the \$7,625 to individual Indians for damages incurred, and the Commissioner of Indian Affairs is further authorized and directed to deposit the said sum of \$16,000, which now stands on the books of the United States Treasury to his official credit with the Secretary of the Treasury, to be covered into the Treasury to the credit of the confederated tribes of Flathead, Kootenay, and Upper Pend d'Oreilles Indians, to be expended in manner provided for in said agreement.

The agreement was undoubtedly made in strict conformity with the act of July 2, 1864, and was in compliance with all existing treaty obligations. It was duly ratified by the chiefs and headmen and heads of a majority of the families, being a majority of the male members of the tribes interested, and seems to have been drawn with a due regard to the interests of the Indians.

The committee think the agreement should be affirmed, the previous action of the Secretary of the Interior ratified, and the \$16,000 paid by the company placed to the credit of these Indians. They therefore recommend the passage of the bill.

Mr. GORMAN. I move, in section 3, in the proviso, after the word "may" in line 14, to insert "with the approval of the Secretary of the Interior;" so as to read:

Provided, That the said United States Attorney may, with the approval of the Secretary of the Interior, accept such sum of money in satisfaction of any such injury or damages, &c.

Mr. CAMERON, of Wisconsin. I have no objection to the amendment.

The amendment was agreed to.

Mr. VEST. In section 4 there is a provision in regard to the money received for damages hereafter by reason of fires caused by the Northern Pacific Railroad running through this reservation, and the provision is that in the case of an individual Indian "the amount covered into the Treasury shall be expended for his sole benefit." The Flathead Indians of Montana are in an advanced stage of civilization compared with the other Indians. They had missionaries among them fifty years ago, and they have farms along the route of this railroad and own a considerable amount of stock. I visited the reservation last summer as part of the Indian Committee and held a council with them.

This clause refers to the damages that may be recovered hereafter from the North Pacific Railroad by reason of damages to stock, or by fires produced by the company. I never read this bill before; but I submit to the Senate that where an Indian is so far advanced in civilization as to have cultivated land, fenced it in, built him a house, and is able and competent to manage a farm, the money should be paid to him directly, and let him do what he pleases with it.

The PRESIDENT *pro tempore*. The hour of 2 o'clock has arrived.

Mr. VEST. I do not want to stop the passage of the bill.

The PRESIDENT *pro tempore*. It becomes the duty of the Chair to lay before the Senate the unfinished business of yesterday, being the bill (S. 1448) to remove certain burdens on the American merchant marine and encourage the American foreign carrying trade, and for other purposes.

Mr. VEST. We can finish this Indian bill in a few moments, and I move that we continue its consideration. I will not delay it a second. It is an important matter to these Indians, because they distrust the Government of the United States, and this is one of the principal grievances they brought up in the council last summer, that this money had been promised them and had not been paid. I tried to explain to them that Congress had adjourned before the money was actually paid by the railroad company, but they did not understand it and said we had broken faith with them.

The PRESIDENT *pro tempore*. The shipping bill being under consideration the Senator from Missouri moves that the Senate proceed with the consideration of the bill last up.

Mr. HARRIS. I ask the Senator to request that it be informally laid aside.

Mr. VEST. Very well, I ask unanimous consent.

The PRESIDENT *pro tempore*. The Senator from Missouri asks unanimous consent that the unfinished business be informally laid aside in order that the Senate proceed with the consideration of Senate bill 1706. Is there any objection? The Chair hears none, and the bill is again before the Senate as in Committee of the Whole.

Mr. VEST. I move to strike out the last two lines of sections 4, 8, and 9, as follows:

Covered into the Treasury shall be expended for his sole benefit.

And insert:

So recovered shall be paid directly to said Indians.

So as to read:

To be expended by the Secretary of the Interior for the benefit of said Indians in such manner as he may deem for their best interest, except in the case of an individual Indian, when the amount so recovered shall be paid directly to said Indians.

The amendment was agreed to.

The bill was reported to the Senate as amended, and the amendments were concurred in.

The bill was ordered to be engrossed for a third reading, read the third time, and passed.

WILLIAM SHANNON.

Mr. PLUMB. I ask unanimous consent to reconsider a bill which was indefinitely postponed. On the 1st day of April the Committee on Pensions reported back the bill (S. 1114) granting an increase of pension to William Shannon adversely. The RECORD shows that I requested that the bill be placed on the Calendar, and it was done; but the Journal says the bill was indefinitely postponed. Some testimony has been now furnished, or is ready to be furnished in that case, and I ask unanimous consent that the action of the Senate indefinitely postponing that bill may be reconsidered, and the bill recommitted to the Committee on Pensions.

The PRESIDING OFFICER (Mr. HARRIS in the chair). The Senator from Kansas asks unanimous consent of the Senate that the vote by which the bill referred to by him was indefinitely postponed be reconsidered. Is there objection?

Mr. CULLOM. Are there not three of those bills?

Mr. PLUMB. No; I am not alluding to the cases the Senator from Illinois has in mind.

Mr. CULLOM. I hope this will be done.

The PRESIDING OFFICER. Is there objection? The Chair hears none, and the vote by which the bill was indefinitely postponed is reconsidered.

Mr. PLUMB. I now move that the bill be recommitted to the Committee on Pensions.

The motion was agreed to.

PRESIDENTIAL APPROVALS.

A message from the President of the United States, by Mr. O. L. PRUDEN, one of his secretaries, announced that the President had on the 28th instant approved and signed the act (S. 264) for the relief of F. G. Schwatka and wife, and on the 29th instant the joint resolution (S. R. 80) relative to the ceremonies of the unveiling of the statue of Chief-Justice Marshall.

AMERICAN SHIPPING.

The PRESIDING OFFICER. The Senate resumes the consideration of the unfinished business.

The Senate, as in Committee of the Whole, resumed the consideration of the bill (S. 1448) to remove certain burdens on the American merchant marine and encourage the American foreign carrying trade, and for other purposes.

Mr. FRYE. I ask that the first reading of the bill be dispensed with, and that it be read by sections for amendment, amending each section as reached, if there are amendments to be offered to it, and not going back to it after it has been passed over.

The PRESIDING OFFICER. The Senator from Maine asks the unanimous consent of the Senate that the first reading of the bill shall be by sections for amendment, not to return to a section after amendments to it have been considered. Is there objection?

Mr. BECK. I doubt whether any member of the Senate outside of the Committee on Commerce has carefully considered the bill, or would be able to understand the scope of the amendments to the law unless the bill is either read or explained in the first place. It was explained by the Senator from Maine [Mr. FRYE] a month or six weeks ago, but we all know how rapidly such explanations pass away from the minds of Senators engaged in a variety of other things.

Mr. FRYE. If the Senator will allow me, as each section would be reached I should very briefly state what was the amendment proposed to the existing law.

Mr. BECK. Many of the amendments meet with my cordial approbation, but as we pass along they seem to bear upon others, what may be good or bad depending upon what shall be done at last. There are toward the close of the bill mail contracts provided for which seem to me to be only a change from the old name of subsidy; and there are other amendments offered by the Senator yesterday, some of which I regard as the most valuable parts of the bill, particularly the first section

of the amendment that he offered in regard to the discharge of seamen when they arrive at an American port.

I understand that some action has been taken in the committee this morning in regard to amendments that we do not yet understand except by information from members of the committee, some having been agreed to and perhaps others not. The amendment which I think will control my vote on a good many other matters is the amendment offered by the Senator from Missouri [Mr. VEST] at the time the bill was originally reported, which really reaches further than any of them.

Unless there shall be some explanation made by the Senator from Maine as to the general scope of the bill, I would rather that it should be read, because I desire to be heard in regard to the scope of the bill and especially as to the amendment of the Senator from Missouri.

Mr. MORGAN. The bill ought to be read in full, so that the country may understand what it is we are legislating upon. I shall insist upon its being read.

Mr. FRYE. I have no objection if it is desired to have the bill read.

The PRESIDING OFFICER. The Secretary will read the bill for the information of the Senate, after which the bill will be open to amendment.

The Secretary proceeded to read the bill, and having read the first two sections,

Mr. McPHERSON. Is there any particular necessity for the reading of the bill except to read it by sections?

Mr. MORGAN. I have called for the reading under the rule. I insist on it.

The PRESIDING OFFICER. That question has been propounded to the Senate, and the reading of the bill has been demanded. The Secretary will proceed.

The Secretary resumed and concluded the reading of the bill.

Mr. BECK said:

Mr. PRESIDENT: I desire to have read from the Secretary's desk, as a part of the remarks I propose to make, the amendment offered by the minority of the committee through the Senator from Missouri [Mr. VEST].

The PRESIDING OFFICER. The Secretary will read the amendment indicated by the Senator from Kentucky.

The SECRETARY. It is proposed to add as additional sections to the bill:

SEC. —. That section 2513 of the Revised Statutes of the United States be amended so as to read as follows, namely:

"SEC. 2513. All or any part of the materials, whether wood, steel, iron, copper, yellow metal, bolts, spikes, sheathing, trenails; canvas for sails, whether flax or cotton; rigging and cordage, whether hemp, manila hemp, or iron wire; anchors and cables; iron plates, castings, and forgings; angle-irons, beams, masts, yards, rivets, bolts, nuts, screws, engines, boiler plates and tubes, and machinery, and all other materials and appliances which may be necessary for the construction and equipment, in whole or in part, of vessels, whether steam or sail vessels, to be built and furnished in the United States after the 1st day of January, 1885, may be imported in bond, under such regulations as the Secretary of the Treasury may prescribe; and upon proof that such materials have been used for such purpose, no duties shall be collected or paid thereon."

SEC. —. That from and after the 1st day of January, 1885, any citizen or citizens of the United States may purchase the whole of any steam or sail vessel, no matter where said vessel may have been built, whether within the United States or in a foreign country, or whether said vessel may have been owned in whole or in part by an alien or aliens; and said vessel shall be registered free of duty, as to her hull, spars, appliances, outfit, and equipment (including boilers, engines, and machinery, if a steam-vessel), as a vessel of the United States, by the collector in any port of entry of the United States to whom application for such registry may be made by said citizen or citizens, in the same manner as though said vessel had been built in the United States.

Mr. BECK. Mr. President, I have caused the proposition submitted by the minority of the committee to be read, because I regard it as the most important question that we either have been or will be called upon to consider during this session. Our action will determine whether we intend to compete hereafter for our share of the ocean-carrying trade of the world, or whether we propose to surrender it absolutely to foreign nations; whether we intend in time of peace to train sailors for our defense in war, or be content to prostrate ourselves at the feet of other maritime powers.

I assume that we will not be guilty of the folly of maintaining by needless taxation 100,000 sailors in idleness in costly public armed ships, waiting for strife, simply to parade our flag in foreign ports, where it is never seen at the masthead of a merchant vessel. That exhibit would add nothing to our dignity as a people or to the restoration of our "prestige" as a maritime power. We might with as much propriety obtain permission to erect liberty-poles in foreign ports on which to flaunt our flag, unless we have merchant ships to guard and protect.

Mr. Jefferson commended, as one of the fundamental needs of the Government, "a well-disciplined militia, our best reliance in peace and for the first moments of war till regulars may relieve them."

Our sailors in the merchant marine are the militia of the sea, easily converted into regulars. The maintenance of such a marine, convertible, in part at least, into efficient cruisers, is the best "encouragement to agriculture and of commerce as its handmaid."

We are now seeking to construct a new navy, modeled on the idea of preventing war by having a class of armed ships capable of running down and capturing the merchant ships of our enemies. I do not understand that either the cruisers now being built or those proposed to be constructed are expected to enter into a conflict with the great ironclads of European nations, nor do I understand that we propose to build such

a naval armament as they maintain any more than we think of keeping up a standing army equal to theirs. We must rely upon land batteries with great guns, capable of penetrating any armor, such as Krupp is making for other people, aided by gunboats, torpedoes, and such appliances as the skill of our engineers can develop.

I desire, above all things, a well-equipped, convertible merchant marine, which costs the Government nothing, which earns money in time of peace instead of squandering it; the ships and sailors of which will be ready for the service of the Government if we should ever be engaged in war. Such a fleet we can obtain; but it can only be done by liberalizing our policy and giving our people every facility for purchasing and running the ships they buy at the cheapest possible rates. There is no sentiment in business. Success in trade consists in the dollars and cents to be made or saved by the individuals who engage in the ventures. It is no consolation to an American ship-owner, who is handicapped by the high price he had to pay for his ships, to know while he is losing money in competition with foreigners who use cheap vessels that some ship-builder on the Hudson or the Delaware made money by selling to him the ship he uses at the high price he paid. He would rather be unpatriotic enough to take and run a ship built on the Clyde which cost him \$200,000, and make money by it, than lose money on a duplicate of it built on the Delaware which cost him \$300,000.

Hence our manufacturers, railroad managers, Bessemer-steel makers, and all others buy their machinery, rails, and patent processes in any country in the world where they can buy them cheapest and best, and employ their operatives upon the best terms they can, while he is prohibited by law from even raising the American flag or claiming the protection of his Government for his ship, if he buys her from any other than an American ship-builder, and even if he does he can not hire sailors to man her, except upon conditions which make them cost him 30 per cent. more than his competitors pay the same men when they employ them. Of course these unjust laws have destroyed the American merchant marine in the foreign carrying trade, and it can not be revived until they are repealed. It is no answer to say that the navigation laws are time-honored, or that they were enacted by the fathers of the Republic. Conditions have changed. All our ocean competitors then had the same or more stringent restrictive laws; now they have repealed them all.

What would the world think of an American turfman who would insist on weighting down his horse with one hundred and fifty pounds, when all his competitors of the same age carried ninety pounds, and when distanced and his money gone insisting on repeating it, and refusing to change because his father and his grandfather had always put up that weight. Then, the forefathers of his competitors put up one hundred and fifty pounds on their horses also, but because the present generation of turfmen have reduced the weight to ninety pounds, that, he insists, is no reason why he should abandon the time-honored and long-established rules of his ancestors. I assume that the world would think his conduct as absurd and ruinous as it now regards the conduct of the American Congress in adhering to barbarous navigation laws which all the world but ourselves have repudiated and abandoned.

It must not be forgotten that trade and commerce are carried on by private individuals and not by governments. The citizen makes or loses; he must consult his private interest, but his government should see to it that he has fair play in his competition with other people, and that he is not handicapped, oppressed, or discriminated against by either foreign or domestic legislation.

I know that all the interests in the country that either are or are seeking to be subsidized protest against free ships. Of course they do; and the great political parties of the country are dividing on what shall be our future policy in regard to these great questions.

The propositions of the majority and minority of the Committee on Commerce in regard to our foreign carrying trade illustrate fully and fairly the fundamental difference between the principles of the parties they represent; both agree that our shipping interest has almost disappeared from the high seas. All unite in efforts to remove the comparatively trifling obstacles now in the way; but when they come to discuss the fundamental cause of the admitted decay and the means of restoration of our merchant marine, they fall back upon, or rather seek to push to the front, the principles and the policy of their respective party organizations. The majority ignore the baneful effect of the high protective tariff on our carrying trade. They refuse to consider the real evil; they cling to obsolete navigation laws which the world has abandoned; they demand subsidies for American ship builders and owners, the exclusion of cheap free ships, taxation of the people to make a crippled business profitable by bounties outside of it, protection by Congress against even home competition from that class of ships not favored through pretended mail contracts, which only American steamships of a certain class are to have, that being only another name for subsidy, pension, bounty—call it what you will—to a privileged few. The minority propose to remove all possible restrictions from ship-building and ship-owning in our foreign trade; they propose to allow our own citizens to buy their ships, as all their foreign competitors do, where they can get them best and cheapest, and allow them when bought to be registered as American property, entitled under the American flag to all the protection the Government can give; they

propose to give our own ship-builders free materials of every sort needed to build and equip ships; they propose to open up trade and intercourse with all the world by diminishing restrictions to the lowest point possible consistent with the wants of our own Government. In short, they propose, without increasing the burdens of taxation, indeed by reducing them, to place the people of the United States at least upon an equal footing with foreigners in a contest for our own and the world's carrying trade. We have by treaty with England, France, and Germany, indeed with every respectable foreign government, Spain excepted, provided in substance that no other or higher rate of duties shall be imposed or collected on vessels of foreign governments, whencesoever coming, nor on their cargoes, howsoever composed, than is or may be payable on vessels of the United States and their cargoes.

I need not occupy the time of the Senate by proving that all nations except the United States now buy their ships where they can buy them cheapest, or that the difference in the cost of ships, with the sharp competition for freights, often makes a profit or loss in the business. It must be apparent from our treaty stipulations that none of the schemes so often suggested of giving advantages to American ships by exacting lower duties on goods brought in them than when like goods are carried in foreign bottoms are practicable or permissible. It is painfully apparent that we have lost all our foreign carrying trade except about 16 per cent., and that the poorest and least profitable, most of it in an inferior class of wooden vessels, which even the protectionists do not propose to subsidize through mail contracts or in any other form. Indeed, the form of subsidy now advocated, whether so intended or not, must inevitably drive from the ocean all the sailing vessels we have left. What would the constituents of any State Legislature say to their representatives if, upon any pretense, they should pass a law taxing the people of a State or county to pay the running expenses of one of two competing lines of stages, steamboats, or railways, and leave its competitor to pay its own? Of course freight and passage would be cheapened on the subsidized line to those who used it for a while, but the unsubsidized line would soon wind up and cheap rates would end on the other when competition ceased. The next Legislature would, I think, be composed of new men. That will happen in Congress when the people learn the true intent, meaning, and effect of these subsidy propositions. No matter how plausibly they are disguised, the people will some day learn that class legislation, protection, and the selfishness of subsidized interests have driven our ships from the seas, surrendered our carrying trade to foreigners, left us defenseless where alone we need defense, made us beggars and suppliants at the feet of foreign powers who are interested in crushing us when they can not use us, and who reluctantly maintain relations with us now only because we sell them food cheaper than anybody else will, and because their people are our ocean carriers, our commission merchants, our factors and brokers, our secret partners, who take all the profits from the producers of our agricultural products, which must find foreign markets or are regulated by their prices. One hundred and fifty millions of dollars (a sum larger than our much-lauded balance of trade) is annually paid by us to foreigners to carry our goods to and from their markets, while we have given up to other nations our share of the carrying trade of the outside world.

The American sailor has almost disappeared from the ocean, on which, it must be apparent, all our strifes with other nations will hereafter be had. I need not parade our defenseless condition. The Senator from Maine [Mr. FRYE], when he laid the majority report before the Senate, asserted that 95 per cent. of the sailors who man the few ships we now have are foreigners. They are generally the most ignorant and worthless of the class to which they belong; so ignorant and worthless that they cannot find employment in the valuable ships of their own nationalities.

Mexico is now buying abroad, as cheaply as she can, a respectable merchant marine large enough to carry on all the trade between our ports and hers, and between us and the ports of the West Indies and Central America. It is therefore absolutely certain that our foreign carrying trade will go on in cheap foreign-built ships whether we permit our people to engage in it or not. And I think the Senate will have great difficulty in seeing how our home ship-building industry is promoted or protected by Congress refusing to allow our own citizens to buy and run ships under the protection of our own flag in the foreign trade upon the same terms that all other people with whom we have treaties are now allowed to trade with and for us. Surely the prohibition injures only ourselves. Foreigners buy no ships from our ship-builders now; they get enough elsewhere to do nearly all our work as well as all the work of other nations. Why, I ask, should they have that right and Americans be deprived of it, unless they work under the cover and protection of foreign flags in foreign-built ships? I hope some one will answer that question. I observe that the New York Republican State convention the other day resolved to favor "the removal of all unjust restrictions upon American shipping interests." I shall note with some interest the votes of the Senators from that great State on the proposition to allow American ship-owners to purchase ships on the same terms as their foreign competitors do. Their votes may throw some light on the value of such resolutions. Platforms and practices are often hard to reconcile; the facts are so patent in regard to our defenseless and dependent condition on the high seas that patriotic proclamations and

glittering platitudes will not satisfy the intelligence of the country any longer.

The object of the bill I have had the honor to lay before the Senate several times and to discuss at some length on this floor on the 27th of January, 1881, which is substantially the proposition of the minority of the committee, reported by the Senator from Missouri [Mr. VEST], seeks to give to our people the same rights by law that our treaties give to the people of all other countries, and I confess I am unable to see why that right should be withheld from them or what interest is subserved by withholding it. I assume that our experience with Brazilian and Pacific mail subsidies has satisfied Congress that it is folly to impose additional taxation on the whole people in order to raise money to subsidize any private enterprise. Indeed I may safely assume, as I did in the speech I referred to, "that whatever aid any business receives that does not naturally pertain to the business itself is in the end detrimental to it, or when government seeks to support it by outside subsidy it ends in failure. Whatever lightens the burdens on ships or anything else that inheres in the business helps it." Certainly American ship-builders with a monopoly of the coastwise trade can not complain because Congress gives our own people the same rights that foreigners now enjoy in the foreign carrying trade.

The question practically is, shall we by law prohibit American citizens from competing on the high seas with foreigners by preventing them from buying ships as all their competitors do, and thus perpetuate the monopoly of our carrying trade in the hands of foreign nations, any of whom may at any time become our enemies or the enemies of each other, which would be equally fatal to our commerce, for our goods on their ships would be destroyed to as great an extent as their own when the cruisers of each sunk the merchant-vessels of the other? I need not tell the Senate that the seas are free. Congressional prohibition or protection, however desirable to some people, can not reach that trade or protect that industry against foreign pauper competition, which is now the fashionable way of expressing all reasons for asking Congressional aid. Even Congress can not force a foreign ship-owner to pay \$400,000 to an American ship-builder for a ship when he can buy a duplicate of it elsewhere for \$300,000. Is there, I again ask, any propriety or sense in prohibiting our own citizens from placing themselves on an equal footing with their foreign competitors? We build no ships, or none worth speaking of, for the foreign trade. Foreigners furnish foreign ships now manned by foreign crews, sufficient to do our work, and pocket the profits, and will continue to do so as long as Congress prohibits our own people from competing with them. American ship-builders will reap no benefit from this dog-in-the-manger policy; but \$150,000,000 a year will continue to be taken from us and our posterity forever to enrich men who at any moment may become our enemies and use the money we furnish them and the sailors we support for them to humiliate and impoverish us.

If an exigency should arise that would enable the American people to realize the truth in regard to the present condition of our foreign carrying trade, the antiquated navigation laws, to which we alone of all civilized nations adhere, would be swept from our statute-books, and the most ultra-protectionist in this body would not venture to oppose the repeal.

Times change and men change with them. Situated as we are on a yet sparsely settled continent, with every variety of soil and climate, surrounded by oceans, gulfs, and lakes; with great navigable rivers traversing our land in every direction; with a railroad system more extensive than that of all Europe; and with a people at least the peers of any other in all that constitutes greatness, individually and collectively, it is a shame and disgrace to have all our commercial energies so crippled by our own legislation that we are prostrate at the feet of even half-civilized countries. We might as well insist on manufacturing our clothing with the hand-loom of the last century, and reject steam and all its appliances as destructive of human labor; exclude the light of the sun from our homes and shops as a foreign pauper and a free-trader in light and heat, and yet seek to compete with people in production and transportation who had seized upon and appropriated every newly discovered force in nature and every invention in art and science to lessen human efforts in cheapening products—with any reasonable hope of success as to insist on competing with other people for the ocean-carrying trade successfully under the miserable navigation laws of past centuries to which we still cling after all the world has discarded them.

The people I have the honor in part to represent are greatly interested in safe and cheap transportation; they know that all the cost of carrying the products of their labor to the markets of the world by land and sea is deducted from the (foreign) market price. This cost falls upon the producer, when he is compelled to meet competition in foreign markets. They know that the ocean is a continuation of the highway over which their grain, provisions, and stock have to be carried, and is the only free, God-given part of it. As one of their representatives I protest against the American Congress giving to foreign nations a monopoly of the trade on that great highway. They are too intelligent to be deceived by the denunciations of a press subsidized by our home monopolists that free ships are advocated in British interests. They understand that the nation that makes over \$100,000,000 annually out of the monopoly Congress has given her in our ocean trade

and travel, as against our own people, and can thus afford to keep in training for her navy, when needed, even against us, 100,000 of her native sailors, while we can have neither ships nor sailors, is not anxious to have these conditions reversed.

I was impressed by the forcible language in which the Senator from Missouri [Mr. VEST] expressed his contempt for the bill reported by a majority of the Committee on Commerce, when he said that its provisions were "insectivorous compared to the deadly blight which had stricken down the merchant marine of the United States."

I am amazed that anybody who is disinterested should seek longer to maintain the navigation laws, and I confess that I have very little patience with, and less respect for, that class of men who have the impudence to come before the committees of Congress and impugn the motives and even the patriotism of representatives of States and people who ask that American citizens may be allowed with their own money to buy ships as cheaply as foreigners do in the trade, which, by treaties, we authorize them to engage in upon the same terms with ourselves. Is that an unreasonable request? Are we to lie prostrate forever at the feet of foreign powers because our ship-builders can not build the ships needed in modern commerce as cheaply as they are furnished elsewhere to all our foreign competitors?

Nobody proposes to repeal our existing commercial treaties. We first proposed them and urged their adoption by other nations. So long as we had a revenue tariff and could trade with the world on fair terms, in ships that cost our ship-owners no more than other people paid for theirs, we were prosperous ocean carriers. Wages were as much higher with us then as they are now as compared with those paid by other people, yet the skill and intelligence of our seamen more than compensated for the difference in wages. It always will. England to-day pays from 25 to 50 per cent. higher wages to her operatives of all classes than the continental nations of Europe pay their laborers for like work; yet she is underselling them all, and they are seeking to protect their pauper labor, by protective tariff laws, against her skilled workmen. She tried restriction, protection, and exclusion till starvation and discontent, amounting almost to revolution, compelled her to abandon her unprofitable restrictive policy. She removed taxation from her labor, cheapened the food, the clothing, and all the necessities for her workmen and their families, doubled the purchasing power of their wages, shortened their hours of toil, threw open her ports to all competitors, put her people upon their manhood and their muscle, declared her policy to be free-trade, free ships, free seas, and equal rights to all men in honest competition for the world's commerce. Under that policy she has sprung to the front, and holds to-day 62 per cent. of the carrying trade of the world. Her ships earned for her last year \$380,000,000, and employed over 250,000 of her citizens as sailors, all of them ready and trained to become part of her naval force in any conflict with a foreign foe. She has nearly doubled her steam tonnage in the last few years; added 60,000 sailors to her merchant marine, and nearly \$100,000,000 to the earnings of her ships. She had less than half a million of steam tonnage in 1860, less than a million in 1870, 2,820,551 tons in 1880, and 5,120,000 tons in 1883.

What do the tables show as to our position, even in our own carrying trade? We have surrendered all else. In 1856 we carried more than 75 per cent. of all our exports and imports in American ships, and perhaps more than half our tonnage was employed in the trade of other nations; in 1883 we carried a fraction over 16 per cent. of our own goods and did nothing appreciable outside of our own trade. We had about 90,000 of the best sailors in the world in 1859-'60; now we have hardly any. The Senator from Maine said, when he reported this bill the other day, "that 95 per cent. of the sailors now manning American ships were foreigners, while formerly they were nearly all Americans, and many of them fit to be officers." Therefore I might say we have no sailors on the high seas.

Mr. Roach, in a speech before the House Committee on Ship-building on the 24th of last January, says:

Is it not strange that a nation which before the rebellion was the second nation on the sea, carrying 84 per cent. of our own commerce, is now carrying only 16 per cent., while at the same time the American people are considered the most practical people on earth and have solved the greatest problems of modern times? They have united all parts of the country by railroads; they have built up a vast manufacturing interest; they have developed the agricultural resources of the country—all to the astonishment of the world. The supremacy of the Government has been established and our flag has been restored to its proper place except on the ocean. A nation with more surplus products to carry on the ocean than any other; with more coal, iron, and timber for building of ships; with able financiers, skilled mechanics, and daring sailors, yet with no ships, and paying out \$150,000,000 a year for freight on its carrying trade, thus giving employment to thousands of foreigners where our own people might be employed, must be in a wrong state. We began as a ship-building and a ship-owning nation with a population of 3,000,000 of people, an almost bankrupt Treasury, and a wilderness to develop. We were self-reliant and we succeeded. The nation or man who is not self-reliant will not succeed.

That is a vigorous statement of our condition. Of course his remedy is to subsidize ship-builders and those who buy their ships. My remedy is to allow our ocean carriers to buy their ships wherever they can buy them best and cheapest, to authorize them to employ their sailors upon the same terms that manufacturers and railroad managers hire their operatives, to give our ships free stores, and the free services of all our public officials at home and abroad, to give them a national

register and prohibit all taxation of anything pertaining to them as commercial instrumentalities, and to pay them liberally for all services performed for the United States, including mail services.

In short, I seek to give our people fair play on the free ocean highways of the world.

When the naval appropriation bill was before us the other day the Senator from New Hampshire [Mr. BLAIR] interrupted me to say that I had somewhere assumed that we had no commerce to protect, which I of course denied, remarking that I hoped he was aware of the difference between the load of wheat and the wagon that hauled it to market, and I might have added that the wheat would be of little use to the producer in procuring clothing or needed supplies for his family if he was prohibited by law from buying or hiring a wagon to haul it.

The rebellion was for years held responsible for the decline of our merchant marine. That pretense was at last abandoned by all except the most ultra protectionists who can not and will not open their eyes to the patent facts that our navigation laws and protective tariff laws combined have done infinitely more to destroy our shipping interest and foreign carrying trade than the war. I ventured to say so in the debate we had in 1882 on the Tariff Commission, and the Senator from Maine [Mr. FRYE] declared that as being "a most amazing assertion in the light of history."

He proceeded to show how extremely absurd that amazing assertion was. He gave us the benefit of the light of history, and of course, having England on the brain, the Confederate States were in his opinion simply her agents. The decline since the war from 33 to 16 per cent. of our carrying trade in American ships, nobody who can reason will charge to the war. I will, however, give his own language. He said:

The destruction of our shipping was immediate, and the effect upon our commerce terrible. For years we had been increasing our ocean tonnage immensely; from 1830 to 1840, 60 per cent.; from 1840 to 1850, 75 per cent.; from 1850 to 1860, 60 per cent., and in 1861 had reached our highest point, having afloat 2,700,000 tons, and occupying the second place among the nations of the earth in the extent of ocean tonnage. A few years more of such advances would have given us the proud position of mistress of the seas. England saw this, feared it, and these cruisers were only doing her will.

That was quite a handsome tribute from a protectionist for protection's sake to the old Democratic revenue-tariff policy, so far as our shipping interest and foreign carrying trade is concerned. He proceeded thus:

From 1861 to 1866 more than a million tons of this shipping was lost to us; more than 100,000 were burned by English cruisers, sailing under the Confederate flags, and more than 900,000 sought protection under foreign flags, principally under that of England. The value of the remaining was crippled by the perils of the cruisers, the risk of sailing under our flag being so great as to drive a large proportion of the carrying trade into foreign bottoms.

Stripped of its verbiage and Anglo-mania, he proved my assertion to be true. One hundred thousand tons captured from an aggregate tonnage of 2,700,000 tons, or less than 4 per cent., was the actual loss by the war, whether it was a war with England or the Confederate States.

Nine hundred thousand tons out of the 1,000,000 were lost to American citizens by the navigation laws—I was about to say the miserable, barbarous, infamous navigation laws—which are still maintained to protect ship-builders, and are even now lauded as the safeguard of the American merchant marine.

Can anything be imagined more absurd, more shameful, than to punish citizens whose property the Government could not protect because they sold or transferred it to friendly powers to prevent its destruction in time of war? What public interest has been subserved by prohibiting them from ever reclaiming their ships which they were obliged to transfer to a foreign flag even if the friendly holders offer to return them after the danger is over, and when these citizens who were, without any fault of theirs, deprived of the ships they had but could not save because of the inability of their Government to protect them, ask the privilege from Congress to be allowed to buy other ships in which to continue to prosecute their business, upon the same terms that the Government allows foreigners to engage in it. Is it not, I ask, absolutely impertinent that they and all who think that citizens of the United States should have equal rights with foreigners in the ocean carrying trade should be denounced as enemies of their country by men who are seeking to put money in their own pockets by the maintenance of laws which prohibit our own people from buying ships anywhere except from them, at such prices as they see fit to ask for them? These patriotic ship-builders assume to be the special protectors and guardians of American labor, and insinuate that all efforts to allow our people to buy ships except from them and at their prices are anti-American, and that we are working in the interest of England.

England, they assume, is building nearly all the ships now engaged in our foreign carrying trade. Concede it. What difference, I ask, does it make to her, or her operatives, whether the price of the ships she builds is paid by an American, a Mexican, a Frenchman, a German, or an Englishman? Or how would American ship-builders or their operatives be affected if an American bought an English ship to put into the trade instead of a Mexican, a Frenchman, a German, or an Englishman? The English workman gets the same number of days' work, and receives the same wages, no matter who buys the ship; and as the American workman gets none of that work to do, and will get none so

long as ships are built cheaper in other countries, and foreigners can carry our goods under treaties, it makes no sort of difference to him what the nationality of the ship-owner is. Yet the American ship-builders, with an absolute monopoly of our coastwise trade, with the exclusive right to build ships for it at their own price conceded to them, have the audacity, I might say impudence, to denounce all men as unpatriotic who deny their right to exclude American citizens from entering into competition for a fair share of the world's commerce on the high seas unless they pay them, say, \$300,000 for a ship that they are offered elsewhere for \$200,000, and which all their foreign competitors buy at that price. The truth is that American labor is used by them, and all other protected pets of Congress, as the cat's-paw to pull their chestnuts out of the fire. They buy their ores, their machinery, everything abroad when they can get it cheaper than they can buy at home. They dismiss an American citizen from their service if they can hire a foreigner cheaper. There is no tariff protection against the free import of competing labor, and ocean freight on that is cheap and the time of transfer short. When these patriotic monopolists find that they have produced more than the country will or can buy at the price they ask they close their shops, oil their machinery, clamor around Congress for the maintenance of laws which prohibit all our people from buying the articles abroad which they have for sale, and which they refuse to send abroad to get rid of at free, open market prices; and all this time the laborer and his family, whose welfare they pretend to have so much at heart, are starving from enforced idleness. The wolf gave the lamb that sort of protection, and did not put on lamb's clothing to deceive him. The wolf has title to respect over these Pharisees and hypocrites in this regard at least, that he was a bold marauder and not a false pretender.

But is it true, can it be true, that England is interested in Americans having the right to buy ships abroad, so that she may build them? The ocean carrying trade of this country and of the world needs only enough ships to do the work. The work is done now. England builds the ships to do it. The exclusion by our laws of our people from it does not withdraw a single ship that can be profitably employed. The money of the Mexican, the Italian, the Frenchman, or the German is as good as ours, employs as many men, feeds as many mouths, keeps open as many ship-yards; the only patent effect being, as Mr. Roach shows, to compel us to pay to foreign nations annually, to England principally, \$150,000,000, which, with the same rights as we by our treaties give to foreigners, our people could earn and keep at home and make by the superiority of American sailors, which all nations conceded when we had them, even with our high wages, many millions more out of the trade of the world, as they did in ante-bellum days. The \$150,000,000 we pay annually to enrich and strengthen foreign nations would buy a magnificent merchant marine. At \$60 a ton average of steam and sail, it would purchase 2,500,000 tons of shipping, which would employ not less than 50,000 American sailors, the only defenders we will ever need hereafter. I repeat, can it be possible that England, whose interest, pride, and power is centered in her dominion over the high seas; who controls 62 per cent. of the world's trade, and more than that of ours; who gets from us annually three-fourths, at least, of the \$150,000,000 of tribute that Congress compels us to contribute to support foreign nations; who knows that we under fair conditions are her only formidable commercial rival, should seek to restore our prestige on the ocean and destroy her own?

We maintain and support to-day, by the surrender of our carrying trade to her, 100,000 English trained sailors and their families, who would be our most dangerous enemies if England so ordered. We are content to lie prostrate at her feet, almost without a ship, a sailor, or a gun, and representatives of the American people who honestly and earnestly deplore and seek to reverse that condition are taunted by men who seek to make money out of our unfortunate condition with being bought with British gold and as emissaries of England. If protectionists and restrictionists have made one impression on the American mind stronger than any other it has been by the catch-words, "In time of peace prepare for war." That pretended policy has controlled the country. We have had nearly twenty years of peace, and in many regards of prosperity. Our wars in the future will be on the high seas. Have they prepared for war? Is England really interested in helping us to prepare for war in spite of the protests of patriotic American protectionists and restrictionists, backed by the pets of Congress, whose highest and most patriotic aspiration is to pile taxation mountain high on all the labor of the country and on all it absolutely needs, to enrich themselves by law and not by honest work. No man fit to be outside of an institution for the feeble-minded can be deceived by such assertions.

Mr. President, I do not believe that it is possible in the prostrate condition of our merchant marine, under our treaty obligations, to build up an ocean carrying trade by any system of subsidies. Subsidy in any form under our tariff laws simply means an increase of the burdens of taxation directly or indirectly on the goods which our people have to carry to market and sell, and on those they buy abroad with the proceeds of what they export, in order to give the tax thus collected to a few people to help sustain a losing or unprofitable business.

Can anything be more unreasonable than to require the Western farmers and their laborers to pay increased taxes on all the goods they

are compelled to have, and are obliged to take in exchange for the wheat they must send abroad and sell in sharp competition with the pauper labor of Russia and India, in order to enrich a few American ship-builders who have already a monopoly of our coastwise trade, with free coal for their ships, which is denied to the laborer on shore? If the present depression in the price of wheat, which it costs 65 cents a bushel to raise here while it costs 38 cents in India, causes the men of the West to inquire how more taxation to give subsidies to ship-builders is to benefit them by still further diminishing the purchasing power of their wheat product, it may prove a blessing in disguise. They will learn that their American industries, upon which all others depend, are loaded down with cunningly devised burdens, and while their pockets are being picked they are even now singing psalms of praise to the jugglers who are robbing them.

The truth is, Mr. President, before we can again become a great commercial people and regain our lost prestige on the ocean and in the marts of foreign nations we must reverse our system of taxation even though we follow the example of England. She pursued for centuries the policy of taxation to which we still adhere. She taxed the food, the clothing, the wants and needs of her laboring people till starvation and oppression had brought her workmen, pent up as they were, with few privileges, in a small country not half the size of Texas, to the point of revolution. The aristocracy and other favored classes felt that relief must be given to labor or destruction of their own privileges would follow, and that quickly. They appreciated the situation and reversed their cherished policy; they removed all possible burdens from labor; they required wealth, property, and luxuries to furnish the needed revenues. Now an English operative who does not drink liquor or use tobacco, with the exception of a small tax on tea and coffee, both of which articles are cheaper there than here, does not pay one penny under any form of taxation toward the support of the British Government. His wages have their full purchasing power. He can buy in the cheapest markets of the world all he needs for the support and comfort of himself and his family.

We cling to the old protective policy. Over 40 per cent. of the purchasing power of the wages of our laborers is taken from them by the Congress that professes to be their representatives, friends, and protectors, which is given to favored classes. Taxation is so cunningly adjusted that the wants and necessities of life bear all the burdens.

Little wonder we are driven out of the markets of the world when our labor is so heavily burdened. Yet there are men who think they are statesmen earnestly urging the removal of all taxation on whisky and tobacco, every dollar of which, amounting to about \$135,000,000 annually, goes into the Treasury, less $3\frac{1}{2}$ per cent. cost of collection. These are taxes which no man is obliged to pay; they constitute no burden on the necessary wants and needs of the family of the laboring man; the repeal of these taxes is sought in order to increase the taxes on the wants and necessities of the workers for wages; and yet they parade themselves before the country as the special protectors of American labor. Free whisky and tobacco, with taxes doubled on clothing, blankets, and sugar, is the rallying cry of the protectionist for the next campaign. And oppressive and unnecessary taxes must be maintained at such rates as will not only support the most extravagant and wasteful administration of the Federal Government which an overflowing Treasury always fosters, but they must produce annually a surplus of over \$100,000,000 beyond all they dare spend to be patriotically and benevolently expended in donations of the most questionable character; in short, it must be expended in schemes to consolidate and centralize all power and authority in the Federal Government through pretended benefices from money wrung by an insidious and unintelligible tax system from poverty and labor, to the destruction of the legitimate authority of the States and the manhood and independence of the people. Relief from these extortions is the first step toward commercial prosperity.

The next indispensable step is, without increasing taxation on the goods to be carried, to allow our ocean carriers to buy the cheapest ships they can. That done, give the ships a national register from Washington; free them from all taxation, Federal, State, or municipal, so long as they are engaged in the foreign carrying trade; allow them free material and machinery for repairs, to be stored in any American ship-yard ready for use; give them free stores and supplies of all sorts; in short, reduce their expenses to the lowest possible point, and require all our foreign consuls and commercial agents to aid them free of charge in every possible way in foreign ports.

When all that is done I am not prepared to say that we will build up our merchant marine very rapidly. We certainly will not under the present high protective tariff, but I trust that will soon be changed. Then my hope is that the managers of the great railroad lines centering at Boston, New York, Philadelphia, Baltimore, Norfolk, and elsewhere may, with the advantages they have to control and secure passengers and freights, engage to carry our exports from the place of production to their ultimate foreign markets by sea as well as by land; it would be but an extension of their lines over a road that costs nothing and needs no repairs. The 600,000 immigrants starting from European ports annually would virtually be on their lines of road during the ocean transit, while our system of inland transportation of goods in bond to the cities of the West would induce Western importers to patronize a continuous

line, which carried their goods under one contract on one line from the place of purchase to their place of business.

With free materials and machinery for building and repairs, authorized to be stored in readiness for any emergency, navy-yards for repairs would spring up, which would soon be converted into yards for building under the most favorable auspices, as work is always done best and cheapest when men are repairing or building for themselves. The Germans, with not one-tenth of our facilities, have illustrated the truth of that statement.

We are sometimes told that there is not profit enough in the ocean-carrying trade to induce our people to engage in it, no matter what we do here. If that is so, no ships will be either bought or built; no American industry will be injured by the right to buy ships at cheap rates. The privilege may, however, prevent combinations among foreign carriers to increase rates, as they have often done, notably and oppressively in 1873. Such combinations can not be prevented if we have to wait till ships can be built here to break them down.

It is too obvious to need more than a statement, that, if England should engage in war with any foreign country, the great bulk of our agricultural exports, notably live-stock and provisions, would be absolutely lost or rendered valueless, if our people are prohibited from buying ships, and must wait till they can be built here. President Grant saw how we were handicapped, even with English ships undisturbed, when the Franco-Prussian war broke out, and promptly sent a message to Congress urging the repeal, for a time at least, of the navigation laws, so that our people could buy ships abroad in which to maintain our trade with France and Germany. But the dog-in-the-manger policy of the protectionists was too strong even for him, and Congress adjourned in twenty-four hours after the President's message was received. As they could not answer it they ran away from it. I sometimes wish that England had been involved in that strife long enough to have made our people realize what a humiliating position the policy of the Republican leaders had placed the country in by their restrictive and protective policy. We would have been relieved long before now from many of the cunningly devised schemes of taxation which still oppress the people.

Mr. President, I had intended to support my views in favor of free ships by those of distinguished Republicans in both Houses of Congress, especially by those of Hon. Zachariah Chandler, of Michigan, in a very able speech delivered on this floor on the 28th of May, 1870, and of Hon. James A. Garfield in the other House on the 25th of May, 1870, as both of them will be recognized as patriotic men even by the ship-builders and their advocates; but I am content to stand on the merits of the proposition. I will however make a quotation from a letter written some years ago by the ablest living American statesman, Hon. Horatio Seymour, of New York, to Hon. Erastus Brooks, which I have read before in this Chamber. He said:

There is no reason entitled to respect to be given for our navigation laws, so far as they forbid our merchants to buy ships elsewhere for the purposes of foreign trade. The governments of Europe, more wise, do what they can to build up their commerce, and their flags are seen in our harbors waving over vessels bought by their merchants where they can get them upon the best terms. Every such flag seems to reproach the folly of laws which practically forbid American citizens to carry American produce across the ocean or to share in the great profits of the world's commerce. There is an alarm about communistic principles. What are they? Some wild theorists claim that it is the duty of Government to give labor to workmen, and to take care that property shall be so held in common that what one earns may be given to another. We frown upon these men and denounce their purposes. But what do they claim more than a few builders of steamships get under our navigation laws? These demand that such vessels for foreign trade must be made by them; that the buyer, besides paying for them what they are worth, must divide some of his property with the builders by giving them more than they are worth in the markets of the world. It will be found in the end that communism which lurks in laws which force men to buy of certain classes, and to pay more for what they want than they can be bought for elsewhere, and which also divides men's estates under cover of taxation, which indirectly goes to favored individuals, is more hurtful and dangerous than the communism which says what it means, and which destroys itself by an open declaration of its purposes.

Mr. President, a few words more and I am done. Some years ago when I urged the importance of these propositions in this body my views received little consideration. Now a very pronounced majority of the representatives of the American people agree with me. We may differ as to details. Indeed in regard to many needed reforms I will follow the Senator from Maine [Mr. FRYE], assuming that the Committee on Commerce has investigated and informed itself concerning them. I now give notice that whenever a proper opportunity offers I will insist that we shall so amend existing laws as to open our ports as storehouses for the world's goods. London is to-day the commercial center of the world mainly because all people are allowed to store their merchandise in her warehouses, whether it is intended for English consumption or not, where it can be held securely at the owner's risk as long as he pleases. Thousands of her people are employed in these great warehouses, hundreds of ships find profitable freights in hauling goods to and from them, bills of exchange are drawn upon the property they contain, till the world looks to London as the regulator of its exchanges. New York ought to be, and if we are wise will be, the world's commercial emporium. No reason can be assigned why all people, especially those of Central and South America and the West Indies, should not be encouraged to deposit their goods in American warehouses if they regard them as safer here than at home. Why should we not have the carrying trade, the warehousing profits, the exchanges, and all the pecu-

niary and commercial benefits now reaped by England? I admit that these questions can not be considered in this bill, and perhaps Senators may regard even the suggestion of them as out of place, but they have been urged by at least one very far-seeing Secretary of the Treasury.

I will supplement these remarks by a quotation from his official report. In December, 1848, Hon. Robert J. Walker, in his report to Congress, after showing the possibilities of the extension of our commerce with the countries of Eastern Asia consequent on our acquisition of California, said:

We would in time receive the productions of the East in exchange, not only for our own consumption but to be warehoused in our ports as entrepôts for the supply of Europe. And so far as European fabrics should reach Asia and the western coast of America they would ultimately pass chiefly through our hands as factors and in our vessels, events which would very soon give us the command of the trade and specie of the world. From these great events the whole country would derive vast benefits, but especially the city of New York. It would become the depot and storehouse and entrepôt of the commerce of the world, the center of business and exchanges, the clearing-house of international trade and business, the place where assorted cargoes of our own products and manufactures as well as those of all foreign countries would be sold and re-shipped, and the point to which specie and bullion would flow as the great creditor city of the world for the adjustment of balances, as the factor of all nations, and the point whence this specie would flow into the interior of our country through all the great channels of internal trade and intercourse. With these great events accomplished, and with abundant facilities for the warehousing of foreign and domestic goods at New York, it must eventually surpass in wealth, in commerce and population, any European emporium, while as a necessary consequence all our other cities and every portion of the Union and all our great interests would derive corresponding advantages.

Again he says:

I renew the recommendations contained in all my annual reports for the establishment of a branch of the Mint of the United States at the city of New York. That city, our great commercial metropolis, is advancing to its ultimate position, so important to the whole country, as the emporium of universal commerce, the center of international exchanges, and the storehouse of the products of the world.

Further on he says:

If we would command the commerce of all nations it must be through some one American commercial emporium, the great center of our own trade and business. The history of trade demonstrates that some such great point is indispensable to enable any nation to command universal commerce, and that such concentration at some one city, instead of injuring other cities or parts of the same country, is of immense benefit to all. There can not be two or more financial centers of the foreign commerce of any one nation any more than there can be two or more centers of a circle. The same principle of the center of the trade of a nation applies to the trade of the world. There can be but one such center for the world and but one for each nation, which in this country, from natural causes, must be New York, where the competition must soon commence with foreign cities for the control of international commerce.

Mr. MORGAN. I wish to ask the Senator from Kentucky a question. He expressed the hope, as I understood him, that there would be some improvement or reformation of our warehousing system to bring about the results he has mentioned. I desire to ask if he has prepared a bill on that subject. I hope that he has.

Mr. BECK. I have not. I have suggested it to a number of Senators, especially the Senator from Delaware [Mr. BAYARD] and the Senator from Alabama [Mr. MORGAN], and promised to do so if I could, but I have failed, because I do not know that I am quite capable of drawing the proper sort of bill. But that it should be done and will be done, and that it will add more to the commerce and carrying trade of the country than all else, I have no doubt; and I do hope that the time will come very soon when under the lead of some distinguished executive of the party to which the Senator from Alabama and myself have the honor to belong we shall be better able to liberalize trade than we seem to be able to do now.

I thought I would not say any more, but I will read the conclusion reached by a portion of the Joint Committee on American Shipping of the last Congress, being Report No. 1827, second session Forty-seventh Congress, in which the minority say:

The decadence of our shipping and its causes are all too familiar to the public mind. The selfishness which prevents its resuscitation are no less familiar. It is an old, old story. The minority of the committee would repeat it in detail were it not known to every tyro in commerce and economy. They would rehearse it if, by studying the causes of the decay, we could remove the effects. The simple truth is, the removal of the causes of decay would not revive shipping. Our shipping interests have been choked by other interests, choked to death. Restrictions cumber our statutes. In a country so abundant in production as ours, which seeks every market, and is unlimited in its range of enterprise, the capital policy is, *mare liberum*. Give us a free sea and freedom to trade upon its bosom, permit us to buy in the best market the materials to fashion vessels of the best quality and to buy the completed ship where our competitors buy their vessels, and even without the opportunity which foreign wars may give to our carrying trade, and with the aroused inventive faculty of America consequent upon freedom to use our energy and skill, and with the natural laws and their conditions to aid intelligence and interchange, and we may once more find the capital, labor, and genius of our countrymen evoke from the sea, as they have from the land, its most valued treasures. Our merchant marine languishes for lack of liberty. Its revival must come from the enlargement of our freedom.

The minority of the joint select committee, while concurring with the report as to the measure reported by the committee, desire also to present two other propositions:

First. For the admission free of duty of all the materials finished and perfected and ready to put together in a ship; and

Second. For the free admission to American registry of ships built abroad.
GEORGE G. VEST.
ROBERT M. McLANE.
S. S. COX.

Mr. FRYE. I rose to ask the Senator during his speech a question which I should like to ask now. Does the Senator in speaking of sub-

sidies refer to the clause reported by the Committee on Commerce contained in this bill.

Mr. BECK. The dollar-a-mile clause, or whatever it is?

Mr. FRYE. Yes, sir.

Mr. BECK. That I referred to as being, as I now understand it, a subsidy under the guise of a mail contract.

Mr. FRYE. So that in speaking of subsidies the Senator did refer to that clause of this bill?

Mr. BECK. I spoke particularly, as the Senator will see, of the subsidies that we have heretofore given in regard to the Brazilian and Pacific Mail subsidies, and this seemed to me to be in the same line. I stated at the same time that I was quite willing to pay all our ships a liberal price for all service done for the United States, the mail service included, and if it is made to appear that the provisions of this bill in regard to the mail service are reasonable I shall vote for it with great pleasure.

Mr. FRYE. I desire to ask the Senator one other question. What does the Senator mean by "the infamous navigation laws?"

Mr. BECK. I mean laws which have become obsolete; which, no matter how good they may have been when they were necessary to retaliate against other nations, are absolutely infamous when they become oppressive upon our own citizens, and when other people by treaties have been given rights that are denied to our people at home.

Mr. FRYE. I mean to ask the Senator whether or not the laws which exclude any vessels except our own from the coastwise trade are the navigation laws which are "infamous?"

Mr. BECK. I have said all through that I do not propose to interfere with the coastwise trade, nor does the bill or the amendments.

Mr. FRYE. Why not?

Mr. BECK. Because that is a part of your system of protection that runs through every feature of legislation in this country; and the coastwise trade is confined to the competition of Americans with Americans. You have given your coastwise trade to the people of America in competition with each other, and you have given the owners of vessels the absolute right to charge all men who can not get their products to a railroad whatever they see fit in the coastwise trade. But that is no worse than it is to give to the men who make Bessemer steel or the men who manufacture iron, cotton, or woolen goods protection, and there being a competition of one American with another, as long as the other protective laws stand, I do not care to attack that. But the difference is very great when you say that an American citizen shall not use on the high seas a ship that costs him no more than a Prussian or an Englishman. I say that the law which prohibits him from doing that is infamous.

Mr. FRYE. Now, will the Senator again pardon me? Suppose his free-ships clause becomes a law; I am an American citizen; I buy a 4,000-ton iron steamer; pay my money for it; it is registered under the law as an American ship; I ask the Senator if he then would vote to prevent me, an American citizen with an American ship, from sailing it wherever I pleased?

Mr. BECK. I would not allow, so long as other interests are protected to the point they are now, any interference with the coastwise trade. I have repeated that time and again. Maine may retain that as her part of the general plunder.

Mr. FRYE. Then, Mr. President, the Senator knows perfectly well that I, as an American citizen, never would go over to England and buy a ship and put it upon the water if I was to be limited in sailing that ship.

Mr. BECK. Then your right to do so will do you no harm. That must be obvious. If the people who are now carrying our goods to foreign markets should go to war with each other, as they have done time and again, and may do hereafter, the right to buy might be the only salvation the Western farmer would have, because he can not wait two or three or four years till a vessel can be built in which to carry his perishable goods. Therefore even the mere right may be very valuable.

Mr. FRYE. A singularly valuable right in the event, for instance, that France and England went to war; for, having the right to register under the American flag, the whole English commercial fleet would come under the American flag, and I should like to know what would become of your American merchant marine.

Mr. BECK. Any case may be supposed; I was about to say any absurd case.

Mr. FRYE. I was taking the Senator's own case.

Mr. BECK. I do not know how many would be registered, but I know that the right to buy a cheap ship can do no man any harm when he is engaged in trade; and I know furthermore that the Senator from Maine, to whom I alluded in my speech awhile ago, instead of holding the confederate cruisers responsible for the whole thousand million of tons, did the country some service when he showed that nine hundred thousand of that million were lost to this country by these very infamous navigation laws and not by confederate cruisers. It was a fact never quite as well developed before as he was kind enough to develop it, and the country will thank him for it.

Mr. FRYE. If there had not been some Americans who loved their country better than they loved money there would not have been a single ship left on the sea with the American flag. There was patriotism

among the owners of the ships to keep the flag on the sea, or the whole would have fled to England and been under the English flag if it had not been for the love of the flag itself.

Mr. BECK. But 900,000 tons did fly to the British flag, and I should like to know where the patriotism comes in that prevented our people from getting them back after the war was over?

Mr. FRYE. They have shown no reason why they should have them back.

Mr. BECK. The navigation laws prohibited them. Of course they could say nothing.

Mr. FRYE. Mr. President, I did not intend to make any speech about this bill and I certainly did not intend to introduce the bill with a speech. In the time I have served in Congress I think I have learned better than that. But the Senator from Kentucky [Mr. BECK] is utterly irrepressible, and wherever there is any disease complained of on the face of this earth the Senator from Kentucky has to charge it to the tariff and at once makes his speech.

Mr. BECK. Oh, no.

Mr. FRYE. The Senator put the tariff in this and charged that it was a part of the cause of the decline of American commerce and that the other part was the navigation laws. Now, Mr. President, as briefly as I can and without any of the careful preparation which the Senator from Kentucky and the Senator from Missouri have brought to this subject I propose to discuss this question of free ships.

In the first place what is the trouble with the American marine? Is it "the infamous navigation laws," which the Senator from Kentucky talks about? Those navigation laws were enacted in 1789, and there never was a statesman bold enough to declare for over three-quarters of a century that those laws ought to be repealed—not one Democrat, Whig, or Republican; and during those seventy-five years while those navigation laws were standing on the statute-book unchallenged our American marine grew to those magnificent proportions which the Senator from Kentucky described (in a speech I made, from which he quoted) to be larger in 1861 than that of any nation on the face of this earth but one, and increasing at a ratio which would have made it first in a very few years.

The Senator from Missouri [Mr. VEST] says that our tonnage decreased before that. Our tonnage on the ocean did not decrease before that. The largest tonnage was in 1861. The amount of carrying trade did decrease, I admit, on account of the change from sail to steam, a steamer being able to carry five to one.

Mr. President, under those navigation laws we saw ourselves the owners of the finest fleet of ships that ever was seen in the history of the world. We saw ourselves plowing the ocean with clipper-ships that outsailed the steamers of that day, that were as regular in their trips, that could take freights and discharge freights on time contracts and under charters as well. Neither tariff nor navigation laws interfered with our progress.

But, sir, Great Britain herself saw her difficulty. She was for free trade. Let us see how she prospered under it. Between 1849 and 1855 the merchant marine of the United States increased 1,877,985 tons, and that of the United Kingdom increased only 894,828 tons. The United Kingdom had no navigation laws; the United Kingdom had no tariff. The United Kingdom rising to its present glory, its slow rate during that decade was not due to any such disease as our navigation laws, and our wonderful increase could not have been destroyed by them. Mr. Lindsay, the English historian, says:

Our ship-owners naturally viewed with great alarm the rapid strides made by American shipping. Nor were their fears allayed by a reference to the board of trade returns, wherein it appeared that while the increase of British shipping had in the year previous to repeal been 393,955 tons, there had been a decrease in the year after repeal of 180,576 tons. Our position appeared, therefore, critical; and had it not been for the resources we held within ourselves—

Meaning coal, iron, and cheap labor—

and the indomitable energy of our people, foreign shipping might then and there have gained an ascendancy which might not afterward have been easily overcome. * * * We had one advantage which our great American competitor did not possess. We had iron in abundance, and about this period we were specially directing our attention to the construction of iron ships to be propelled by the screw.

And they did provide for the building of iron ships, for driving those ships by the screw instead of the old side-wheeler; and a few years wore on, then the discovery was made of the compound-engine, and England appropriated it to herself forthwith, saving one-half the coal, and thus solving that great question of whether or not iron steamships could control the carrying trade of the world. The compound-engine settled it that they could, and England had the compound-engine, the iron, the coal, the cheap labor, and now to-day has the carrying trade of the world.

And, sir, in 1854 England did what we never have done; England did what the Congress of the United States has neglected for fifty years to do—took one square look at the laws upon the statute-book touching the merchant marine, revised the whole created boards of trade in every great center in Great Britain, authorized boards of trade almost to legislate in place of Parliament, enacted laws touching the duties of seamen to the very slightest particular, enacted laws freeing their shipping from every restraint, from every burden, and enacted by legislation every conceivable law to help the vessels sail and carry. What did we do? Take the English shipping law of 1854, covering some one

hundred and fifty pages of the English statute-book, look it over, and I say you can not put your eye on a single phrase touching a merchant marine that England's Parliament did not see and did not provide for. It neglected nothing; it provided everything. Again, I ask, what did we do?

Up to the war we were content with our clipper-ships; we were selling them abroad; we were competing, as we thought, with the whole world. We were gaining, as we believed. We paid no attention to the screw or the propeller or the side-wheeler. We paid no attention to iron. We paid not the slightest attention on the face of the earth to our shipping laws. The war came on. While I do not charge the decline of American commerce entirely to the war, and have no right to do so, yet I say that the Senator from Kentucky errs further on one side than I do on the other. I say that five years of such war as we had in this country inevitably turned the attention of the American people from the merchant marine, from its necessities, from its prospects; took away from it all ability to consider carefully, to legislate providently, and to guard the interests of this marine. It did that for five years. I say further that it took four hundred and ninety-seven ships out of the merchant marine, made war ships of them and sent them down South to blockade the Southern ports—over a million and a half tons for that purpose—four hundred and ninety-seven ships. It took one hundred and twenty-five more ships, small, to be sure, and sunk them in the harbors and rivers and on the bars of the Southern ports. I say it drove out from under our flag a million of tons more, and you can count a direct loss to the American tonnage of over 2,000,000 tons.

And, Mr. President, when the war was over, we sat down, balanced our accounts, and found a debt so overwhelming that we had no mind to undertake to build up a merchant marine, and we neglected it all through the days of our vitiated currency, and were compelled to do so. Twelve years from the breaking out of the war elapsed before it was in our power, if we desired, to undertake to revive and build up a merchant marine. The twelve years elapsed, and did we do anything? Why, sir, in the last Congress, my recollection is, we passed the only bill for the relief of the merchant marine that has been passed since 1860, and that was a bill touching the admeasurement of ships. We had permitted our ships to be measured under a rule we established, so that England, France, and Germany in all the charges on tonnage had an immense advantage over us, and nothing had been done, no notice taken of it, no repeal of the law or other mention of it made until the very last session of Congress; and my recollection is that it is the only law that has been passed within twenty-five years touching the merchant marine of the United States. All this time we have sat by and seen it go down and down and down, until, as the Senator from Kentucky says, to-day it only carries 15 per cent. of all our own exports and imports and none of the exports and imports of the world.

What had the navigation laws to do with that? What had the tariff to do with that? Who has asked to buy a ship abroad? By this bill the last Congress for the first time undertook to take these burdens off the merchant marine of the United States. It took the laws upon our statute-book, and by a special committee, spending care, time, attention, learning upon the whole subject, reported that there were standing upon our statute-books laws that were infamous really, not infamous romantically like the navigation laws, but infamous in fact; and they reported to Congress the laws that ought to be repealed or ought to be modified. A bill passed the House of Representatives, came to the Senate, was returned to the House with amendments too late for action, and still nothing was done.

Then at this session of Congress the Committee on Commerce take up the subject; they go to work upon it; they unanimously report every provision of the bill which has been read here to-day, including the "subsidy" which the Senator from Kentucky talks about, and all, Democrats and Republicans, uniting in every provision of the bill; and yet the Senator from Kentucky, who has such an intense interest in the revival of the merchant marine, comes in here with a provision which will destroy every single proposition reported favorably by the committee, and put us in a worse condition than we were ever in before.

If these are good provisions so far as they go I ask the Senator from Kentucky why can not he consent that we shall do this little thing now for American commerce? He knows perfectly well that the proposition which he makes is held by at least an even number of his peers as virtually a destruction of the merchant marine of the United States; that they as honestly believe it as he honestly believes that the merchant marine requires it, and that it is the only medicine which will bring healing with it. I ask the Senator from Missouri and the Senator from Kentucky why they can not let us enact into law those things that all agree upon as good, wholesome, requisite, without throwing in here upon us that which one-half at least believe to be utterly destructive and the other half perhaps believe may be useful?

The proposition made by the Senator from Kentucky is to me utterly absurd. I accord to him honesty of purpose. I accord to the Senator from Missouri honesty of purpose. I know both gentlemen, and I know both to be honest men beyond peradventure, beyond question. I make no charges of what the Senator from Kentucky talks about of being bought by English gold. I do not believe the English have gold enough in all their coffers to buy either Senator or any Senator. I

never indulge in talk in my speeches about corruption in Congress. I have been here fourteen years, and I never saw it or heard of it except in newspapers and from speeches now and then made by members of the House or of the Senate. So I make no charges against either gentleman, but I say the proposition made by them and maintained by them seriously here before the Senate seems to me to be utterly absurd and preposterous, utterly destructive of the best interests of the merchant marine and of our country too.

The proposition of the Senator from Kentucky is to admit foreign-built ships to American register. Does any American desire to buy one? Suppose you make it a law to-day, will any American buy one? If yes, what for? To sail it? He can not sail it a month, I do not care how cheap he buys it. If he buys a 4,000-ton Lloyd's first-class A 1 steamship he can not to save his life run it in competition a year with an English 4,000-ton steamship under the English flag, or a German under the German flag, or a French under the French flag. Why? I have here the wages on board an American steamer and on board an English steamer at Philadelphia and Liverpool in 1882, taken exactly from the pay-roll of the two ships.

Mr. BAYARD. Were they in the same line?

Mr. FRYE. Yes, sir.

Philadelphia, first officer, \$89.10 a month.

Liverpool, first officer, \$58.39 a month.

Senators, look at that one moment, and then let me ask you if you want a first officer of an American 4,000-ton iron-steamship to sail her for \$58.39 a month? If you could do it, would you?

Mr. MORGAN. Was the British line subsidized?

Mr. FRYE. No, sir. It carried the mail. The Senator from Missouri [Mr. VEST] says none of them were subsidized.

The following list comprises the monthly wages paid by steamships at Philadelphia and Liverpool:

Occupation.	Philadel- phia.	Liver- pool.
First officer.....	\$89 10	\$58 39
Second officer.....	63 00	48 66
Third officer.....	49 50	34 06
Fourth officer.....	40 50	24 33
Surgeon.....	63 00	48 66
Purser.....	63 00	48 66
Carpenter.....	40 00	34 06
First boatswain.....	35 00	31 62
Second boatswain.....	30 00	24 33
Quartermasters.....	30 00	20 66
Seamen.....	25 00	19 46
Mess boys.....	13 50	7 29
First engineer.....	121 50	87 59
Second engineer.....	81 00	68 13
Third engineer.....	70 20	58 39
Fourth engineer.....	62 10	48 66
Oilers.....	40 50	23 11
Storekeeper.....	36 00	24 33
Donkeyman.....	36 00	23 11
Firemen.....	40 00	21 89
Coal-passers.....	30 00	19 46
Chief steward.....	63 00	48 66

United States wages (Philadelphia) 36 per cent. higher than at Liverpool.

The following list shows the prices paid by American sailing ships at present:

Occupation.	San Fran- cisco.	Liver- pool.
First mate.....	\$50 00	\$43 79
Second mate.....	60 00	48 66
Carpenters.....	40 00	29 19
Steward.....	35 00	29 19
Cook.....	35 00	34 06
Seamen.....	30 00	24 33
Ordinary seamen.....	30 00	12 16
	15 00	
	20 00	9 73

Wages at San Francisco 33½ per cent. higher than at Liverpool.

Mr. BAYARD. May I ask the Senator a question?

The PRESIDING OFFICER (Mr. HARRIS in the chair). Does the Senator from Maine yield to the Senator from Delaware?

Mr. FRYE. With pleasure.

Mr. BAYARD. The figures the Senator has read have been designated as at Philadelphia and Liverpool. I understand that the vessels are in the same line.

Mr. FRYE. I doubt that, but running between the United States and Great Britain, the one being taken from the pay-roll of the steamship at Philadelphia and the other from the pay-roll of the steamship at Liverpool.

Mr. BAYARD. In order, however, to reach the point we are endeavoring to come at, the question is whether those rates were paid at Liverpool and at Philadelphia equally upon American and upon English ships.

Mr. FRYE. No, sir; one on an English ship and one on an American ship.

Mr. BAYARD. The point is this, is there in these figures a discrimination as between the American and English ships, or only as between the ports at which the persons were employed?

Mr. FRYE. As between the ships. If you take the Liverpool men and put them on the Philadelphia ship they will then demand and receive the prices of the Philadelphia ship.

Mr. BAYARD. That is, both going to Liverpool and coming back to Philadelphia?

Mr. FRYE. Yes, sir. Let me give the Senator a remarkable instance which a gentleman from New York told me about. Bolton, Dallet & Bliss, of New York, run a line of steamers to Venezuela. They had five steamers under the German flag, and finally concluded to try an American ship. They hired Cramp, of Philadelphia, to build them the Caraccas, a 3,200-ton iron ship. He built it. They sailed it under the American flag. They found it was a great deal better than the German ships, and they contracted for another. They put on the two American ships and sold some of their German ships, the two American ships being able to do as much as the three German. They found on looking at the pay-roll one day that on the two German ships they retained a fireman received \$20 a month, and that on the two American ships a fireman received \$40 a month, doing precisely the same work, the one man being precisely as good as the other. They thought they would stop that. They took the men off from the German ship and put them on the American ship. The men made the round voyage, saw a sailor-lawyer, brought suit for the \$40, instead of the \$20, and compelled the steamship company to pay the \$40 a month. Then those gentlemen took the same firemen, put them back on the German ship, and they took the \$20 a month, with a protest.

Mr. BAYARD. There is one result very obvious, that it doubles wages for a vessel to have an American register.

Mr. FRYE. I am coming to that by and by. I want it to have that effect.

Mr. BAYARD. This point is a very practical one. There seems to be some magic, something that can not be well explained in the fact that by transferring a captain, a first officer, or an engineer from one vessel to another, owned by the same parties, performing the same duties, because he is ordered from one ship to another his compensation is either lessened one-half or increased one-half. What is the reason for that? If there is any law upon our statute-book that thus discriminates, it seems to me the remedy is an obvious one; repeal it. There must be some mystery, or else it must be something so palpable that we can get within reach of it.

Mr. VEST. It is a plain provision of our statutes. It was discussed here the other day. It is a provision of our shipping laws.

Mr. BAYARD. Then it would be the easiest thing in the world to put the finger upon that law and repeal it.

Mr. VEST. Of course.

Mr. BECK. There is an amendment to this bill which does it.

Mr. FRYE. I disagree with the proposition of the Senator from Missouri. My opinion is that it is what is ordinarily termed the protective tariff that increases wages. You can not increase by a protective tariff the wages of men who work in factories and machine-shops, and keep the wages of farmers down; it is an utter impossibility. You can not increase the wages of men in the factories and in the machine-shops and on the farms, and keep the sailors down. You can not have in this country one class of men with wages down to English wages and German wages, and nine other classes with their wages up to the present scale of American wages. That is an utter impossibility. It is the protective tariff which does this, and the only way for the other side to do is to adopt square free trade, cut down American wages to English, German, and French wages, and then pass a free-ship law, and we can get our sailors as cheap as they can and run in competition with them across the ocean.

Mr. BAYARD. If it would not interrupt the Senator—

Mr. FRYE. It will not interrupt me a particle. I have no speech to make.

Mr. BAYARD. I do not wish to interrupt the Senator except to say that as he has—

Mr. FRYE. I should not like to yield for a reply right here. I thought the Senator wished to ask me a question.

Mr. BAYARD. I asked a question and the Senator answered it. I merely wished to say that the result of his answer logically, and in words, is that a protective tariff is inconsistent with American ship-owning.

Mr. FRYE. Inconsistent with American low wages. That is what I say.

Mr. VEST. If the Senator will permit me—

Mr. FRYE. With pleasure.

Mr. VEST. I hardly ever indulge in interruptions; but right here I beg to be allowed to interpose, because it is entirely applicable to the matter the Senator is discussing. The Senator from Maine now has an amendment which repeals that part of our shipping laws which compels an American vessel when it touches any portion of the American coast to reship its crew. In other words, as I stated the other day, I am very glad my friend from Maine has found out the necessity for a remedy,

whether he sees the cause of the disease or not; he agrees that this portion of the shipping laws is simply outrageous. A German vessel in the port of Liverpool can hire its sailors and make any contract it pleases for the round trip or for six or twelve months, and can go to Philadelphia and retain its crew, because if the crew desert they do not receive a dollar of their back wages. But an American vessel after it hires its crew in Liverpool, no matter what contract it makes, when it reaches Philadelphia from Liverpool, under the shipping system of the United States it is bound to discharge its crew and rehire them and go before a shipping commissioner for the purpose. The result is that the Italian sailors, the Norwegian sailors, and the German sailors—for we have got no American sailors really—demand the wages in the coastwise trade, and if they do not get them they leave the ship without any crew, and our law protects them and our shipping commissioners protect them in it. I am glad that the honorable Senator from Maine wants to repeal that.

Mr. BECK. The Senator from Missouri will recollect that the boarding-house keepers keep them.

Mr. VEST. As a matter of course; that is part of the system.

Mr. FRYE. Mr. President, I am in favor of the two sections to which the Senator from Missouri refers for one reason and he for another. I am in favor of them because they prevent our shipping commissioners exacting from one single line \$6,000 a year for reshipping its sailors. That it will have any effect on the wages I never believed for a single moment. The wages will be American wages; but the Philadelphia line will be saved by those two sections \$6,000 a year paid for reshipping the crew every time the vessels come into port.

Mr. President, you can not buy and import an honestly built 4,000-ton ship—I am not talking about scavengers and tramps and that sort of thing—I say you can not buy, if you have "free ships," such a vessel and run her here. You take four English steamships. They will cost \$2,000,000 there; they will employ five hundred men; call the wages \$1.25 per day, and the men would cost annually \$227,400. Right there I want Senators to remember when they talk about the original cost of a ship that it counts as little as you can conceive. A first-class iron ship will wear fifty years. That is a loss of 2 per cent. per year. But your men alone on an English steamship will cost you \$227,400 a year. The taxes will be 2 per cent. of the net income—call the net income 6 per cent.—that is \$120,000, and the taxes on the English steamship line will be \$2,400; interest on the capital at 4 per cent. will be \$80,000; making \$309,800 annually.

Now suppose you buy them in England and bring them to New York and run them under the American flag. They cost the sum of \$2,000,000; no more. The pay of the men would be just 36 per cent. more, as shown by the figures, than the cost of men abroad. So that instead of \$227,400 the cost of the men here would be \$309,264, against \$227,400 under the English flag.

Again, the taxes everywhere in this country, except in New York, Rhode Island, and Massachusetts, would be from 2 to 3 per cent. of the value of the ship. Suppose on the Philadelphia line you put 2 per cent. tax, and it is \$40,000 a year, and the English tax is what? Absolutely nothing, except on the income, amounting to \$2,400 a year. Interest on the capital at 6 per cent. would be \$120,000; making the whole \$468,268, against the English \$309,800, leaving a balance in favor of sailing the vessel under the English flag over and above the American flag of \$158,464 annually.

Now, will the Senator from Kentucky tell me that any man is going to buy a 4,000-ton first-class ship to put onto an American line and run it with \$158,000 annually against him, when he can buy it and run it under the English flag and save \$158,000 a year? To-day you can buy all the ships you want and sail them under the English flag. Under their corporation law all that is required is for the president and directors to own just seven shares; the Senator from Ohio can own the other nine hundred and ninety-three shares and sail the ship where he pleases, and sail it under the English flag, and save \$158,000 every year. Will he invest in an English ship and put it under the American flag? It is only patriotism that will lead him to adhere to his own ship built in his own country, and the moment he drops the patriotism and simply for mere love of gain goes and buys in the cheapest market of the world, that very moment he does not care whether he sails his ship under the American flag or a Dutch flag or a Spanish flag or a black flag.

Here let me state another thing. If that vessel sailed under the English flag Great Britain would pay to that line every year \$360,000 for carrying the mail. What would you pay for carrying yours? You never paid over \$58,000 for carrying the American mail across the ocean from New York to Liverpool. So there would be another advantage of \$300,000 a year more just for keeping the line under the English flag. That makes \$458,000 a year advantage to you to keep your ship under the English flag and out from under the American. Would any man buy it? Then, says the Senator from Kentucky and the Senator from Missouri, "Why are you making a fuss about it? What harm will it do if nobody will buy?" Mr. President, I will try to show what in my opinion the harm will be. Great Britain commenced building iron ships forty years ago. There are more than four hundred iron ships in Great Britain to-day that are out of model, out of practical use, out of decent machinery. If you admit foreign ships to

American register every one of them will be in your ports, old iron and steel, delivered in less than two years, and broken up at once, and your free-traders will rejoice in such an opportunity to break down the iron industry of Pennsylvania.

Again, there was an investigation made within the last six months of the English iron merchant marine, and an engineer reported to Parliament that there were five hundred unseaworthy iron steamers employed in the merchant marine of Great Britain. The report was made to Parliament, and it was discovered that these unseaworthy iron steamers were sinking every few days, and that the insurance companies were paying twice what they were worth. It did not take long for the English people to learn that unseaworthy iron ships were simply great coffins for the sailors, and Mr. Chamberlain, a member of the English Parliament, about two months ago introduced a bill the effect of which would be to declare these four or five hundred ships unseaworthy, put them out of work; and another clause of his bill provides that no claimant who lost such a ship should be permitted to recover more than the value of the ship of any insurance company, no matter how much the policy that he took. I hold in my hand a report made by the secretary of the British board of trade on the commercial shipping bill of Mr. Chamberlain. I want to read a few words that he says:

Last year the deaths by drowning were 1 in 83, instead of 1 in 60. The mention of 1 in 60 was originally made by Mr. Chamberlain at a time when the last return showed that to be the case for the previous year, and those same figures have since been repeated with perfect accuracy as the figures of loss for one year. As a matter of fact, the return recently published shows that the number of seamen who lost their lives by drowning was 1 in 60 in 1881 and 1 in 83 in 1883; and of those who lost their lives by drowning or other accidents while on service was 1 in 56 in 1881 and 1 in 75 in 1882. But the precise number for any one year is not the material point. The important facts are that the loss of life is deplorably large, and that while it fluctuates from year to year it shows no permanent or steady diminution, but rather the reverse. From the return above referred to it appears, as stated in my letter of the 1st instant to your predecessor, that the number of seamen who have met with a violent death by drowning or otherwise has during the last twelve years ranged from 1 in 91 to 1 in 56 of the whole number employed; that 1881 was the most fatal year of the twelve; and that, dividing the whole period of twelve years into four successive periods of three years each, the percentage of men drowned or otherwise killed on service was greater during the last period than in any of the earlier periods. It also appears that during the twelve years comprised in the return about 1 in 6 of the number denoting the average strength of the merchant service of the United Kingdom died by a violent death in the course of his employment. In other words, supposing the average of a man's employment at sea to be twenty-four years, one out of every three may expect to have his life cut short by a violent death.

This was a report made to Parliament to show the unseaworthiness of the iron ships in the English merchant marine. If Chamberlain's bill passes the English Parliament you can buy those four hundred ships for half what they are worth. What are they worth? They will be good to bury your sailors in. If you have so many bad sailors as the Senator from Kentucky tells about you can get rid of them at the rate of one in fifty every year if under your free-trade bill you should buy those four hundred unseaworthy ships and admit them to American registry, and then let the speculators sell them if they pleased.

Mr. McPHERSON. Will the Senator from Maine yield to me for a question?

Mr. FRYE. With pleasure.

Mr. McPHERSON. I am troubled a good deal about this matter, and the Senator from Maine does not seem to help me out, and before he departs from the branch of the subject he is discussing I should like to have him throw more light upon it.

The Senator from Missouri and the Senator from Maine both agree, as I understand the Senator from Maine to admit one proposition, that a reform of the law is needed in order that a ship-owner may ship his seamen wherever he may find them and may contract with them, and not be compelled to unship and reship them in an American port because they are sailing under the American flag. Both agree upon the remedy. Both agree, if I understand the Senator from Maine aright, as to the repeal of the present law. Both propose to vote for that repeal. Now, if a ship, whether it is built here or purchased abroad, is put under the American flag with that law repealed, why can not the ship-owner ship his seamen abroad under contract the same as a foreign ship-owner can? Then why does the Senator from Maine say that there is any longer 36 per cent. more cost in the question of wages, when he himself has reported a bill which removes that difference in cost?

Again, while I am on my feet, let me refer to the fact that the Senator from Maine brings up the case that we shall be purchasing old rotten ships belonging to British ship-owners. I want to ask that Senator why a seaman will ship on one of those old rotten ships at \$20 a month instead of going upon a perfect ship built by Mr. Cramp and demanding \$40 a month? Upon one ship his life is perfectly safe; he has comforts; he is better fed a great deal than the foreign ship-owners feed sailors. He has every advantage on earth on board the American ship over what he has on the foreign ship.

Mr. FRYE. This is a little too much—

Mr. McPHERSON. I will stop.

Mr. FRYE. I am pretty good-natured, but I am getting too many speeches into mine. I am apt to forget. I beg the Senator to understand that the Senator from Missouri votes for the two clauses for one reason, and I for an entirely different reason.

Mr. McPHERSON. I care nothing about the reasons, but I ask for results. I want to know this: If a man is privileged to hire his men under contract and wherever he can hire them the cheapest, I claim that it would make no difference (and no man can convince me to the contrary) whether the ship is owned by an American or by an Englishman.

Mr. FRYE. Then the Senator from New Jersey does not know anything about sailors. You may hire your crew in Liverpool for ten years, put them under contract and have them sign papers, put them on board ship, have the right under your law to keep them on the ship for ten years, and I guarantee that the first time they come into the city of New York they will every one of them desert and you have to hire them over again. The Senator from Missouri has a remedy which will not remedy it a particle, and when you hire them over again you have to pay them American wages.

Mr. VEST. Suppose they are under a written contract for a round trip; under our laws as they stand if a sailor violates his contract he can not recover one dollar of back wages, and he is bound to forfeit them. If the contract is made in Liverpool for three months or for a round trip and they jump in New York or Philadelphia, they lose their back pay.

Mr. FRYE. I have yet to know what a sailor can not do. I have had some experience with sailors myself, and I should like to know anything they can not do. In the first place, they have a boarding-house keeper who is more powerful than the master of the ship; he is more powerful than the whole United States Army so far as that ship is concerned. That boarding-house keeper has three or four sailor-lawyers, and every sailor who comes into port has his sailor-lawyer, and he can do as he pleases, and he will do as he pleases. While I think those clauses are right, and while I know they will prevent a great deal of mischief, while they will be a relief, I am not so sanguine as to believe they will have the full effect supposed.

Mr. President, I am sorry I am talking so long. I did not intend to make a speech, but must say something about another thing. I say these miserable ships can be bought, and they will be bought, because you can not run under the American flag a new ship properly built. Now, I say another thing, that American Senators ought to look at it carefully before they decide to vote for "free ships." We are apt to talk as if we had no ships, and you would judge from an ordinary discussion in Congress that there was no such thing as an American ship to-day; that it was a played-out thing. Why, Mr. President, we have the finest coastwise trade in size, in ships, in material, in men, in officers, in discipline, in comfort, in convenience, in prosperity that there is in this whole world; and we have it because of "the infamous navigation laws" that the Senator from Kentucky talks about, and had it not been for "the infamous navigation laws" we should have had no more carrying trade on our coastwise ships than we have to-day upon the ocean. England protected hers for a century.

We had tried from 1806 down to get the right to carry our cargoes and our vessels into English ports and the ports of her colonies, and she shut her doors tight against us. We authorized twice the President of the United States by proclamation to open our ports to ships and to cargoes in order to induce England to open hers, and she refused. In 1849, Mr. Bancroft being our minister and Mr. Polk our President, the proposition was made again to England to open her ports. It was accepted, and in 1850 the United States and England reciprocated in the opening of their ports to vessels and cargoes, but both reserved their coastwise trade, and if we had not been fortunate enough to have our eyes open and to have reserved the coastwise trade Canada, would have been doing to-day the whole.

I want to read here what Mr. John Roach says about the coastwise trade. The Senator from Missouri smiles. I am delighted that the Senator from Missouri in speaking of John Roach the other day did it with the utmost respect. He did not charge, as I have heard Senators and members of the House charge, that John Roach was a robber and dishonest, ever contriving to cheat the United States Government. He admitted that the only trouble with him was that he stood a bulwark between him, the Senator from Missouri and men like the Senator, and American labor, American ships, and the American marine. John Roach has been more abused since I have been in Congress than any man I know of except the Secretary of the Navy. I do not know of anything bad done by him except that he was born in Ireland, and that surely is not against him. He was a poor boy, too, and he did not become a hoodlum. He went to school; he worked; he became a mechanic. He did not keep a corner grocery in New York city and run Democratic ward politics. He never did that. He still worked; and to-day John Roach by his own exertions, his own ability, his own industry, has the largest ship-building establishment in the United States of America, employing 3,000 men, and he feeds every year well, and clothes well, and educates well, and houses well over 15,000 people. Will the Secretary please read what John Roach says about the coastwise trade?

The Secretary read as follows:

OUR COAST-TRADE PROGRESS.

3. To show that capital can be obtained when there is a fair chance in the competition, let me call your careful attention to what we have done in the devel-

opment of our coast carrying trade. This has exceeded, under protection, even our unparalleled progress in manufacturing industries. The history of the world does not show so vast a development as that of our coasting trade in the last ten years.

Look at the figures. Counting in the contracts already in hand that can not be completed until 1882, in the ten years from 1872 we have built 140 iron screw-steamships, of a total tonnage of 260,000 tons. We have also built 25 wooden screw-steamers, of 27,563 tons. This makes a total steam tonnage built for our coasting and foreign trade of nearly 290,000—260,000 tons of it iron steamships; while in 1870 there did not exist in this country the rolling-mills and ship-yards required to construct an iron ship such as we have to-day.

Referring for comparison to the ocean-going steam tonnage of the world in 1860, we find that it consisted of 338 steamers, with tonnage of 431,000, divided as follows:

Nation.	Number.	Tonnage.
Great Britain.....	156	250,000
United States.....	52	71,000
All other nations.....	130	150,000
Total.....	338	431,000
Ocean-going steam tonnage built in United States since 1872.	145	257,563

What a grand showing this is! We have built in ten years more steam ocean-going tonnage than England possessed in 1860, though she began to build the iron ship in 1840, and had liberally encouraged the establishment of ship-yards, paying millions yearly in contracts to induce the investment of capital in the foreign carrying trade.

More than that. In these ten years we have built four times as much steam tonnage as we owned in 1860, while that was made up of old side-wheelers not fit for ocean carrying, and have built considerably more than one-half as much steam tonnage as was owned by the world in 1860. The ships are first class, and their carrying capacity is equal to 772,659 tons of sail, the most approved estimates, based on experience, making one ton of steam equal in carrying capacity to three tons of sail.

Besides this, we now have in the foreign trade 80,000 tons of iron screw-steamers, or ten times more than we had in 1860.

THE RIGHT KIND OF A "DECLINE."

France and Germany made no increase of steam tonnage to compare with ours, though they had all the advantages of buying free ships of England (an advantage which the free-ship man claims would have done so much to gain for us a foreign carrying trade), while we labored under all the disadvantages of starting a new business when the financial condition of the country was unsettled, when gold was at a premium, and when for a part of the time there was great business depression and distress.

What has been the result, and what is the advanced condition of the iron-ship building interest worth to us to-day? Had we possessed these one hundred and twenty steamships in 1861 we could have thoroughly blockaded our coast and have brought the rebellion to a close within a year. Through our present facilities we should be able to construct a similar fleet in much less time.

Then, again, the building of this fleet has reduced the freight rates in the coasting trade nearly 50 per cent. since 1870, and our coasting fleet is superior to the steam fleet of any country except England. How is this, do you ask? Why, we protected the coasting trade the same as we did our manufactures, and so saved it; and the result is that the country has a better fleet to meet an emergency with than it ever had before. What a benefit this reduction has been to our own people, and yet it has been produced by competition among ourselves.

Mr. FRYE. Mr. President, I allude thus to the coastwise trade and undertake to show its immense power to-day. It is stronger to-day than it was in 1861. In the event of a war we have a more powerful fleet of ships to-day in our coastwise trade than we had in the coastwise trade and on the ocean too in 1861, better manned, better equipped, better prepared for any emergency, and they are iron steamers too, built in the United States, better ships than England builds. Why, Mr. President, the Alameda, which sails from San Francisco to the Sandwich Islands, of 3,000 tons burden, is a better ship in every respect than England has to-day in her merchant marine—not larger but better—and our ships will compare with any in the world. Take these lines: the Spreckles line, two ships; Pacific Mail, six ships; the Oregon Navigation Company, six ships; the Brazilian line, three ships; New York and Savannah, six ships; Morgan line, six; Old Dominion, six; Boston and New York, three; Philadelphia line, four; Texas line, six; New York and Charleston, five; Alexander line, five; Cromwell line, five. There are some fifty iron steamers, averaging 3,000 tons burden, the best ships to-day in the world.

What does the "free-ship" clause propose to do with that? The Senator from Kentucky is cunning. He damns the navigation laws, but says that he will not interfere with them. I say that no man on earth will buy an English ship without the privilege, when it is under American register, of sailing her where he pleases. Are you going to buy an English ship, land in New Orleans, and if you want to go to New York can not be permitted to do it, when if you had an American ship under the American flag you could sail it anywhere? Are you going to do that? You can not find a man who will do it. And the very moment you enact a law admitting foreign ships to American registry, you will enact another law giving them the full benefits of American registry. If you do one, you must the other. If you have bought a foreign ship and paid for her, you are an American citizen, the flag floats over her. Why shall you not have the same right that I have who simply buy a ship of a builder? Why shall you stop at New Orleans and I sail my ship from New Orleans to New York? No, Mr. President, the logical result is that you repeal your whole navigation laws, you open up your coastwise trade, and in a few years more that will go where your foreign trade has gone.

Mr. MILLER, of New York. I suggest to the Senator from Maine that it is getting late, and evidently the speech he is making can not be finished to-day. If he will give way I will move an adjournment.

Mr. McMILLAN. I ask the Senator from New York to make a motion for an executive session instead of an adjournment.

The PRESIDING OFFICER. Does the Senator from Maine yield to either Senator for that purpose?

Mr. FRYE. I am entirely ashamed to have been betrayed into making this speech. I certainly did not intend to take ten minutes when I rose, but I have been talking a good deal longer than I intended, and have said so much now that I must touch some other questions. I will yield.

INDIAN APPROPRIATION BILL.

Mr. DAWES. I ask leave to make a report at this time from the Committee on Appropriations.

I am instructed by the Committee on Appropriations to report back with amendments the bill (H. R. 6092) making appropriations for the current and contingent expenses of the Indian Department, and for fulfilling treaty stipulations with various Indian tribes, for the year ending June 30, 1885, and for other purposes. I desire to give notice that at the earliest moment consistent with the pending business I shall call up the bill for action.

EXECUTIVE SESSION.

Mr. MILLER, of New York. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business. After thirteen minutes spent in executive session the doors were reopened and (at 5 o'clock and 7 minutes p. m.) the Senate adjourned.

HOUSE OF REPRESENTATIVES.

WEDNESDAY, April 30, 1884.

The House met at 11 o'clock a. m. Prayer by the Chaplain, Rev. JOHN S. LINDSAY, D. D.

The Journal of the proceedings of yesterday was read and approved.

ENROLLED BILL AND JOINT RESOLUTION.

Mr. YAPLE, from the Committee on Enrolled Bills, reported that the committee had examined and found truly enrolled a bill and joint resolution of the following titles; when the Speaker signed the same:

A bill (H. R. 5966) to change the name of the Marsh National Bank of Lincoln, Nebr., to that of the Capitol National Bank of Lincoln, and to increase the capital stock of the First National Bank of Nashville, Tenn.

Joint resolution (H. Res. 223) authorizing the Secretary of War to loan to the mayor of Richmond, Va., a certain amount of flags and bunting for use at a fair.

IMPROVEMENT OF GRAND RIVER, MICHIGAN.

Mr. MAYBURY, by unanimous consent, submitted the following resolution; which was read, considered, and adopted:

Resolved, That the Secretary of War be, and he is hereby, requested to furnish this House at the earliest day practicable such plans and estimates as he may have in his possession, and not heretofore submitted to Congress, for the improvement of Grand River below Grand Rapids, in the State of Michigan.

Mr. MAYBURY moved to reconsider the vote by which the resolution was adopted; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

BRIDGE ACROSS MISSOURI RIVER AT LEAVENWORTH.

Mr. PETERS. I ask unanimous consent that the bill (H. R. 581) to authorize the construction of a bridge across the Missouri River at the city of Leavenworth be taken from the House Calendar and put upon its passage. As the bill is somewhat lengthy, I ask that the reading of the bill be dispensed with and that the report be read.

Mr. BLAND. I think the bill had better be read.

The bill was read.

The SPEAKER. Is there objection to the present consideration of this bill?

Mr. BLAND. I think this bill is too important to be considered in this hasty way.

Mr. MORRILL. This bill has been reported unanimously from the Committee on Commerce. I hope the gentleman will not press his objection.

The SPEAKER. Is there objection?

Mr. BLAND. I object.

CANNON, TENTS, ETC., FOR REUNION PURPOSES.

Mr. ROSECRANS. I am instructed by the Committee on Military Affairs to ask unanimous consent that the House now take up for consideration and put upon its passage, with an amendment which I am directed by that committee to submit, the joint resolution (H. Res. 209) granting the use of cannon, tents, and muskets to ex-Union soldiers for reunion purposes.

The joint resolution was read.

The SPEAKER. Is there objection to the present consideration of this joint resolution?

Mr. TOWNSHEND. I desire to withhold the right to object until an explanation is made. I would like my friend from California [Mr. ROSECRANS] to inform us whether there are any condemned cannon on hand now.

Mr. ROSECRANS. There are a good many condemned cannon now on hand of a size not adapted to the purposes for which these cannon are usually asked. There are many applications to Congress, and many bills passed, for the granting of condemned cannon. Now it is possible that at some time some of these people may want some of these condemned cannon which are so large that usually nobody wants them. In order to put an end to all applications to Congress for legislation of this kind we propose by an amendment, which we submit as a second section, to authorize the Secretary of War to let any one have such condemned cannon as are on hand upon proper presentation of the case.

Mr. TOWNSHEND. I have seen it stated from official sources that there are now no condemned cannon on hand, and that in order to comply with these different bills and resolutions passed in Congress donating condemned cannon it would be necessary for the Government to appropriate money for the manufacture of cannon for this purpose. I wish my friend to state whether he has personal knowledge that there are on hand any condemned cannon which can be used for this purpose.

Mr. ROSECRANS. The Committee on Military Affairs had occasion to address to the Secretary of War an inquiry on this subject, and received in reply a statement to the effect that there are on hand no condemned cannon of small size which are not covered by bills or resolutions of Congress already passed. But there are a great many condemned cannon of larger size, which possibly might be wanted by some of these people who are coming to us with applications of this kind. In order to cover the whole ground, the committee decided to report as an amendment to this joint resolution a second section authorizing the Secretary of War, should such a desire be expressed, to meet these applications by furnishing these cannon of larger size. There are now 300,000 pounds of condemned cannon of large size which might be used in meeting these applications. I know it is not very likely that there will be requests for such cannon.

Mr. BUCKNER. As I understand, these cannon have been condemned as worthless, so far as the purposes of the Government are concerned?

Mr. ROSECRANS. Yes, sir.

Mr. BUCKNER. Then, why not sell them and get rid of them? Why should the Government go into this business of lending or giving away its property?

Mr. ROSECRANS. This resolution is simply in furtherance of the previous legislation of Congress on this subject.

Mr. HOLMAN. In order to make the resolution clear, the words "in his discretion" should be inserted after the word "authorized."

Mr. ROSECRANS. I am willing to accept that amendment. That language ought to be inserted.

The SPEAKER. Is there objection?

Mr. TOWNSHEND. I wish to explain the reason why I do not object, and I hope I will be permitted to state it. My object in calling out this information was to ascertain, in the first place, whether this bill was intended to prevent future bills coming in asking for condemned cannon which do not exist. As the gentleman from California explained it, I do not object to the passage of the resolution, although I doubt whether any cannon will be given under it.

Mr. CASSIDY. It is only a general proposition to take the place of numerous special bills.

The SPEAKER. The Chair hears no objection, and the first question will be on the amendments reported from the Committee on Military Affairs.

The amendments are to insert after the word "authorized" the words "in his discretion;" so the section will read:

That on and after the passage of this joint resolution the Secretary of War be, and he is hereby, authorized in his discretion, on the application of the governor of any State, to send from some convenient fort, depot of supply, or arsenal, to any place in such State as may be designated by the governor, to be used at a reunion of ex-veteran Union soldiers or State military organization, the ex-veteran Union soldiers always having the preference, such cannon, tents, and muskets as can be spared, all cost of forwarding and returning such property to be paid by the applicant therefor, the same to be returned in as good condition as when received.

Add as an additional section the following:

SEC. 2. That on the application of the governor of any State the Secretary of War be, and he is hereby, authorized to transfer to such State for the permanent use of organizations of veteran soldiers or for monumental purposes such condemned cannon belonging to the United States as now or hereafter may be on hand, all cost of forwarding same to be paid by the applicant therefor, and that the distribution be made as nearly as possible among the States making such application.

The amendments were agreed to.

The joint resolution as amended was then ordered to be engrossed and read a third time; and being engrossed, it was accordingly read the third time, and passed.

Mr. ROSECRANS moved to reconsider the vote by which the joint resolution was passed; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

SARATOGA MONUMENT.

Mr. WEMPLE. I move, Mr. Speaker, by unanimous consent that the Committee of the Whole House on the state of the Union be discharged from the further consideration of the bill (H. R. 3327) to provide statutory and historical tablets for the Saratoga monument, for present consideration.

The SPEAKER. Is there objection?

Mr. COOK. I object.

PROMOTION IN SIGNAL CORPS.

Mr. CLARDY. I ask by unanimous consent that the House Calendar be discharged from the further consideration of the joint resolution (H. Res. 179) authorizing the President of the United States to appoint from the sergeants of the Signal Corps two second lieutenants, and that it be put on its passage at this time.

The SPEAKER. Is there objection?

Mr. HOLMAN. I have heard a statement in regard to this measure, and it occurs to me that the legislation proposed is of a proper character. I hope, however, that the gentleman from Missouri [Mr. CLARDY] having charge of the bill will explain to the House its exact purpose.

The SPEAKER. The Chair understands the gentleman from Indiana to reserve his right to object.

Mr. CLARDY. The act of Congress approved June 20, 1878, contains this language, "and the enlisted force of the Signal Corps shall consist of one hundred and fifty sergeants, thirty corporals, and two hundred and seventy privates, who shall receive the pay of engineer soldiers of similar grades, and two sergeants may in each year be appointed to be second lieutenants."

For the years 1879 and 1880 these promotions were made in pursuance of this act. In 1881, the question whether the sergeants mentioned in this statute were sergeants of the Signal Corps proper or of the Army having arisen, it was submitted to the Attorney-General for his opinion. After considerable delay the Attorney-General rendered the opinion that the purpose of the statute was to make the promotions from the sergeants of the Signal Corps. Pending the determination of this question by the Attorney-General, however, the year expired and these promotions could not be made. Thus, without the fault of the officers of the Signal Service or of any person connected therewith, the benefit sought to be conferred by this statute was lost for the year 1881.

In a letter addressed by the Chief of the Signal Service to the Secretary of War he states that these promotions are essential to the efficiency of the service. That letter has received the indorsement of the Secretary of War; and I trust that with this explanation there may be no objection to the passage of the resolution.

Mr. HOLMAN. On that statement I think this is a proper measure.

There was no objection, and the House Calendar was discharged from the further consideration of the joint resolution, and it was read, as follows:

Joint resolution (H. Res. 79) authorizing the President of the United States to appoint from the sergeants of the Signal Corps two second lieutenants.

Whereas the promotion of two sergeants of the Signal Corps to be second lieutenants not having been made for the year ending June 30, 1881, as authorized by law, because of a pending question as to the construction thereof. Therefore, Resolved by the Senate and House of Representatives of the United States of America in Congress assembled, That the President of the United States be, and hereby is, authorized to appoint from the sergeants of the Signal Corps the two second lieutenants for that year, to rank from the date of appointment, the same as if the power to appoint had not lapsed.

The joint resolution was ordered to be engrossed and read a third time; and being engrossed, it was accordingly read the third time, and passed.

Mr. CLARDY moved to reconsider the vote by which the joint resolution was passed; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

DISTRICT FINANCIAL DEPARTMENT.

Mr. WILSON, of West Virginia. Mr. Speaker, I am instructed by the Committee on the District of Columbia to submit a report on the resolution referred to that committee by the gentleman from New Jersey [Mr. FIEDLER], and to ask that the report be printed in the RECORD, and referred to the Committee on Appropriations.

There was no objection, and it was ordered accordingly.

The report is as follows:

The Committee on the District of Columbia, to whom was referred the following resolution, offered on the 1st of April by Hon. Mr. FIEDLER:

"Whereas it is alleged that the financial departments of the District of Columbia have not been conducted in a proper and businesslike manner, and grave doubts exist as to the correctness of the accounts rendered, owing to the loose manner in which the books have been kept; and

"Whereas it is charged that the taxes have not been collected in strict conformity to law: Therefore,

"Be it resolved, That the Committee on the District of Columbia be, and they are hereby, authorized to have a thorough examination made of all accounts, &c., appertaining to the finances of the District of Columbia, and they are empowered to send for books and persons and to employ such expert accountants as they may deem necessary; all expenses arising from said investigation to be defrayed out of the contingent fund of the House of Representatives."

First. That the methods of bookkeeping in the financial departments of the District of Columbia, as introduced by the present auditor on the 1st day of November last and since enforced, are such as in the judgment of the committee,

and of expert accountants consulted by them, will insure correctness in the accounts of those intrusted with the collection and disbursement of public moneys and their ready accountability therefor.

Secondly. That prior to the introduction of these new methods, and extending back for ten or more years, there has been no requirement of law and no provision in practice for securing a final and systematic audit and settlement of the books and accounts of the collector of taxes.

This failure in practice may have been due to imperfect methods of bookkeeping or to a lack of sufficient clerical force; but this it is not necessary to decide.

During these years many millions of dollars of public money have been collected, and the committee are of opinion that it was due both to the tax-payer and to the collector that at regular periods there should have been a full audit and settlement of the accounts of the collector's office.

To make such audit and settlement now would require an investigation and an amount of labor beyond the power of this committee to bestow. Yet they believe it should be undertaken and carried forward to completion as rapidly as is consistent with perfect accuracy. The committee find in the appropriation bill for the District of Columbia of March 3, 1883, an appropriation of \$2,500 for temporary clerk-hire to enable the auditor, among other things, to audit the books of the collector of taxes. Under that authority the auditor has brought down these books from 1860 to 1865, and he informs the committee that if this appropriation is continued he will, as rapidly as the magnitude of the work and the requirements of accuracy will permit, continue this examination down to the date of the introduction of the new system of bookkeeping above mentioned.

As already stated, many millions of dollars have been collected as taxes. The commissioners of the District of Columbia report that on the 1st day of July, 1883, there were due and unpaid nearly three-quarters of a million of dollars of delinquent taxes, and of special-assessment taxes over one million and a half.

It is clear, without reflecting upon any one, that officers charged with administering such immense sums of public money should, at regular and frequent intervals, be required to balance their accounts and make such exhibit and settlement thereof as will satisfy all interested that they have faithfully accounted for every dollar with which they are legally chargeable.

The books yet unaudited cover the transactions of half a score or more years, many of them years of heavy taxation and extraordinary revenues. This committee could not undertake to examine them even by calling to its assistance competent experts, but they believe that this very necessary work should be done, and that it can now be most efficiently and economically continued on the basis already laid by the auditor. They accordingly recommend that the Committee on Appropriations be authorized and directed to add to the appropriation bill for the District of Columbia, already reported to the House, a provision of the same tenor and effect as the item in the bill of last year, making an appropriation of the necessary amount for temporary clerk-hire to enable the auditor to audit the books of the collector of taxes, and that the auditor be authorized and directed to continue such audit on the basis of the examination and audit already made and verified until the same is completed, and to report the result thereof from time to time to the commissioners for the information of Congress.

COLUMBUS F. PERRY AND ELIZABETH H. GILMER.

Mr. OATES. Mr. Speaker, I ask unanimous consent to take from the Speaker's table Senate bill No. 767, for the relief of Columbus F. Perry and Elizabeth H. Gilmer, and ask that the same be passed.

The SPEAKER. The bill will be read, subject to objection.

The Clerk read as follows:

Be it enacted, &c., That the Secretary of the Treasury is hereby directed, out of any money in the Treasury not otherwise appropriated, to pay to Columbus F. Perry and Elizabeth H. Gilmer \$3,000.

The SPEAKER. Is there objection to the present consideration of the bill?

Mr. HOLMAN. I trust we shall have the reading of the report or an explanation, or both.

Mr. OATES. Mr. Speaker, there is a House bill precisely in the language of the Senate bill except that there is a preamble attached to it. That has been passed upon by the Committee on Claims of this House and unanimously reported. The claim originated in the following manner: Elizabeth Gilmer, in the State of Alabama, in 1866, made a conveyance of a plantation to her stepson, Columbus F. Perry. He received the deed, but did not take possession of the property. There were objections made by those who were nearly related to her which were likely to produce some difficulty in the family, and Mr. Perry decided that he would not accept the estate and made a reconveyance of it to Mrs. Gilmer. Under the statute subjecting such conveyances to a succession tax the internal-revenue collector required them to pay and they did pay under protest \$2,220 upon each of the two conveyances covering the property, making \$4,440 in all. Upon appeal to the Treasury Department it was decided that the sum was excessive and it was reduced to \$3,000.

Now, the committee, not only of the Senate but the Senate itself, which passed the bill, and the House committee have decided that the conveyance was not in fact accepted by Mr. Perry, and therefore they recommend that the money be refunded to him. That is the whole statement of the case.

The SPEAKER. Is there objection to the present consideration of the bill?

There being no objection, the Senate bill was taken from the Speaker's table, read a first and second time, ordered to a third reading, read the third time, and passed.

Mr. OATES moved to reconsider the vote by which the bill was passed; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

ORDER OF BUSINESS.

Mr. BEACH. I call for the regular order.

Mr. WASHBURN. I hope the gentleman from New York will withhold his call until I can introduce a resolution reported by the Committee on Appropriations, which should be promptly acted upon.

Mr. TOWNSHEND. I am satisfied if the gentleman from New York knew the purpose for which the gentleman from Minnesota asks him to withhold his demand for the regular order he would not insist upon it.

The SPEAKER. The gentleman does not withdraw his demand, as the Chair understands.

Mr. MORRISON. I move to dispense with the morning hour.

The SPEAKER. Before submitting that motion the Chair desires to lay before the House an executive communication.

PUBLIC ADVERTISING, NEW YORK HERALD.

The SPEAKER laid before the House a letter from the Secretary of the Treasury, transmitting a statement of the advertising done by the New York Herald for the United States Treasury, as a substitute for the statement furnished February 4, 1884; which was referred to the Committee on Appropriations.

PENSION BILLS ON THE SPEAKER'S TABLE.

On motion of Mr. MATSON, pension bills of the following titles were taken from the Speaker's table, read a first and second time, and referred to the Committee on Invalid Pensions, namely:

- A bill (S. 280) granting a pension to Wesley Morford;
- A bill (S. 316) granting a pension to Mrs. Katharina T. Wunsh;
- A bill (S. 394) restoring to the pension-roll the name of Major D. Williams;
- A bill (S. 626) to increase the pension of Francis Scott;
- A bill (S. 689) granting a pension to Elizabeth A. Barbour;
- A bill (S. 732) for the relief of Mary J. Vaughan;
- A bill (S. 783) to increase the pension of John Algoe;
- A bill (S. 828) granting a pension to Thomas Patton;
- A bill (S. 909) to increase the pension of Martin Kelly;
- A bill (S. 1299) to increase the pension of Alonzo B. Chatfield;
- A bill (S. 1680) granting a pension to George Prince; and
- A bill (S. 1910) granting a pension to William McClure.

ORDER OF BUSINESS.

Mr. MORRISON. I now move that the morning hour be dispensed with.

The motion was agreed to (two-thirds voting in favor thereof).

Mr. MORRISON. I move that the House resolve itself into Committee of the Whole House on the state of the Union for the purpose of considering bills for raising revenue.

The motion was agreed to.

TARIFF BILL.

The House accordingly resolved itself into Committee of the Whole House on the state of the Union, Mr. COX, of New York, in the chair.

The CHAIRMAN. The House is now in Committee of the Whole on the state of the Union for the further consideration of the bill (H. R. 5893) to reduce import duties and war-tariff taxes.

Mr. DINGLEY. Mr. Chairman, the tariff bill under consideration is put forward by its advocates as a first step in a policy which has for its aim the overthrow of every protective element in our tariff legislation. The chairman of the Committee on Ways and Means [Mr. MORRISON], who stands as the author of the bill, announced that—

It is but an advance toward and a promise of more complete revenue reform.

The distinguished Speaker of the House [Mr. CARLISLE] explained to the New York Free Trade Club, who received his explanation with cheers, that—

This process of reformation—

Reduction of duties—

must go on until the power of taxation is used * * * only for the purpose of raising revenue.

The gentleman from Texas [Mr. WELLBORN] and his colleague [Mr. MILLS], a member of the Ways and Means Committee, and the gentleman from Ohio [Mr. HURD] were still more explicit, and announced that free trade is the end aimed at, and the pending bill only a temporary stage in the grand scheme of "revenue reform," by which they mean the abolition of every tariff duty which works protectively.

Now, Mr. Chairman, I claim to be a revenue reformer. I should be pleased at any time to vote for a bill to abolish or reduce duties on certain articles which are not properly adjusted. I am in favor of such true revenue reform as will abolish duties on all products of foreign countries not grown or made here which enter into the consumption of the masses, such as coffee, tea, jute, tin, &c.; in favor of such true revenue reform as will reduce duties on all imported articles entering into common use as can not, so far as has been shown, be produced here advantageously to the extent of our consumption, like sugar, rice, &c. Such "reform" as this will reduce the revenue. The so-called "revenue reform" to which those will be committed who support the pending bill does not propose to place on the free-list articles not produced in this country, like jute. Neither does it confine its operations to articles which can bear even greater reductions than those proposed. It does, however, apply the knife relentlessly to industries which are capable of supplying the entire consumption of our people, and whose maintenance by protective duties is a great public advantage, and gives assurance that the cutting is to be continued, on the principle that the

Government has no right to impose a duty in such a manner as will bridge over the difference in cost between manufacturing such articles in this country and in Europe. I opposed the consideration of this bill, and shall continue to vote in such a way as will aid in securing its defeat, because I am opposed to the anti-protection principle on which it is based and which it proposes to inaugurate, and because, further, I believe it will increase the revenue by encouraging importations of cottons, woollens, and iron and leather manufactures, and be injurious to the best interests of the country.

Mr. Chairman, the issue raised by this bill is whether our tariff legislation in the future shall be adjusted with a view not only of revenue, but also of protecting home industries against the unequal competition of foreign industries employing cheaper labor, or whether it shall be adjusted so as to exclude protection solely with the view of revenue.

There has been a disposition on the part of some persons who denounce protective tariffs to evade this issue by claiming that a tariff for revenue only will afford adequate protection so long as we have so much revenue to raise for imports, or that a tariff for revenue only may be so adjusted as to "incidentally protect" home industries. But the gentleman from Illinois [Mr. MORRISON], who spoke of those holding this view as "incidental allies" of protection, recognized the fact that it is impossible for a duty for revenue only, levied on imported articles which may be produced at home to the extent of our wants, to afford protection to home industries; for when a duty begins to protect it enables home manufacturers to sell their goods in our markets and thus diminishes importations and lessens the revenue.

For example, when it costs 35 per cent. more to manufacture an article here than it costs abroad, a duty of 35 per cent. or more will protect our home industries and reduce importations and the revenue from the same. Reduce the duty 10 per cent., and this reduction will enable foreign manufacturers to more than double their exportations of goods to take the place of home-made goods in our markets, and this increase of importations will largely increase the revenue. In this instance a duty of 35 per cent. or more would be a protective duty, and a duty of 25 per cent. or less a duty for revenue only. It is because of this fact that the reduction of duties proposed by the Morrison bill on cotton, woolen, and iron goods will increase the revenue.

The key-note of all the speeches which have been made in support of the Morrison bill and in opposition to a protective tariff is the claim that protection is a device for the sole benefit of manufacturers and a serious burden to all other citizens.

Mr. Chairman, if this charge be true, then it is not a half-way measure like the pending bill that ought to pass, but a measure which shall at once overthrow the whole protective system and substitute a tariff for revenue only, which is what England means by free trade. If, on the contrary, the protective system has given our country unexampled prosperity and benefited all classes, as protectionists claim, then this House and the country should reject the bill under consideration, and call a halt in the free-trade programme inaugurated by this measure.

PROFITS OF MANUFACTURERS.

To sustain the charge that protection is a system of "robbery" in the interest of manufacturers, the gentleman from New York [Mr. COX], in his recent speech, alleged that the census of 1880 shows that the profits of our lumber manufacturers are 30 per cent. and the profits of other manufacturing industries are 36 per cent. He reached this conclusion by deducting from the value of manufactured products only the amount paid in wages and for materials, and calling the balance the net profit of the manufacturer. He ignored the fact that the year 1879-'80, immediately following the resumption of specie payments, was exceptionally remunerative. The average balance remaining after deducting wages and materials from product has not exceeded 20 to 27 per cent. during the past ten years.

Not content with this, my friend from New York shut his eyes to the fact that in order to ascertain the net profit of the manufacturer there must be deducted from the census figures the cost of insurance, taxes, depreciation of plant, repairs, freight, commissions, salaries of superintendents and clerks, interest on money borrowed to carry on operations, &c., amounting, as I am informed by a practical manufacturer, to an average of 20 per cent., reaching 25 per cent. in some instances, and not falling below 15 per cent. in any manufacturing industry.

The net profit of the manufacturers of the country for the last ten years have probably not averaged 8 per cent. on the capital invested. Returns of dividends paid by a hundred manufacturing establishments in New England for this period show dividends averaging only 6.6 per cent. During the past year the majority of the mills of New England have made nothing.

Inasmuch as all manufacturing industries in this country are open to the investment of capital from the whole world, it is certain that competition will keep down the profits to the average of all other kinds of business. To talk of manufacturers as "monopolists" or "robbers," under such circumstances, is an abuse of language and an insult to the intelligence of our people.

Protection is not intended to benefit capital, except so far as capital is benefited by general prosperity. Capital as such can easily go where

it will secure the largest profits. If any industry can be carried on more profitably in Europe than here, capital will go there for investment. If it can be carried on more profitably in this country, it will come here. We encourage the investment of capital here rather than elsewhere, because the industries thus created promote general prosperity.

When tariffs are so reduced as to admit foreign goods at a lower price, or when any other cause leads to temporary overproduction or underconsumption, capital will protect itself here as it protects itself in other countries, by either shutting down mills or cutting down wages. Nothing can prevent that. The only check on reduction of wages is that afforded by the average rate of wages prevailing in the country, and this average rate rises or falls with the demand for labor, and the demand for labor, as I shall presently show, is increased by the diversification of industries made possible by protection. Therefore, while protective duties which prevent foreign-made goods from coming in to take the place of home productions result in a general advantage to all classes, yet the special benefit inures to labor.

WAGES OF WORKINGMEN.

Nothing more conclusively demonstrates that the workingman receives immensely larger real recompense for his labor in this country than in Europe than the fact that so many thousands of the people of every nation of Europe are annually coming to our shores to find opportunities for employment, while hardly one of our citizens seeks to improve his condition by going abroad.

The gentleman from New York [Mr. COX] and other gentlemen opposed to protection deny this, and to sustain their denial call attention to the fact that the census statistics show that the average wages of employes in manufacturing and mechanical industries was in 1880 only \$1.16 per day, from which they desire us to infer that protective duties do not benefit labor.

If the gentleman had informed us that this average of \$1.16 per day includes the wages of women and children as well as men employed not only in factories but in all the light industries, that the average wages of men in all the manufacturing industries was about \$1.50 per day, and that these wages are on an average 50 per cent. higher than those paid in similar industries in free-trade England, comment would have been unnecessary.

Surely on this point the gentleman will accept the testimony of his distinguished colleague [Mr. HEWITT], late chairman of the Democratic national committee, who, in a speech in this Hall at the first session of the Forty-seventh Congress, said:

As between Great Britain and the United States, the rate of wages is on the average about 50 per cent. higher here than there.

This was not a random statement by the distinguished gentleman, but was based on official tables of wages in the two countries, to whose accuracy he bore witness. As these tables were printed by Mr. HEWITT as an appendix to his speech, I suggest to my friend [Mr. COX] that he read them in connection with the census figures on which he has dwelt with so much pathos and eloquence.

It is often claimed, however, that the 50 per cent. higher wages in the United States is overcome by the increased cost of living here. But the statistical tables of the prices of articles entering into the consumption of a family in England and the United States, which Mr. HEWITT gives in connection with his speech, shows conclusively that the average cost of such articles is on the whole but little if any higher here than abroad. Flour, meal, meat, vegetables, coffee, tea, and nearly all food products, except sugar and rice, are cheaper here than in Europe. Common white cotton cloth is as cheap here as there. Common woolen goods, boots and shoes, iron and tin utensils, and rents are a little higher here than there. The cost of living of a laborer, who is content to subsist here as the laborer in Europe lives, is not over 10 per cent. more in this country than in England, while the wages here are on the average 50 per cent. more. The average purchasing power of wages in the United States, therefore, is 40 per cent. greater than in England.

DOES PROTECTION AFFECT WAGES?

The gentleman from New York, Mr. Chairman, concedes what can not be successfully controverted, that wages have a much higher purchasing power in this country than in Europe; but he claims that this is not in any manner due to our protective tariff, but to the fact that we have so cheap land and so abundant natural resources. In other words, he affirms that wages would be as high in this country under free trade as they are now under protection.

Wages, he correctly says, are determined by demand and supply. Whatever, therefore, encourages the establishment of new industries swells the demand for labor and increases wages. If protection builds up new manufacturing industries it enlarges the demand for labor, and in enlarging the demand increases wages. My friend must admit that.

There were in 1880 in this country 17,392,099 persons engaged in occupations. This grand roll represented our army of workers. Of this number 7,907,605 were engaged in agriculture, 4,074,238 in personal or professional services, 1,810,256 in trade and transportation, and 3,837,112 in manufacturing and mechanical pursuits. There can be no question that if our manufacturing and mechanical establishments had not been built up, or if they should now be closed, the pressure of the 3,837,112

workmen employed in these industries, seeking opportunities for labor in other pursuits, would so seriously disturb the relations of demand and supply as to greatly reduce all wages.

ALL WAGE-WORKERS PROTECTED.

The gentleman talks about wages in protected industries and wages in non-protected industries. He seems to forget that an advance or decline of wages in one industry in a state or country is sooner or later followed by an advance or decline of wages in all other industries. So far as the wages of labor are concerned all industries are protected under our present system. The protection which builds up new industries, that require 20 per cent. of the laborers in this country, draws labor from every pursuit and raises wages in every other department of industry, the wages in each industry varying with the degree of skill required.

This is only what every member of this House has seen in his own experience. The establishment of a new industry in any community creates a demand for new workmen, makes labor scarcer, and stiffens wages in every employment. The day laborer asks and receives more, the mechanic is accorded an advance, and business generally receives a new impetus.

It may be true that many of the laborers in this country do not have any more surplus remaining after supporting their families than do laborers in Europe. But this is for the reason that they live more generously here, that they supply themselves with comforts and luxuries of life unknown to the European laborer, and that they educate their children to discharge the duties that will rest on them as citizens of a free country. But there is a large class of laborers who save something from their wages to buy homes, and sooner or later become employers themselves.

I have myself visited the miserable hovels in which so large a proportion of the laborers of Europe live, and have investigated their condition, as others in this presence have, and I can bear witness to the fact that the laboring men of the United States and their families are immeasurably better housed, better fed, better clad, and better educated. I rejoice, as every good citizen should rejoice, that such is the fact, not simply from motives of humanity, but also for the reason that the perpetuity and welfare of our Government are dependent on the elevation and education of every citizen.

In a recent report on the agricultural progress of the country, Mr. J. R. Dodge, the statistician of the Department of Agriculture, presented some striking facts on the wages of farm labor in the different States of the Union, which clearly illustrate the correctness of the principle that the introduction of manufacturing industries in a State increases the wages of laborers in every other pursuit. Mr. Dodge divides the States into four groups. In the first group, composed of fifteen States, in which manufacturing pursuits are extensive and well distributed, the wages of farm laborers average \$25 per month and board; in the third group, composed of thirteen States, in which nearly 60 per cent. of the workers are on the farm and manufacturing industries rare, the wages of farm laborers average \$19.50 per month; and in the fourth group, composed of six States, destitute of manufacturing industries, and with nearly 78 per cent. of their workers on farms, the wages of farm laborers average only \$13.20 per month.

Wages of carpenters, masons, painters, and laborers of every kind are in similar proportion in these several groups of States. These facts show conclusively that whatever encourages the establishment and enlargement of manufacturing industries in our country increases the wages not only of the mill operative, but also of the blacksmith, the mason, the carpenter, the painter, the teamster—in short, of every man, woman, and child who has labor to sell. Our cheap lands afford opportunities for labor and unquestionably tend to make wages higher in this country than in Europe, but the figures given by Mr. Dodge show that our manufacturing industries, protected against the direct competition of the products of foreign labor, are as important a factor in maintaining good wages as our cheap lands. Lands are as cheap, even cheaper, in the fourth group of States described by Mr. Dodge than in the first; yet the wages of farm labor in the latter group, with extensive manufacturing industries, is \$25 per month, and in the former group only \$13.20 per month.

The effect of the development of manufactures in this country on the wages of labor is also strikingly shown by a reference to the census statistics. According to Mr. Carroll D. Wright's report on the factory system of the United States, the wages of cotton-mill operatives in 1815, after the first mill was started in this country, were only \$1.50 per week. In 1836 the wages averaged \$2.75 per week for women; in 1840 the wages averaged \$3.50 for women and \$5 for men; in 1860 the wages averaged \$3.50 for women and \$5.50 for men; in 1880 the wages averaged \$4.84 for women and \$7 for men; showing that wages rose with the development of manufacturing industries, which increased the demand for labor.

Comparing the wages of 1860, which ended thirteen years of tariff for revenue only, with those of 1880, after a little longer period of protection, Mr. Wright says in his census report:

In 1860 the average yearly wages in the United States for all men, women, and children in mills was \$196; in 1880 it was \$244. The average for 1880 varies for different parts of the United States, it being \$258.42 in Massachusetts (where manufacturing was most extensive), \$235.77 for Eastern States generally, \$235.19 for the Middle States, \$216.91 for the Western States, and \$168.59 for the Southern States.

The advance of 28 per cent. in wages in this country between 1860 and 1880 is the direct result of the growth of manufacturing interests, which increased the demand for labor; and this growth of manufactures is due to the fact that our protective policy made it possible for us to successfully carry on manufacturing industries.

WOULD MANUFACTURES FLOURISH WITHOUT PROTECTION?

This brings me, Mr. Chairman, to a consideration of the claim of the gentleman from New York [Mr. COX] that manufacturing industries would be as prosperous in this country without protective duties as with them.

This is a claim which the gentleman from Ohio [Mr. HURD] and others have repeated, but which no one has attempted to prove. Remember that it has been shown that wages are in money values 50 per cent. higher and in purchasing power 40 per cent. higher in this country than in Europe. Will any one explain how manufacturing industries can be successfully carried on in this country if foreign goods are to be allowed to come in free of duty, or on the payment of less duty than the increased cost of making such goods here, on account of the fact that we pay so much more for the labor required to build mills and operate them? To be sure in the case of a few articles of which the raw material is the chief cost and labor an inconsiderable element, like coarse cottons, we might sustain ourselves; but in the case of most manufactured goods, into which skilled labor largely enters, we could not compete with foreign products unless the wages of labor should be reduced to the English standard.

I have conversed with manufacturers who were inclined to favor free trade, but I have always found that they based their hopes of successful competition with England under a tariff without protection on the assumption that free trade would reduce wages in this country to the European standard.

FREE RAW MATERIALS.

Mr. Chairman, I occasionally find manufacturers who seem to think that free materials are what they ought to have, although most of them, like the distinguished gentleman from New York [Mr. HEWITT], confess the necessity of protective duties on such imported fabrics or goods as they produce. Certainly, even if wool were admitted free of duty, as cotton is, and if machinery could be imported without duty, it would be impossible for a woolen manufacturer in this country to pay 50 per cent. more for the labor required to build and run his mill and make his goods as cheaply as his English competitor. Free wool will not take away the necessity of a tariff on imported woolen manufactures in order to enable us to make such goods here.

Free ore, free scrap-iron, and free lime will not enable Mr. HEWITT to make and sell his bar-iron in free competition with his English competitor, who pays so much less for his labor, and to dispense with all protective duties on iron.

Indeed, our cotton manufacturers have their raw material, cotton, cheaper than their European competitors, and yet they are able to sell in foreign markets only the coarsest fabrics as low as European manufacturers. Fine goods, into which labor enters as an important element of cost, we can not produce as cheaply as foreign manufacturers simply because the labor required to build and run our mills costs more. In the progress of this debate it has been suggested that if we could only import our machinery free of duty we could then manufacture any class of cottons in free competition with English manufacturers. A prominent cotton manufacturer, noticing this statement, remarked to me that free machinery would not reduce the cost of making fabrics a thousandth part of a cent per yard.

It is true that free wool and free scrap-iron and free manufactured lumber and free lime would make lower duties afford sufficient protection to enable us to manufacture woollens, iron, and other articles in competition with foreign manufacturers, but this would not take away the necessity of protective duties on the manufactured product, and simply for the reason that the labor which we employ to convert the so-called "raw material" into a higher form of manufactures costs on an average 50 per cent. higher here than in England.

Now, Mr. Chairman, I hold that all raw materials which are not produced here, such as jute, dye-woods, and all natural products into which labor has not entered as a material element of value, like iron ore in the mine, unmanufactured logs, limestone, &c., ought to be on the free-list, as all but jute are. But so long as a duty is to be retained on bar-iron, woollens, sugars, and other articles, will any one tell me on what principle of fair dealing manufactured lumber, scrap-iron which takes the place of pig-iron, manufactured lime and wool, into which the labor of man has entered as a material element in their value, should not have a protective duty proportioned to the amount of labor required to bring these so-called "raw materials" to their existing condition?

Will the gentleman from Illinois [Mr. MORRISON] inform me on what principle of fair dealing he puts manufactured lumber on the free-list while he retains a duty of 40 per cent. on sugar? There went the round of the papers a short time ago a statement alleged to have been made by a distinguished Connecticut manufacturer, ex-Governor English, to the effect that what the manufacturers of this country desire is free raw materials, by which he meant free wool, free lime, free lumber, &c. Then he said they would be entirely satisfied with a duty of 25 per cent. on their manufactured goods. But does this gentleman suppose that the men who manufacture lumber and lime and other articles will consent

to any protection that is not distributed on principles of equity? The "raw material" of one industry is the manufactured product of some other industry, and there is no such thing as "raw" materials upon which human labor has been expended.

EXPORTATION OF GOODS.

Much is said, Mr. Chairman, about the necessity of having free materials and a general reduction of duties in order that we may be able to export more goods.

I wish to call the attention of gentlemen to the fact that materials advanced to any point may now be imported under a law of 1799 almost without duty for the manufacture of articles for export; and there is a bill now before the Ways and Means Committee to make such materials entirely free, to which no one on this side will object. A woolen manufacturer may now import wool practically without duty for the manufacture of woolen goods for export. What is there, then, to prevent him from doing so? There is no export duty; no tariff stands in his way. Yet our Connecticut manufacturer who talks about the immense export trade he could command if the tariff was reduced and "free raw materials" granted does not come forward to avail himself of the privilege for eighty-five years. Why not?

The reason and the only reason that we do not export more manufactured goods is simply because the labor we employ in making our goods costs more than the labor employed by European manufacturers. A reduction of duties, even absolute free trade, would not aid us in increasing our exports of manufactured goods unless it reduced the wages of our workmen; and that is what it would eventually do.

It would necessarily reduce the wages of labor for the reason that it would open up our markets—the best and most desirable in the world—to the manufactures of Europe. It would cripple and eventually close our mills until labor should be reduced to the English standard, would drive a large part of the three and a half millions of workmen now employed in manufacturing and mechanical enterprises into other employments already filled, and by reducing the demand for labor and increasing the supply of laborers would in due time bring the wages of labor in this country down to the inadequate compensation paid in Europe.

IMMIGRATION.

It will not answer for my friend to say that the manufacturer in the United States may and does draw the cheap labor of Europe here without paying a duty on immigration, and, therefore, that we may as well have free trade in imported goods; for it is admitted that in spite of the fact that our policy has always been to welcome to our shores any virtuous and industrious immigrant who comes here as an independent man to better his situation, yet we pay here to immigrant as well as native, to all who desire to work, 50 per cent. higher wages than are paid in England. Labor contracts made in another country, which deprive an immigrant of perfect freedom when he lands here, ought to be prohibited as a rule. When the free immigrant strikes our shores he recognizes the fact that he is in a country where labor is entitled to higher wages than in Europe, and demands and receives the advance.

I met not long ago an immigrant who had come to this country from Ireland. I asked him how much was he receiving for the work he was doing. "One dollar a day," was the response. "And how much did you receive last year for similar work in Ireland," I asked. "A shilling a day (25 cents), and never in harvest-time more than two shillings a day, sir," he promptly replied.

Disturbances of business producing transient overproduction, or more usually underconsumption, and inducing severe competition among home producers, now and then compel a temporary reduction of wages; but how much greater would be the competition and reduction of wages if the free competition of foreign-made goods should be added? Indeed, as a rule free-trade England suffers more from such disturbances than do we in this country. During the past six months the distress in England on this account has been much greater than here. Those who propose to remedy such unavoidable evils by opening up our markets to foreign producers would immensely aggravate these difficulties and make them permanent.

MR. HEWITT ON VALUE OF PROTECTION.

No one has more clearly stated the benefits of a protective tariff to the workman and to all other citizens than did the distinguished chairman of the Democratic national committee [Mr. HEWITT] in the following letter to Jay Gould:

NEW YORK, January 27, 1870.

The only reason why we pay more for American rails is because we pay a higher rate for the labor which is required for their manufacture, but for no greater quantity of labor. Free trade will simply reduce the wages of labor to the foreign standard, which will enable us to sell our rails in competition with foreign rails. But as a matter of course the ability of the laborer to consume will be reduced, and a serious loss will be inflicted on commerce, general industry, and the business of the railways especially. The only reason why a tariff is necessary is to supply the laborer with such wages as will enable him to travel and consume not merely the necessities but some of the luxuries of modern civilization. Besides, if we have free trade we can not expect to procure our supplies from abroad by increased shipments of grain, for already the European markets take from us all that they require, and no amount of purchase of goods from them will induce them to buy more food than they need, and which they now take as a matter of necessity.

Faithfully yours,

ABRAM S. HEWITT.

JAY GOULD, Esq.

Mr. Chairman, no one could have stated the real reason of our inability to cope in foreign markets with the products of the cheap labor of other countries more clearly than did the distinguished gentleman from New York [Mr. HEWITT], who does me the honor of listening to my argument, in the letter above quoted. And inasmuch as some persons may suppose that the gentleman from New York has changed his views since 1870, I desire to call attention to the fact that when the gentleman from Ohio [Mr. MCKINLEY] read this same letter in the tariff discussion at the first session of the Forty-seventh Congress, only two years ago, Mr. HEWITT interrupted him to state that he had nothing in that letter to take back.

FREE TRADE AND SHIPPING.

The gentleman from New York [Mr. COX] and the gentleman from Ohio [Mr. HURD], who have addressed the House in favor of free trade or a tariff for revenue only, have referred to the decline of American shipping from the point of prosperity reached in 1855 as an illustration on the one hand of the claim that free trade fosters and on the other hand that "protection by act of Congress" chills our industrial prosperity.

I think, Mr. Chairman, that the condition of American shipping affords a complete demonstration of a truth exactly the reverse of what my friends from New York and Ohio have claimed. It affords a most striking illustration of the fact that protection is necessary in order to maintain American industry; and that whenever free trade has been applied to any one, foreign competitors employing cheaper labor have been enabled to distance us.

I ask gentlemen to remember that that branch of the American merchant marine which has been "protected by act of Congress," namely, our coastwise fleet, is prosperous notwithstanding the unexampled extension of competing railroads which have inevitably seized upon much of the freight that formerly went to vessels; while, on the other hand, that part of our commercial marine employed in our foreign carrying trade which has had no protection by law since the vessels of Great Britain were admitted in 1849 to participate in this trade on equal terms, and no protection by natural conditions since the transition from wood to iron in ship-building and from sails to steam in ship propulsion, about 1855, has steadily declined from the latter date.

I call the attention of the gentleman to the official statistics. These statistics show that, computing by the accepted rule that one ton of steam is equal in efficiency to three of sail, the tonnage of our coastwise marine was in 1869 the equivalent of 4,300,892 tons of sail, and that in 1883 it had increased to the equivalent of 5,415,970 tons of sail. This is a growth of 25 per cent. in fourteen years, and shows a tonnage three times that of the home fleet of the United Kingdom and five times that of any other country. So much as the result of effective protection by law "against foreign competition."

It is noteworthy also that the ultimate effect of this protection has been to make the freight charges of our coastwise marine lower than those of the home fleet of any other nation, thus demonstrating that protection eventually lightens the burdens of the people.

If our coastwise carrying trade had been opened to the free competition of the world, as our foreign carrying trade has been, and as free-trade doctrinaires desired it should be, the American merchant marine in the home trade would have been to-day in the same deplorable condition as that in the foreign trade.

The complete discomfiture of our commercial marine in the foreign trade since every kind of protection was removed affords an instructive illustration of what would befall our manufacturing industries if the principle of free trade should be applied to them. In 1855, 75½ per cent. of our exports and imports were carried in American vessels; in 1860 the percentage had declined to 66½ per cent.; during the four years of civil war we lost 38 per cent.; and last year our percentage was only 16 per cent.

The distinguished gentlemen affirmed that the protective tariff has strangled our foreign carrying trade by crippling our foreign commerce, and thus depriving our vessels of cargoes. If the gentlemen had consulted the official statistics they would have found that our exports and imports, which measure our foreign commerce, increased twice as much during the fifteen years between 1865 and 1880 under protection as they did in a similar period before the war under tariffs for revenue only. If our merchant marine in the foreign trade had grown with our foreign commerce its tonnage to-day would have been more than four times what it actually is.

The gentleman from Ohio [Mr. HURD] asserted that we could make markets for our grain and other products with other nations only by breaking down our protective system, which encourages home manufactures, and buying their products in return, and he affirmed that by so doing we should provide freights for our vessels.

This theory, like many other free-trade theories, is not sustained by the facts. We bought last year \$65,544,534 of Cuban products, but we could sell them only \$15,103,703 of our own products. We imported from Brazil in the same year products of that country valued at \$44,448,459, but we exported to the same country only \$9,252,094 of our own products. On the other hand, we exported to the United Kingdom \$425,424,174 of our own products and imported only \$188,622,619 of

English products. This shows that international trade is not a system of barter, but each nation buys where it can buy cheapest. If England can buy wheat of us as cheap as in Russia or India, she purchases here, without regard to what we purchase of her.

I call the especial attention of the gentleman from Ohio to the fact that the carrying trade which has been most completely snatched from our grasp is that between Europe and America, where the cargoes each way are more than five times as large as they were before the war.

The fact is, and it is surprising any one should shut his eyes to the situation, that while our exports and imports have increased with wonderful rapidity, the transportation of 84 per cent. of this great and expanding commerce has been secured by foreign vessels under the workings of the principles of free trade.

If the gentleman from New York [Mr. COX] and the gentleman from Ohio [Mr. HURD] had consulted the history of our merchant marine they would not have asserted that protective tariffs had caused the decadence of our shipping in the foreign trade, for the record shows that the annual decline was as great during the five years before the war, under tariffs for revenue only, as it has been since the war under protective tariffs.

The charge has been made here on various occasions that our protective tariff has imposed so heavy duties on imported materials as to make it impossible to build vessels for the foreign trade in competition with England. But gentlemen should bear in mind that the duties on the materials of a wooden vessel for this trade are less, and on the materials of an iron vessel no more under the existing tariff than they were under the revenue-only tariff of 1846, inasmuch as all timber, hemp, manila, iron and steel rods, bars, spikes, nails, and bolts, and copper and composition metal, and wire rope needed for the construction, equipment, and repairs of vessels for the foreign trade may now be imported free of duty, whereas nearly all of these articles bore a duty under the tariff of 1846.

Indeed, there is no good reason why this list of free materials for the construction of vessels, or at least for the manufacture of articles for vessels for the foreign trade, may not be enlarged to carry out the principle of the act of 1872; and a bill to this end has been unanimously recommended by the Shipping Committee to the favorable consideration of the Committee on Ways and Means, which has the privilege of bringing its revenue measures before the House at any time. In every point of view, however, the real obstacle to building iron vessels in this country as cheaply as on the Clyde or Tyne is the fact that our skilled labor in ship-yards commands 60 per cent. more than in England; and I rejoice that our workmen have this advantage.

A PROTECTIVE DUTY NOT A TAX.

Mr. Chairman, all the gentlemen who have spoken in favor of the pending bill and against a protective tariff have assumed, without even attempting to prove the assertion, that duties imposed on imported goods are always a tax in the sense of imposing so much additional burden on the people. They have claimed that this tax is measured by the aggregate sum which would have been collected on the entire consumption of the country if all the articles had been imported instead of a large part made at home. The gentleman from Illinois [Mr. SPRINGER] thinks that this burden is more than \$600,000,000. The gentleman from Texas [Mr. WELLBORN], not to be outdone in assertions, put the burden at one thousand millions. In other words, the claim is that notwithstanding only \$34,000,000 of the \$250,000,000 cotton goods consumed in this country last year were imported and paid a duty into the Treasury, yet that in reality the people were obliged to bear the burden of the duty on all the cottons used, which went to those who make the goods in this country. Time and time again we have been treated to the familiar fable that the workingman rises in the morning and puts on a shirt on which he is obliged to pay 40 per cent. duty, folds his blanket and draws on his pants on which he pays 60 per cent. duty, covers his feet with boots on which he pays 30 per cent. duty, builds his fire in a stove on which he pays 40 per cent. duty, and so on.

The inquiry ought to suggest itself to gentlemen who indulge in such assertions as these how it happens that so many thousands of Englishmen, Irishmen, and Germans should annually leave Europe to make a home in this country when we meet them with such an alleged burden of taxation? And also why nobody ever thinks of abandoning this country and making his home in England, where none of these articles are taxed? Evidently either the hundreds of thousands who come here every year from Europe and the millions of our own workingmen who think that America is the best country in the world for them are grossly deceived, or else the gentlemen who talk about the enormous burdens imposed by our protective duties are greatly mistaken.

Now, Mr. Chairman, what is the fact? It is true that cotton goods when imported pay a duty of from 20 to 40 per cent.; but it is not true that common cottons are sold at a higher price here than in England, or that the workingman pays more in money for a shirt here than he does there. On this point I affirm what I know. When in Europe a few years ago I took pains to purchase some common cotton sheeting in London, in Paris, in Rome, in Vienna, and in Berlin. I found that the price in London was almost exactly the same as here, and on the

Continent from 10 to 20 per cent. more than here. When I came to fine cotton goods, particularly muslins, laces, &c., I found the prices in England lower than here. The same was true of woollen goods, boots and shoes, and most hardware, although in no case did I find the prices here higher to the full extent of the duty. For example, the cost of a pair of five-pound blankets in Liverpool is \$4.45, and the cost of the same kind of blankets in this country is \$5.20, or only 20 per cent. more.

It may be said, "Why not, then, abolish the duty on common cottons and reduce the duty on other goods?" For the reason, Mr. Chairman, that the abolition in the one case and the reduction in the other would give an opportunity for foreign goods to come into this country and take the place of our own, with an ultimate injury to our own people, as I shall presently endeavor to show. It must be borne in mind that English manufacturers are ready to temporarily sell their surplus below cost in order to get into our markets. If our duties should be reduced sufficiently, they would regard it as desirable to do this for a time in order to permanently cripple our industries, in the expectation that they would be able to recoup their losses by increased prices after they had made manufacturing unprofitable in this country.

Now, the fact that common cottons are as low in this country as in Europe shows that the price here is not the English price plus the duty, as our free-trade friends assume. Indeed, it is rarely ever that the prices of any articles which may be made here to the extent of our wants are the foreign cost plus the duty. In the case of common goods, such as are used by the masses, prices here are nearly as low as in Europe. It is only goods used by the well-to-do classes, in which labor is the important element of cost, that sell at prices higher to any considerable extent than abroad.

The reason for this is that the prices of articles which may be wholly made in this country to the extent of our wants are determined not by cost of importation, but by the cost of home production under the influence of competition. Where articles can not readily be made here to the extent of our wants, in other words, where the protective principle does not apply, in such cases the prices here are the foreign cost plus the duty, as may be seen in the case of sugar and other articles that so far as experiments have gone seem not to be the natural products of our climate. In other words, a tariff imposed for revenue only, *i. e.*, imposed either upon articles which can not readily be produced here to the extent of our wants, like sugar, tea, coffee, &c., or upon articles which can be so made here at such rates as to encourage importation and discourage home production, is a tax to the extent of the duties without any amelioration or return; but a tariff so far as its duties afford protection to industries favorably situated as to natural conditions is not as to these articles a tax to the extent of the duties.

HOME PRODUCTION CHEAPENS PRICES.

There is another consideration which should not be lost sight of in estimating the influence of any duty which encourages our home industries, and that is the effect that this additional production has on prices everywhere. Unquestionably, if this country produced very little cotton, woolen, iron, or other manufactured goods—as certainly would have been the case if we had pursued a free-trade policy—we should be obliged to pay considerable more for all these goods to-day than we actually do. Our production swells the world's supply, and thus under the law of demand and supply reduces prices everywhere.

We recently had an illustration of this fact on a small scale. The great quinine factory of Powers & Weightman, in Philadelphia, was burned a few months ago. As soon as the news reached the European manufacturers they largely advanced the price. Again, Bessemer steel rails sold at \$75 a ton in England before their manufacture was established in this country. To-day they are sold here for \$35. In 1826, before cotton manufacturing was established to any extent in this country, sheetings were sold here and in Europe for 13 cents per yard and calicoes for 22 cents. To-day the same quality of sheetings, and also of calicoes, can be bought here for 6 cents per yard. Even as late as 1860, under the so-called revenue tariff of 1857, such sheetings were sold here for 8½ cents, and similar prints for 9½ cents per yard.

The gentleman from Ohio [Mr. HURD], in speaking for free wool a few days ago, told the House that the duty on wool increased the cost of the workingman's clothes to the extent of the duty, notwithstanding woolen cloth is 33 per cent. lower than in 1850; and then, forgetting that part of his argument, appealed to the farmers to go back to the lower duty on wool imposed by the tariffs of 1846 and 1857, because during those low duties wool was higher than it is now, thus allowing one part of his argument to nullify the other. This was an unconscious admission that the duty had actually reduced the price of wool in all parts of the world by largely increasing the production in this country, and had thus cheapened instead of increased the cost of the workingman's clothes; while at the same time the holding of the home market for the farmer had encouraged him to improve his breeds of sheep and improve the quantity and quality of his wool, and in consequence he, too, had made a larger profit than between 1846 and 1857.

These facts show that the tariff which best protects and encourages our home industries and thus adds a large amount of home products to

the productions of the world tends to reduce the prices of these products here and elsewhere to a point much lower than would have existed if we had adopted free-trade policy; and therefore that a protective tariff on such goods is not a burden on the community, but is on the other hand a positive benefit.

NO TAX ON THE LABORER.

A third consideration, Mr. Chairman, entirely ignored by those who assert that a protective duty increases the burdens of the workingmen and the people, is the fact that most men really ultimately pay for what they buy in labor or service, and the practical question is not whether the money cost is more under protection than under free trade, but whether the cost in labor or service or some other product is more.

Of what avail is it, Mr. Chairman, to tell a laborer that protection compels him to pay \$10 for a coat which he can buy in England for \$8, when eight days' labor will pay for his \$10 coat here and ten days' labor are required to pay for the \$8 coat in England? It is impossible to name a single article produced here to the extent of our wants which the laborer can not buy for less labor here than in England. To speak, therefore, of a protective duty which makes this state of things possible as a burden on the people, and the 20, 30, or 40 per cent. duty which aids in maintaining industries and wages as a "tax" on the workingman, is a complete misrepresentation. It is a reduction of duties which would cripple or destroy our industries and reduce wages to the European standard that would really prove to be a "tax" and "burden" on the people.

WAGES AND PRICES IN 1860 AND 1880.

A comparison of annual wages and prices in 1860, after fifteen years of a tariff for revenue only, with wages and prices in 1880, after nineteen years of protection, clearly shows that wages were higher and prices of manufactured goods lower in the protective period than in the revenue-only period.

	Yearly wages.		Increase.
	1860.	1880.	
Woolen manufactures.....	\$234	\$300	Per ct. 28
Cotton manufactures.....	200	246	23
Iron manufactures.....	335	390	10
Machine manufactures.....	330	430	15
Paper-making manufactures.....	232	360	40
Boot and shoe manufactures.....	270	370	48

These census figures show an average increase of 28 per cent. in wages in the above manufacturing industries since 1860. The average increase in the wages of all kinds of mechanics is fully as great. The following tables show how the prices of manufactured goods have been affected by the protective policy, which has increased wages:

Articles.	Prices.		Reduction.
	1860.	1884.	
Common sheetings, per yard.....	\$0 08½	\$0 07	Pr. ct. 20
Drills, per yard.....	0 08½	0 06½	22
Prints, per yard.....	0 09½	0 06	34
Pig-iron, per ton.....	23 00	20 00	14
Iron, refined, per pound.....	0 08	0 02½	25
Fancy cassimeres, per yard.....	0 65	0 50	23
Common woolsens, per yard.....	1 50	1 00	33
Medium blankets, per pair.....	5 00	3 75	25
Men's pegged boots, per pair.....	2 50	2 17	15
Crockery, per crate.....	95 30	57 89	38
Plate-glass, per foot.....	1 50	0 80	45

Average reduction of prices of the above protected manufactures 28 per cent., against an increase of 28 per cent. of wages.

Could there be a more conclusive demonstration of the fact that protective tariffs have increased the wages of workingmen over those paid under tariffs for revenue only, and at the same time reduced the cost of manufactured goods?

Modifying the familiar story of the taxes imposed on the workingman by protection to accord with the facts, it would read something like this: Under protection the workingman turns down his blanket for which he pays 30 per cent. less labor than does the workingman in Europe, puts on a shirt for which he gives 50 per cent. less labor, draws on pants for which he gives 20 per cent. less labor, covers his feet with shoes for which he gives 30 per cent. less labor, and builds a fire in a stove for which he gives 35 per cent. less labor than does the workingman in free-trade England.

If it were not for the fact that our protective tariffs have increased the prices of farm products by diversifying industries and thus with-

drawing men from the farm and preventing a glut of such products the purchasing power of wages at the present time would be more largely in excess of what they were in 1860. But even with the diminution arising from the increased prices of farm products the wages of a laborer in 1880, as estimated by their purchasing power, were at least 15 per cent. higher than in 1860.

PROTECTION NOT A TAX ON THE FARMER.

Mr. Chairman, during the progress of this discussion every gentleman who has spoken in opposition to protection has assumed that notwithstanding protective duties may benefit the laborer and many other classes, yet that they impose a serious tax on every farmer without corresponding benefit.

Whenever any one has condescended to attempt to prove this oft-repeated charge, the argument, as condensed by Professor Sumner, has run in this wise: "A farmer can buy a yard of cloth in England for a bushel of wheat; but in this country, in consequence of the duty imposed on imported cloth, he must give a bushel and a quarter. Does not this show that protection takes a quarter of a bushel of wheat from the farmer?"

Grant the implied assumptions, and the conclusion would follow. Grant first that wheat would be as high under the free-trade conditions which would take 3,000,000 men from our manufacturing industries and add them to the farmers of this country as it is now; and grant, secondly, that cloth would be as low in England with our mills stopped as it is now. Then there would be some basis for the conclusion. The trouble with all free-trade arguments is that they start with certain assumptions; for example, that all nations are on the same platform as to wages of labor, or that because one man could to-day buy more cloth with a bushel of wheat in London than in New York therefore all men could do the same if we relied upon England for all our goods, and argue their case just as though these assumptions are conceded to be true, whereas in fact the whole question in controversy between free trade and protection is right here.

It has been frequently asserted that the price of grain, pork, beef, &c., here is absolutely fixed by foreign conditions, and therefore that our farmers may as well send half of their produce abroad and sell only 50 per cent. here under free trade as to export only 8 per cent. of their crops and sell 92 per cent. of it in our home market, as we do under protection. In other words, it is affirmed by the opponents of protection that it is immaterial to the wheat, corn, pork, and beef grower whether his home market is large or small, because the whole is sold at the foreign price, and that (as it is claimed) will be the same whether we send abroad 30 or 50 per cent. of our farm products, or only 8 per cent., as now.

As this, Mr. Chairman, is the initial fallacy of all free-trade arguments, or rather assumptions, I ask the House to look it in the face.

We have to-day 7,670,493 persons in the United States employed in agriculture—4,225,945 persons as farmers and planters and 3,323,876 as farm laborers. These agriculturists to-day sell 92 per cent. of their products at home, and send abroad a surplus of only 8 per cent. Suppose that under the advice of our free-trade friends we conclude to give up manufacturing industries here (for if protective duties are to be abolished we must give up manufacturing, unless we can bring the wages of labor down to the foreign standard), and to buy our cloth and other manufactured goods in the "cheaper" markets of England. The three million or more men now employed in manufacturing industries will of course go upon farms, and immediately increase our agricultural products 50 per cent.; but as there will be no more persons to be fed in this country than before, the home consumption can be no more, and the surplus for export will be increased more than sevenfold.

I ask gentlemen who tell us that the price of our farm products is absolutely fixed in the foreign market, what will be the effect on the price of our farm products abroad and at home when our surplus for shipment shall be increased so enormously? Is there any one who doubts that such a condition of things would cause the price of farm products to decline enormously? Would Professor Sumner's farmer then be able to buy his yard of cloth in England with his bushel of wheat?

The truth is that the price of wheat, flour, corn, pork, beef, &c., abroad is dependent as much on the amount of the surplus which we have to ship as on the demand abroad. The adoption of a free-trade policy that would destroy manufacturing industries and increase our farm products and swell the surplus for shipment would bring ruin upon the farmers of this country, especially in view of the fact that India is ready to compete with us in foreign markets.

Again, a free-trade policy, which should destroy our manufacturing industries, would increase the cost of manufactured goods by diminishing the world's production, as I have already shown, so that the farmer would find that instead of being able to buy in England a yard of cloth with a bushel of wheat, it would require two bushels of wheat to make the purchase.

On the relative value of the home and the foreign markets to our farmers I call attention to the following statistics from the report of the Bureau of Statistics:

In 1882 we produced in this country 1,617,025,100 bushels of corn,

of which only 41,655,653 bushels, or about 2½ per cent., was exported, while 97½ per cent. was consumed at home.

In the same year we produced 504,185,470 bushels of wheat, of which 148,785,696 bushels, or 29½ per cent., was exported, and the exports for the present fiscal year will not exceed 20 per cent. of the crop.

In the same year we produced 290,000,000 pounds of wool, and exported only 64,474 pounds, or scarcely one-fourth of 1 per cent. of the clip.

In the same year scarcely 10 per cent. of our hogs, cattle, pork, and beef was exported, and over 90 per cent. was sold in the home market.

In short, setting aside cotton and tobacco, only 8 per cent. of our home products were exported, while 92 per cent. was sold in our home market.

It is of immense importance to the farmers of the West that the home market should be developed, and developed, too, not only in this country generally, but in his own State. The nearer the consumer can be brought to the producer the better the prices the latter will realize. To transport wheat, pork, and beef to England and bring back goods in return involves an immense loss in cost of transportation, and every cent of it must come out of the producer. The highest prosperity is assured to the farmer where manufacturing industries are brought near to him, so as to afford a market at his doors.

Mr. HEWITT forcibly stated the prime importance of the home market and the comparatively small importance of the foreign market to the farmer, in his letter already quoted, when he said:

If we have free trade we can not expect to procure supplies from abroad by increased shipments of grain, for already the European markets take from us all that they require, and no amount of purchase of goods from them will induce them to buy more food than they need, and which they now take as a matter of necessity.

In the same letter he also set forth clearly the interest which the farmer, as well as every other class, has in a protective tariff to develop manufacturing industries, diversify pursuits, and thus increase the wages of labor, in these words:

Free trade will simply reduce the wages of labor to the foreign standard, * * * but as a matter of course the ability of the laborer to consume will be reduced and a serious loss will be inflicted on commerce, general industries, &c.

This result has been wrought out in practice in thousands of communities. I remember that in the State which I have the honor in part to represent, before manufacturing industries were established in our midst, the farmer often found it difficult to barter his corn, potatoes, apples, hay, beef, pork, butter, cheese, and vegetables at any paying price. But now, when manufacturing towns are within a day's drive, he finds little difficulty usually in selling all his farm products for cash at fair prices. Every farmer who has lived in a country destitute of manufacturing establishments, where subsequently such establishments have sprung up under our protective policy, can bear witness to the fact that a protective tariff has greatly benefited him.

IMPORTANCE OF DIVERSIFYING PURSUITS.

It is essential to the success of farming in the United States that the pursuits of our people should be diversified. And it will be found that, other things being equal, farmers are most prosperous in those States where manufacturing industries are established, the pursuits of the people diversified, and home markets created.

The February report of the United States Department of Agriculture contains a report by Mr. J. R. Dodge, statistician, on the value of farms, farm products, &c., in the several States, which strikingly illustrates this principle.

Mr. Dodge divides the States of the Union into four groups. In the first group, consisting of Massachusetts and eight other States having the most extensive manufacturing industries, the average value of farm land is about \$47 per acre, and the average value of farm products per man is \$467 per annum.

In the second group, consisting of Maine and seven other States with less manufacturing establishments than the first group, the value of farm lands is about \$34 per acre, and the average value of farm products per man is \$394.

In the third group, consisting of Wisconsin and four other Western States with still less manufacturing industries, the value of farm lands is about \$20 per acre, and the average value of farm products per man is \$261.

In the fourth group, consisting of Virginia and eighteen other States in all parts of the Union, with almost no manufacturing industries, the value of farm lands is only \$9 per acre, and the average value of farm products per man is only \$161.

VALUE OF PROTECTION TO THE FARMER.

Every farmer can buy more sheeting, prints, woollens, iron goods, shoes, &c., for a bushel of wheat, or corn, or potatoes, or a ton of hay or any other farm product under our protective policy, than he could obtain if free trade had compelled us to rely on England for these goods or if a tariff for revenue only had encouraged large importations of foreign goods to cripple our industries.

I have already presented tables showing the reduction of prices of manufactured goods under the influence of the home competition, encouraged by protection. I now ask attention to the following tables from the New York Herald, giving the prices of farm products in the interior of that State in 1816, before our protective tariffs had diversi-

fied the industries of the people of that State by encouraging manufactures, and in 1882:

	1816.	1882.
Wheat, per bushel.....	\$0 44	\$1 00
Corn, per bushel.....	20	60
Oats, per bushel.....	15	50
Eggs, per dozen.....	05	15
Barley, per bushel.....	25	80
Butter, per pound.....	12	30
Cheese, per pound.....	06	12
Cows, per head.....	\$16 00 to 20 00	\$20 00 to 75 00
Cattle, per yoke.....	25 00 to 45 00	100 00 to 250 00
Hay, per ton.....	3 00 to 5 00	10 00 to 18 00
Carriage horses, per span.....	150 00 to 200 00	300 00 to 1,000 00
Sheep, per head.....	50 to 75	1 50 to 2 50

That is, the average increase in the prices of farm produce since 1816 has been more than 100 per cent., while the average decrease in prices of manufactured goods has been from 20 to 90 per cent.

The same general results appear from a comparison of the average prices of farm products during the period of a tariff for revenue only before the war and average prices since resumption of specie payments under protection.

The gentleman from Rhode Island [Mr. CHACE], recognized by the House as a painstaking and reliable authority in economic facts, presented to the Forty-seventh Congress a very valuable table of statistics on this point, to which I invite attention.

The tables submitted by that gentleman show that during five years of the revenue-only tariff one bushel of wheat would buy on the average 8½ yards of sheeting, 12 yards of prints, 107 pounds of pig-iron, 35½ pounds of bar-iron, or 1 sack of salt. But during the five years of protection, from 1877 to 1882, 1 bushel of wheat would buy on the average 11 yards of sheeting, 16 yards of prints, 134 pounds of pig-iron, 57 pounds of bar-iron, or 1½ sacks of salt.

These tables further show that under the five years of tariff for revenue only ten pounds of butter would buy 10½ yards of sheeting, 15 yards of prints, 131 pounds of pig-iron, 43½ pounds of bar-iron, or 1½ sacks of salt. But under five years of protection the same butter would buy 21 yards of sheeting, 31 yards of prints, 254 pounds of pig-iron, 109 pounds of bar-iron, or 3½ sacks of salt.

In 1840, before manufacturing industries had diversified the employments of the people of this country, each farmer had of neighbors who were non-agriculturists 5½ persons to purchase his product; but in 1880 each farmer had 6½ persons who were consumers of his products. It is this increase of 50 per cent. in the number of non-agricultural consumers—an increase mainly due to the introduction of manufacturing industries—which has so much improved the situation of the farmers of this country. The protective policy which has brought this improvement is not a burden, but a benefit to every farmer in the land.

DIRECT PROTECTION TO FARMERS.

I have spoken of the indirect benefit of our protective system to the farmer; but to these should be added the direct protection accorded to agricultural products against the competition of Canada. Hay, grain, potatoes, butter, cheese, horses, cattle, wool, sheep, and hogs would be brought into the United States from Canada to compete with American farm products, if it were not for the duty imposed on them when imported. The advantage to our farmers of the duties imposed on imported Canadian farm products plainly appears in Maine, New Hampshire, Vermont, New York, Ohio, Michigan, and other States bordering on the northern frontier, where the farmers on this side of the line obtain 15 to 20 per cent. more for their products in our markets than the Canadian farmers obtain on the other side. Without our tariff it would be impossible for our farmers to raise wool in competition with South America and Australia.

The prosperity of the farmer is closely connected with the development of manufacturing industries; and protection, therefore, is as beneficial to him as to the laborer, the blacksmith, the shoemaker, the carpenter, the mason, the truckman, the trader, the professional man—in short, every member of the community in which manufacturing industries are established.

THE FINAL TEST.

The final and conclusive test of any public policy, Mr. Chairman, is its fruits. It is the practical results of the two policies of protection and of free trade, of which a tariff for revenue only is only a forerunner, which must control our action. If our protective policy is "taxation," "monopoly," "robbery," and "oppression," as many gentlemen charge, then twenty-two years' trial of that policy must have produced ruin from one end of the country to the other. No national advantages could have warded off the blight of protection if it be what its opponents charge. The fact that under this policy the United States has for four years successfully waged the most gigantic and destructive war for national existence recorded in modern history; has paid more than two-thirds of the enormous cost of that war; has grown in population more than 50 per cent., and in wealth more rapidly than any other nation; has increased the number, value, and productions of her farms

threefold; has raised the value of her manufactured products from \$1,885,861,676 in 1860 to \$5,369,579,191 in 1880; has developed our foreign commerce from an aggregate of six hundred and eighty-seven millions in 1860 to an aggregate of over fifteen hundred millions in 1883, and has drawn to our shores millions of immigrants from all parts of the world to better their condition, while comparatively none have left our shores for this purpose—such an array of facts as these is a demonstration more conclusive than the assumptions and theories of our free-trade friends that the policy of protection is wise and beneficent.

During the delivery of Mr. DINGLEY's remarks, at the expiration of one hour, the hammer fell.

Mr. WAIT. I ask unanimous consent that the time of the gentleman from Maine be extended for ten minutes.

There was no objection, and it was ordered accordingly.

MESSAGE FROM THE SENATE.

The committee informally rose; and Mr. GOFF having taken the chair as Speaker *pro tempore*, a message from the Senate, by Mr. SYMPSON, one of its clerks, announced that the Senate had passed, with amendments, the bill (H. R. 3967) for the establishment of a bureau of animal industry, to prevent the exportation of diseased cattle, and to provide means for the suppression and extirpation of pleuro-pneumonia and other contagious diseases among domestic animals.

The message further announced that the Senate had passed a bill (S. 1108) to provide for the sale of the Iowa Indian reservation, in the States of Nebraska and Kansas, for the issuance of a patent for a reservation for the Iowa tribe of Indians in the Indian Territory, and for other purposes; in which the concurrence of the House of Representatives was requested.

TARIFF BILL.

The Committee of the Whole resumed its session.

Mr. HEWITT, of New York. Mr. Chairman, though one should rise from the dead to convey to us a message on the tariff, I doubt whether he would change a single vote in this House upon this or any other tariff bill; and though an angel should come down from heaven, he could not give us any message in favor of that liberty wherewith the Founder of our religion has made us free, which could convey to us more forcible reasons in support of this measure than we had on yesterday in the eloquent argument of the gentleman from Ohio [Mr. HURD], my colleague on the Committee on Ways and Means. And after hearing that magnificent speech, Mr. Chairman, I doubted whether it were worth while for me to take up the thread of this great argument; and it is mostly by his request that I have concluded to-day to gather together some few sheaves of wheat from the great field over which passed his devouring sickle.

But there is an audience outside of this House; an audience of men who work with tools, and who govern this House by the ballot. To them, constituting as they do, I am glad to say, the great majority of the people of this country, it is worth while to address an argument which will appeal to their judgment and their permanent interests. That audience I will acknowledge is probably against me. I fear that perhaps a majority of the great army of workers in this country stand where I stood in 1872, when I wrote the letter which the gentleman from Maine [Mr. DINGLEY] has just quoted. They are still in the bonds of prejudice, of false training, and of ignorance, where I was then myself. I have no apologies to make for having progressed out of the night of darkness into the open sunshine of truth. But I should have apologies to make if, having reached conclusions which contradict those that I held years ago, I should fail in this House and everywhere to announce them with that frankness which belongs to an honest man and a faithful Representative.

THE SURPLUS REVENUE.

Now, though that army of workers may be against me on the question of protection for the sake of protection, there is one thing in which they are with me. There is an old instinct ingrained in the Anglo-Saxon race which tells us that surplus revenues are the result of unnecessary taxation, and that unnecessary taxation is unjust exaction from the fruits of human labor. For that cause Charles the First lost his head. For that cause the last of the Stuarts was driven into exile. For that cause we fought the war of Independence, and established this Government upon the eternal doctrine that taxation and representation should go together, in order that representation might correct unjust taxation. Upon that issue this great army of workmen are sound; and they were sound on it in the last election, when they turned the members of that side of the House out of their seats, because in the presence of a surplus of more than a hundred millions of dollars they did not attack the problem seriously, but undertook to hoodwink the people of this country as to the effect of their legislation. Upon that issue they placed here this great majority of Democrats; and if we are false to the duty thus imposed, if by reason of difference of opinion among ourselves we fail to deal with that question, and to reduce taxation to the point adequate to the economical administration of this Government, and the discharge of its just obligations, then this majority will be swept from their places; not upon the ground of free trade or protection, but upon the ground, that to take \$150,000,000 annually out of the hard earnings of the producing classes of this country, for upon

them falls the burden, is an act of tyranny not to be endured by a free people. It is a sure evidence of the decay of public spirit when excessive taxation is tolerated, and it is only among free peoples that the remission of taxation is ever accomplished; for it is only in constitutional governments that taxation is self-imposed.

CONDITION OF THE WAGE-EARNERS.

But, Mr. Chairman, the gentlemen on the other side will tell us that they are just as anxious to get rid of this surplus as we are, and they point out the road to us by the abolition of the internal-revenue duties. But they tell us that we must not attack the sacred temple of protection which they have reared, and which they think is essential to the safety, comfort, and happiness of the workmen of this country. If that statement, so often reiterated on this floor, be true, then it would be an act of the grossest folly on the part of the majority of this House to interfere with these protective duties. If, on the other hand, it be false, then it is the duty of this side of the House to proceed fearlessly with the work of removing the unjust discriminations, the excessive duties, the obstructions to the healthy growth of business and the enlargement of the commerce of the country, by the natural process of the exchange of commodities which we produce in excess, for articles which we can not produce as cheaply as other nations.

The allegation is that the workmen of this country in consequence of the existence of the protective system are contented and have happy homes; that their families are in comfort, and that all we have to do is to let them alone, and that all that they ask is to be let alone. I am amazed at the declarations which I have heard on this floor on that subject. It can only be due to the fact that the men who have made them are blind to what is going on around them. Why, sir, we have had hearings before the Ways and Means Committee of the representatives of every branch of protected industry in this country, and there was not one of them that did not tell us that his business was depressed, that his mills were being either closed up or working upon short time, that wages had been reduced, and that further reductions of wages were impending. No one who goes to and fro in this land will controvert the truth of these statements. There is stagnation everywhere in the protected industries, and where they are not protected, there is no stagnation other than that which is consequential upon stagnation in the protected industries.

Mr. KELLEY. Will the gentleman permit me to ask him a question?

Mr. HEWITT, of New York. Yes, sir.

Mr. KELLEY. I wish to ask the gentleman whether there ever was such stagnation, industrial stagnation, in free-trade England as there is to-day; whether there ever was in England such a measure of starvation, amounting almost to famine, as there is under free trade to-day?

Mr. HEWITT, of New York. Now, if the gentleman has completed his little speech—

Mr. KELLEY. It is not so long a one as you put into mine.

Mr. HEWITT, of New York. Excuse me. The gentleman from Pennsylvania appealed to me and I gave him an answer. That was all. Now that he has made his little speech, let me say this: I am going to deal with that very question exhaustively if I am able to keep the floor for my hour. Therefore I will not be diverted at the present moment from the order in which I am trying to present this question.

The best testimony, Mr. Chairman, as to the condition of the workmen is the testimony of the workmen themselves. If the protective system can give them happiness and good wages and comfort, they certainly ought to have it to-day; for we have had nearly twenty-five years of uninterrupted protection under a higher tariff than ever existed in any civilized country on the globe. Now, what is the story told by the workmen? The Senate Committee on Labor and Education have recently taken exhaustive testimony on this subject from the workmen themselves.

That testimony is to be found in a volume which has not yet been laid on our desks, but which is in print and of which I trust this House will order a very large edition. The testimony of workmen was, for the first time in the history of this or any other country, presented in methodical order and represented every branch of business in this country. That testimony is absolutely unanimous: first, that the wages and earnings of workmen in this country are not sufficient to give them comforts, or even a decent support for their families; and secondly, the testimony is equally conclusive as to the fact that there has been a steady degradation in the condition of the laboring classes of this country during the last twenty years, and that it is an increasing deterioration to be measured year by year. This testimony was given during the last year, before we had reached the present state of depression and stagnation under which we are suffering.

Aside from this testimony, there is much personal knowledge which every gentleman here can bring to bear upon this subject. I dislike to speak of the hardships and sufferings of men in this country who are ready to earn an honest living, but who are unable to do so. To use a plain phrase, one feels as if it would be "fouling one's own nest." Yet I have been in the coal regions of this country within the last six months, and have seen with my own eyes a condition of things which made my heart sad, which made me hope that this Congress might be wise enough to remove some of the causes of the wretchedness and the

misery which I saw there. When I saw that men who worked a whole day away from the light of heaven, and who took their lives in their hands every time they entered the pit, are housed in hovels such as the lordly owners of the mines would refuse to stable their cattle in, then I felt that something was wrong in the condition of the American laborer.

When I learn that there are miners of iron ore working in the State of Pennsylvania for 75 cents a day, then I know that there is something wrong in the legislation of this country, for the duty upon iron ore was put up by the last tariff act on an average from 40 or 45 cents a ton to 75 cents a ton in order to protect these very miners and to give them high wages. When that act was passed they were in receipt of \$1.25 a day; to-day they are in receipt of 75 cents a day. Surely, if there be virtue in legislation these men, hard-working, industrious, independent voters, if you will give them the means of living, ought not to have been reduced to this wretched state of misery.

But the end is not yet. The owners of these great coal mines have recently met in conference in the city of Philadelphia, which my friend so ably represents, and which I trust he may continue to represent for many years to come—they lately met and solemnly came to the conclusion to suspend work for three days in the week, and after this month they concluded that possibly they might keep up the price of coal by suspending work only nine days in the month. Keep up the price of coal! Ay, to the workman, to the farmer, to everybody who earns his living by his daily labor, and put down the wages of the man who digs it from the earth, and then tell him that he is protected by the tariff. Can there be a more stupendous specimen of audacious assertion than we have heard upon this floor, that the workmen of this country are well rewarded and made happy by the operation of the tariff?*

*Extract from testimony given before the Senate Committee on Education and Labor.

Adolph Strasser, on behalf of the Cigar-makers' International Union of America, volume 1, page 455, says:

"The wages in England are higher than they are in Pennsylvania. In the State of Pennsylvania the average wages among the cigar-makers is from \$2 to \$6 a week, the lowest in the United States. The cigar-makers in that State are the poorest paid in this country. They work cheaper than the Chinamen of San Francisco, and they do not receive even that wages in cash; they have to take it in scrip and truck."

Henry George, the well-known political economist, says on page 488:

"Labor does not get its fair share. There are workmen in this country who are as much peons as the peons of South America. Get the reports of the Massachusetts bureau of labor statistics, and they are corroborated by the investigations of independent inquirers, and you will see that a very large proportion of the operatives in New England can not make enough to supply their families even in the poorest fashion. They are absolutely compelled to rely upon the labor of their little children—children whom the law strives to prevent going to work."

On page 517 he says, speaking of the rates of wages in the old countries and their relative purchasing power:

"The rates of wages are lower there, speaking generally. In some avocations, however, I am inclined to think that the condition of the workmen is as good as it is here, and in some even better."

On page 518 he says, in reply to a question whether the manufacturing operatives and those we call day-laborers, including agricultural laborers, are any better off than they are in Great Britain:

"I should say yes, though I should say that there are some classes better off. They are the English wage-workers; they have provided very much more by co-operation and combination, and all that can be done in that way, than have the Americans. In England they have much larger and stronger trades-unions."

On page 524 he testifies to the growing feeling of dissatisfaction existing in the minds of the workmen in regard to the present condition of affairs in this country.

Robert Blissert, of New York, one of the best known and most ardent advocates of trades-unions in the country, says on page 841:

"In all my connection with the labor movement I have found that it matters not in what part of the world workmen are, their condition differs very little. I believe that the carpenters and joiners in England will compare favorably in their social condition with those of America. I believe that the miners of England have the advantage over the miners of America, that their condition is better. I believe that the moral status of the American miner is somewhat better than that of the English miner, but the pecuniary condition of the English miner and the condition of his home is in my opinion rather better than that of the American miner."

"Q. You have special reference, I suppose, to coal-miners?"

"Yes, sir, but I speak of all the mining interests. I believe that the condition of the homes of the miners in England is better than the condition of the homes of the American miners. The hours of labor are shorter, and the amount of work performed by the English miners in a day is much less than the amount performed by the miners here. The same may be said of the carpenters, bricklayers, and plasterers, and there the hours of labor too are shorter in England. They are only from fifty-two to fifty-four hours per week. The mechanics' institutes and other places of information are more largely attended than they are here. There are more of them, and the workmen all avail themselves of their benefits there more than they do here, even where they do exist, and I think I can say fearlessly that the intelligence of the skilled mechanic in England is better than the intelligence of the skilled mechanic in America."

Finally, on page 855, he says:

"I do not know, however, whether I have stated clearly my opinion as to the practical condition of the workmen here and in Europe. It is all nonsense for the Fourth of July orators to tell us here in this country that we are so much better off than they are in Europe. I found the workmen in Paris equal if not superior to the workmen in New York. I want to be properly understood when I say that the expressions heard from time to time here about the pauper labor of Europe, and the statement so often made about the condition of the people here being so much better than the people there, is unfounded—it is a dream."

Lastly we come to Mr. John Jarrett, who was then the president of the Amalgamated Iron and Steel Association, the most powerful trade union in the country. I quote from page 1162:

"Q. Do you know anything about the condition of any other trades than your own men who mine the iron?"

"A. I do, sir. Did you mean coal-miners?"

"Q. The men who mine the coal."

Now, to come to the iron-works; my friend from Pennsylvania ought to know all about them. Last year more than half of the furnaces of this country were in blast. That was a great decrease from the year before. This year, after the passage of a bill arranged, constructed, and adopted by the friends of protection, what has happened? Two-thirds of the furnaces of this country—or nearly two-thirds, for I suppose I shall be held to a most strict account for every word I use on this floor—to be exact, four hundred and thirty-two furnaces are out of blast while only two hundred and sixty-nine furnaces are in operation, and the wages of the great army of protected workmen whom they employ have been largely reduced. I am among the unfortunate manufacturers who have been forced to reduce wages or stop work. I am compelled to offer to the workmen whom I employ the choice between no work or work at less wages than they ought to have. Yet I am protected by the magnificent and unnecessary duty of \$6 per ton—or to be more accurate, \$6.72 per ton. I do not mind the odd cents; no doubt the gentleman himself does. [Laughter.]

PROTECTION CREATES OVERPRODUCTION.

Mr. KELLEY rose.

Mr. HEWITT, of New York. I would prefer that my friend would allow me to go on and finish this statement.

Mr. KELLEY. I only wanted to thank the gentleman—

Mr. HEWITT, of New York. Well, then, I will yield to the gentleman.

Mr. KELLEY. I simply rose, as the gentleman referred to me, to thank him most profoundly, most heartily, for enforcing my doctrine that production has so far outrun consumption the world over that a readjustment of the proportions in which the joint production of labor and capital shall be distributed must be made.

Mr. HEWITT, of New York. "And the Lord hath delivered mine adversary into my hands." [Laughter.] The gentleman says that protection has been unable to prevent overproduction. That is the point of his remark. I go farther. I say that protection creates overproduction; that overproduction is the logical end and unavoidable conclusion of protection.

Then, when you have overproduction what is the consequence? . You have a limited market; it is walled in by the tariff; there is no access to the outside world. What can you do with the surplus? Nothing but pile it up as long as your money lasts, and then stop. And then these protected workmen are left to starve, so that starvation is thus the literal and logical sequence of protection.

Overproduction is not a cause; it is a result. It is the result of causes that are vicious, for if artificial obstructions and interferences had not been created, will any man in this world tell me that there would be overproduction? Why, sir, the gentleman's long appeal to this House was based on sympathy for the people who are starving for the very things which are superabundant but which they could not buy. Overproduction means that there is inability on the part of some one in some part of the world to procure and consume the things which are elsewhere in superabundance.

Under the beneficent laws of God production is a blessing. Good harvests mean comfort and happiness to the people. A large crop of pig-iron, if I may use the phrase, means the progress of great industrial enterprises. God has not cursed His people with the great contradictory law, contradictory to His omniscience, to His omnipotence, to His universal Fatherhood, that the labor of man shall destroy his happiness and close up the gates of joy for him and his offspring. It is the laws of man that have done this thing. The laws of man have erected artificial impediments; for when in any country or in the world you come to the condition when people say, "There is overproduction," it means only this: that the machinery of distribution is not equal to the machinery of production; that mankind in the eager pursuit of wealth have pressed one side of the economical machine to its full power, and neglected to see that the other side of the machine, which discharges and distributes the product, is equally developed and improved.

Now, then, if lack of proper distribution be the real key to the situation, as it is, then what is the logical conclusion? Remove the impediments to distribution which you have artificially created; remove them here, remove them everywhere, and let the world taste for once the beneficence of an Almighty Father, who intended that his children should be happy.

"A. Well, coal-mining in Pennsylvania, in my opinion, is more important than ore-mining, and the condition of the coal-miners in the State of Pennsylvania is pitiable and miserable.

"Q. How so, and how much so is it?

"A. It is because the wages of coal-miners are too low; they are ill paid. Then, too, they suffer from the truck system. Under that system they pay 100 per cent. more for what they buy than our people do. Then the houses they live in are extremely miserable. If I feel for any particular branch of labor in this country it is the poor coal-miner. He risks his life day after day for a mere pittance. Every time he departs from the light of day he does not know whether he will see it again, and while in some branches it does not require much skill to be a miner in others it does, and I think that the coal-miner ought to be better paid, better clothed, better housed, and better fed than he is.

"Q. Have you been among those miners?

"A. Yes, sir; and from my experience among the coal-miners in England I may say that they are really better cared for there than are the coal-miners in the United States. I do not say the English miner gets as much money for his labor, but he is better cared for.

"Q. Do you mean that he has more comfort during the year?

"A. Yes, sir."

THE LAW OF VALUE.

The law by which value is created, Mr. Chairman, is simple, but it is not often considered. What we call industry is the conversion of natural energy, of physical force stored up in nature, into useful forms by the skill and labor of man. The cost is measured by the difficulty of reaching these natural stores; in other words, of extracting the crude material from the earth, and by the labor which is put upon it afterward giving it form and value.

Now the greater the benefaction of nature, the greater the stores of this force, the more accessible these treasures, the less human labor is required for their development, and for their conversion into what we call property. Measured by that standard, there are two countries that Providence has endowed with great resources, more accessible and in larger quantity, than in any other countries in the world, and they are Great Britain and the United States. Hence wages in Great Britain, under a natural order of things, will be higher than in any other European country. Hence, under a natural order of things, wages in this country will be greater than they are or can be in Great Britain; for a less amount of labor will produce on the average in this country a greater amount of value than it will in Great Britain. What deductions are to be made from these results to labor? If there were no intervention of any other elements the answer would be simple. The laborer's wages would be what is left after paying for the raw material and selling his product in the open market of the world.

But there is another deduction. Capital is necessary for the exploitation of human industry, of these natural resources. It may be paid for in one of two ways, or in both of them—by profits or by interest, or partly by profits and partly by interest. The lower the rate of interest the more cheaply the final value can be produced, and hence the lowering of the rate of interest all over the world, due to great accumulations of capital which have come from the inventions and progress of the age, is the greatest benefaction that the human race has yet seen. It is as the dew of Heaven; it "falls upon the just and the unjust."

PROTECTION PARALYZES LABOR-UNIONS.

But where the operations of industry are under the control of owners who have capital, the owner takes both interest and profits, and interest and profits are both deducted from the wages of labor. Is there any remedy, has any remedy been found to prevent the owner from appropriating to himself all the earnings of industry, except that which is required to give a bare subsistence of the lowest order to the workmen who perform the labor? Wherever and so long as protection prevails there is no remedy. Where there is free trade the power ultimately passes from the owner into the hands of the workmen. In this country we have tried to apply the great remedy which has been applied in Great Britain with such remarkable results, and which is only at the beginning of its triumph. I mean the organization of labor into trades-unions, whereby labor is pooled for its own protection. Trades-unions are the weapons of attack and defense which free trade has created for the protection of the workmen; and they are all the protection that the workingman needs.

But in this country trades-unions are paralyzed by protection. The two principles are at war with each other. As long as we have a protective system trades-unions must be feeble and finally die. Let us prove this conclusion by tracing the effect of the protective system to its necessary conclusion in overproduction and stagnation.

Protective duties stimulate industry, we are told; and they do so until the market is fully supplied. Business rapidly increases where there is a monopoly of the market. Where profits are large, capital rushes in. It is not the capital of the workman, it is the capital of the owner. He takes not merely the profits of the normal business, but he adds to it in times of good demand the entire duty which is imposed by the tariff. And this he did, and was doing, when I spoke in this House two years ago, in one great department of our industry, the manufacture of steel rails, which were then subject to a duty of \$28 a ton. The price of the foreign rails had advanced to a point where it would have paid him to make rails without any duty; but of the duty of \$28 a ton he added \$27 to his price, and transferred from the great mass of this people \$50,000,000 in two years into the pockets of a few owners, who thus indemnified themselves, in that short time, nearly twice over for the total outlay which they had made in the establishment of the business. They had a right to it; the law gave it to them; it was the "pound

From the last annual report on labor and industries in New Jersey, from the hands of a protectionist, I extract the following statement:

"Progress and poverty seem to be the concomitants of our civilization, and while the phrase so generally heard that the rich grow richer and the poor poorer may not be strictly true, it is painfully evident that the advance in our social life, great as it has been through the past half-century, bears no sort of proportion to the increase of wealth, knowledge, and material appliances. Labor receives no fair share of these advantages which bring out in strong relief the inequalities of our modern life; with the increase of palatial residences for the rich few the tenement-houses of the many poor increase; with the erection of the costly church edifices and school-houses of the country, the enlargement of our jails and almshouses. The greed for gain, so characteristic of our age, makes the chief end of life the acquisition of wealth, and the increasing competition is the plea by which the employing class seeks to justify the reduction of wages of the employé to the lowest possible level sufficient for bare existence. In periods of business depression, which so often recur, the wages cease entirely, and the wage-workers are left dependent on private or public charity. The great army of tramps and vagrants is recruited from unemployed workmen. As long as this state of affairs continues it is idle to talk of any social improvement of the workmen."

of flesh." Did they divide any portion of that magnificent bounty with the men they employed? Were not those men subjected to the rigorous law of supply and demand? And how inexorable that law is, when applied to labor, can not be understood until you recollect those vast regions of the world which the gentleman from Pennsylvania tells us is filled with pauper labor, open to be brought here in competition with our American labor.

Wages were advanced a trifle, and something was doled out from the great mass of this legislated wealth to the workmen; but any attempts of the trades-unions to get a fair share of this great profit would have been met, as it is met to-day, by the importation of foreign labor. Aye, in the State of Pennsylvania to-day the Hungarian and Polish immigrants are fighting for the crust of bread which is denied to the American workmen. The trades-union, therefore, in an overstocked market, with the doors open for foreign immigration, is absolutely powerless. It is always powerless except in the single contingency of a very active demand, when it will not pay the owner to derange his business by a short stoppage.

But how often are we confronted with the other spectacle, of workmen striking to resist the reduction of wages made in consequence of an overstock of goods, and failing utterly, as they must do, in the object they have in view. At the great strike in Pittsburgh last year, which lasted four months, the owners rejoiced at the stoppage, because they had a large surplus of goods on hand. The stoppage was a benefaction to the masters, and of course the trades-union failed.

I want the workmen of this country to comprehend this great fact. They have no means of bringing owners to terms except through their labor associations, and their labor associations fail every time when you have an overstocked market.

But we are told by the gentleman from Pennsylvania [Mr. KELLEY] that overproduction is the inevitable result of the protective system, as I have shown, in a restricted market, where the surplus can find no outlet.

Mr. KELLEY. The gentleman will pardon me a single moment. I accept entirely his proposition that the means of distribution are unequal to carry the results of the means of production. I accept the proposition, and I say the only remedy for the laborers of free-trade England and of protected America is a better distribution of the joint proceeds of capital and labor than now prevails.

Mr. MORRISON. To be obtained by more taxes, I suppose?

Mr. HEWITT, of New York. Is this the speech of the gentleman from Pennsylvania or mine? [Laughter.] I am getting in doubt.

Mr. KELLEY. It is your speech.

Mr. HEWITT, of New York. Granted; but this is not the time to indorse speeches, and the day of indorsement is past.

Mr. KELLEY. I will not agree with the gentleman any more.

Mr. HEWITT, of New York. The gentleman from Pennsylvania has come to agree with me in more than one thing. He is, I believe, in a hopeful condition of conversion. [Laughter.] He is now on my ground on the silver question, and is in favor of reducing the duty on works of art, and I expect to see him join me in the end to pull down that temple of protection which owes so much of its vast proportions to his efforts. [Applause.]

Now, Mr. Chairman, I have shown, or tried to show, how futile in a restricted market is the system of association of labor, which is the only star of hope in the firmament of the laborers, and how impossible it is for it to succeed in this country, because manufactured surplus products, which compel stoppage or low wages, are forbidden by our protective laws to be carried to the open markets of the world.

FREE TRADE STRENGTHENS LABOR-UNIONS.

Let us see how it is in Great Britain. I will now refer to the subject to which the gentleman from Pennsylvania [Mr. KELLEY] called my attention and to which I promised consideration. The condition of Great Britain in the year 1824 was simply deplorable; starvation stalked throughout the land. It was the year when laborers, rendered desperate by want, rose in their might and, blinded to the fact that they were destroying their own means of livelihood, burned the wheat-ricks of England. In that year Canning and Huskisson began the great work of clearing away the prohibitory and protective duties of Great Britain. They went slowly but they went surely to the end. They began with raw materials, they progressed to secondary products, and finally they swept away the whole mass of duties which impinged on manufactured goods. How fared it with the workmen of England? More wretched than the beasts of the field, Mr. Chairman, as they were when this reform began, every hour has witnessed amelioration in the condition of the wage-earning class of Great Britain. Every restriction removed, every prohibition annulled, raised them in the scale of being.

My first visit to England was in 1844, just after the last of these protective duties had been removed, and just as Cobden and Bright were gaining the great victory which gave free food to the nation. I have gone to England since 1862 generally once in two years. The subject which has interested me most has been the condition of the European workmen. I never failed to mark in Great Britain a steady improvement. In 1867, when I wrote my report on the French exposition, which those gentlemen are so fond of quoting, I found the condition of

the English workman better than that of the French or German, but not equal to the condition of the corresponding class in this country.

I believed that the difference was due to the tariff, and I said so. I have gone often since, and I have found the condition of the British laborer steadily improving in all that goes to make up the life of man. On the other hand, my business and inclination has enabled me to study the condition of American labor, and I confirm the testimony given before the Labor Committee of the Senate, that the condition of American labor has steadily gone down. It needed something to open my eyes, and unwelcome facts set me to thinking. But more than that, I am a manufacturer.

Mr. Chairman, I may be pardoned for some reference to myself. Others have had no hesitation in picking me out as an example to be reprobated; and one gentleman, or rather one member of this House—a member of the last House and a member of this one—went so far as to pry into my family affairs and to refer to my domestic concerns. What he said was absolutely false, as usually these criticisms have been. This incident, however, recalled the fact that I once believed that protection was necessary for the prosperity of my own business. I believed it and acted upon it. But when after forty years of close attention to business, with the use of abundant capital and without sacrifice to procure it, after having built up a great establishment which at least does not compare unfavorably with those of its kind, I discovered that not only were the workmen not better off by reason of protection, but that I was not better off. That if I had taken the money invested in that business and loaned it out at the current rate of interest on good security, which we will take to be 5 or 6 per cent., my firm would have been richer to-day than we are out of the vast business we have been conducting.

Mr. WARNER, of Ohio. Suppose that all other manufacturers in this country had done the same thing, let me ask the gentleman what would be the condition of the loan market?

Mr. HEWITT, of New York. I do not know what would be the condition of the loan market. But I do know that I have never found any difficulty in getting people to take all the money in that way which was offered to them. [Laughter and applause.]

Mr. WARNER, of Ohio. And give good security?

Mr. HEWITT, of New York. Yes, sir.

Mr. WARNER, of Ohio. And at 5 per cent. interest?

Mr. HEWITT, of New York. Yes.

Mr. WARNER, of Ohio. Can you do that now?

Mr. HEWITT, of New York. Certainly; and I will state to the gentleman that the banking firm of A. Corbin & Co. have an advertisement, which I have seen within a few days in several journals, in which they invite the public—and I give them the benefit of this notice for nothing—invite the public to bring their money to them, for which they will undertake in sums of any amount to give 7 and 8 per cent. interest on loans in Iowa and other Western States. And they give the results of some fifteen years' operation in the business, during which loans have been made amounting to many millions of dollars, in which they show that not a penny of loss has taken place. They invite the public to come forward and bring in their means and dump it into their hoppers, for which they promise a higher rate of interest than I have been able to realize in my business.

Mr. WARNER, of Ohio. Then that would go to show that some industries must be prospering in this country, and are profitable.

Mr. HEWITT, of New York. But it is not an evidence of prosperity when a man is compelled to borrow money at 7 or 8 per cent.

Mr. WARNER, of Ohio. No; but it is an evidence of prosperity if a man is able to borrow it, and can give security at that high rate of interest for it.

Mr. HEWITT, of New York. He may be forced to pay a high rate of interest by the exigencies of his situation. But I admit that they can borrow it, and I want to make it possible for the farmers of this country, if it be necessary, to be able to borrow money and pay good interest if his welfare is thereby advanced. But the reason why the farmer was able to pay high interest is well known to the gentleman from Ohio, and he knows as well that the causes which led to it are no longer at work. From 1873 to 1879 there was an era of short crops all over the world except in this country. Here we had abundant harvests and there was an abundant market in Europe. The price of wheat went up to \$1.98 a bushel in New York city, and there came a flood of wealth back from Europe into this country. And yet during all that time, with the flood of wealth pouring in upon us, when we had the influence of a high protective tariff, there never was, and I hope there never will be, such an era of distress among the protected industries of the country as existed at that time. They were all ruined and broken down. Two years ago in this House, when I elaborately discussed the causes which brought about the prosperity of the farmers, I pointed out that it was temporary, being due to this invasion of large amounts of money, stimulating new enterprises and opening new wheat-fields. I predicted that the prosperity would come to an end as soon as Europe could get her supply of food from any other quarter. And it has come to an end, and to-day the farmer can not produce wheat at the prevailing price and pay his expenses. The only chance that is left for him is that manufactures shall be established in his neighborhood and give him thereby

a market for his produce, saving the cost of transportation. But manufactures can not grow in a market already overstocked—

Mr. WELLER. Will the gentleman allow me to ask him a question? Mr. HEWITT, of New York. When I get through with the sentence which I have begun I will hear the gentleman's question.

Mr. WELLER. It will not be apropos except at this point.

Mr. HEWITT, of New York. Well, now, the gentleman has succeeded in interrupting the current of my thought. I must decline to yield for a question at present. I was saying that the farmers of this country can have but little hope for the future without manufactures, and that manufactures can not grow in an overstocked market.

There is only one way by which they can be reopened and enlarged, and that is to make a market for our manufactures in the open markets of the world. The gentleman from Maine [Mr. DINGLEY] this morning referred to the fact that we buy more from Cuba and South America than we sell to them. He seemed to be ignorant of the fact that we sell more to England than we buy, and that we take the surplus which we sell to England, the money realized by it, and pay the debt for that which we buy in South America, in Mexico, and in Cuba. But if we could produce manufactured goods in competition with Great Britain there would be a change in the current of this business. As it now is, we sell food to Great Britain; Britain consumes the food in making manufactures. The manufactures are exported to South America, and we pay for what we buy there by drafts on London against the food we have sold in England, and the account is balanced in London by the balances of trade between the respective countries. But let the manufacturers have a chance to go out and export the \$100,000,000, of which the gentleman from Maine speaks, direct to South America and Cuba and Mexico, and we will get in exchange the commodities of those countries—in direct exchange; and we will thus build up the shipping business which the gentleman so much desired to develop, and at the same time increase our manufactures and the demand for the farmer's produce.

Now, Mr. Chairman, returning to the point where I was when I was interrupted: I wish to call attention to the proof that the condition of the British laborer has steadily improved under the operations of free trade. For this purpose I shall not resort to assertion; I shall bring proof. Mr. Robert Giffen is the secretary of the statistical department of the English Board of Trade and also the president of the London Statistical Society. He is the most eminent living authority on the subject of statistics. His diligence, his intelligence, and his rectitude have never been called in question, and they can not be questioned. Mr. Giffen, in his address before the society in November last, treated of the progress of the working classes of Great Britain in the last half century. I have procured this document, which I regard as the most important contribution to social statistics ever made in any country, to be republished in the Popular Science Monthly for the month of May, and I ask every gentleman to read it for himself.

The CHAIRMAN. The time of the gentleman has expired.

Mr. TURNER, of Kentucky. I ask unanimous consent that the time of the gentleman be extended.

A MEMBER. For how long?

Mr. CHACE. I hope the gentleman will have all the time he wants.

The CHAIRMAN. Unanimous consent is asked that the time of the gentleman from New York be extended indefinitely. The Chair hears no objection.

Mr. HEWITT, of New York. I thank the committee, but I may say that the reason I am taking more time than I expected is because the speech I intended to make was so much better made by the gentleman from Ohio [Mr. HURD] that I have been compelled largely to shift my line of discussion.

The title of the pamphlet to which I have referred is "The progress of the working-classes in the last half century." I just now simply give the conclusion of Mr. Giffen. I shall be disposed to append more of this document to my speech unless the House should consider it an infraction of privilege.

From this it appears that the increase of what is known as working-class income in the aggregate is greater than that of any other class, being 160 per cent., while the return to capital and the return to what are called the capitalist classes, whether it is from capital proper or, as I maintain, a return only in the nature of wages, has only increased about 100 per cent., although capital itself has increased over 150 per cent. At the same time the capitalist classes themselves have greatly increased in number, so that the amount of capital possessed among them per head has only increased 15 per cent., notwithstanding the great increase in capital itself, and the average income per head can have hardly increased at all. On the other hand, as the masses of the nation, taking the United Kingdom altogether, have only increased about 30 per cent. since 1843, when these income-tax figures begin, while their aggregate incomes have increased 160 per cent., it is explained how these incomes have gained, individually, about 100 per cent. as against hardly any increase at all in the incomes of what are called the capitalist classes on the average. Thus 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 on the average 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.

We may now conclude this long inquiry. It has been shown directly, I believe, that, while the individual incomes of the working classes have largely increased, the prices of the main articles of their consumption have rather declined; and the inference as to their being much better off, which would be drawn from these facts, is fully supported by statistics showing a decline in the rate of mortality, an increase of the consumption of articles in general use, an improvement in general education, a diminution of crime and pauperism, a

vast increase of the number of depositors in savings-banks, and other evidences of general well-being. Finally, the increase of the return to capital has not been in any way in proportion, the yield on the same amount of capital being less than it was, and the capital itself being more diffused, while the remuneration of labor has enormously increased. The facts are what we should have expected from the conditions of production in recent years. Inventions having been multiplied and production having been increasingly efficient, while capital has been accumulated rapidly, it is the wages receivers who must have the benefit. The competition of capital keeps profits down to the lowest point, and workmen consequently get for themselves nearly the whole product of the aggregate industry of the country. It is interesting, nevertheless, to find that the facts correspond with what theory should lead us to anticipate.

All the statements of individual cases of misery made by the gentleman from Pennsylvania weigh nothing against this great conclusion of an investigation based upon facts running over a period of fifty years. If individual cases of misery were to be a test, the gentleman from Pennsylvania [Mr. KELLEY] has only to go to his own city, and I have only to go to mine. Sad it is to think that there is no large aggregation of people anywhere in the world where there is not great human misery. So far as this misery exists in England it is due only to one cause, intemperance, where money enough is expended each year in drink to provide for all its pauperism and misery. So far as it exists on the continent of Europe—and it is greater in the protected countries than it is in England, as the result of my observation made in England, France, Germany, Turkey, and Italy last year; it is less in England because England has greater natural resources—but all over the Continent the cause is to be found in the great standing armies, which have converted Europe into an armed camp garrisoned by 2,000,000 of soldiers, who eat up the substance of the people. With my own eyes I have seen a woman cut up a dead carcass because her husband was in the army and would not return to his family for three years; that was in Austria. She did his work and did it well, too.

I have seen a woman and a dog harnessed to a cart drawing a drunken husband home from market to his house. Would I draw deductions from this, as the gentleman from Pennsylvania does from sporadic instances, that Austria, where I saw this sight, was, too, a country in which human happiness had ceased to exist? No, sir; if I want to know the condition of Austria I will take in the whole circle of its interests and its people, and I will draw my deductions from the incontrovertible evidence of large masses of facts.

VALUE OF TRADES-UNIONS.

In England these results thus given by Mr. Giffen have not been produced by free trade alone. I want the gentleman to understand this matter fully. The foundation was laid by free trade, but the result in its best estate was caused by trades-unions. Free trade made it possible for the trades-unions to organize and go to the masters and say, "Your contribution is capital, which is worth in business 5 or 10 per cent., as may be agreed; your other contribution is management and administration; that is worth a certain percentage, which is easily determined by the experience of the nation. The rest belongs to us, and we intend to have it." And they have got it. There is, however, one great deduction to which the British workman is subject, which does not apply to us, and that is the rent of the land, which is paid to the privileged classes, and is the heritage of a past age and an obsolete system of government, when the nobles were responsible for the defense of the country. But under the beneficent action of free trade in food, which opens the granaries of the world to British markets, rent is falling, privilege is dying, and the progress toward equality before the law is making rapid and satisfactory progress. That England is not retrograding, but is steadily increasing her industry, is proved by the fact that her annual output of coal, which measures her productive power, increases year by year, and that last year it exceeded by over 6,000,000 tons the product of the year before. That the people are in good condition is proved by the "sugar test," which is the best measure of the comfort of the great mass of the people. In 1883 the sugar consumed in Great Britain and Ireland was 67.3 pounds per capita of population; in the German Empire it was 18.3 pounds; in France it was 27.2 pounds; in the United States it was 43.25 pounds.

In a strike which I witnessed on the Brighton Railway in England I had an interview with one of the chief officers of the great Association of Amalgamated Engineers. I asked him what was the limit of the wages which they expected to get from the railway. He said: "There is no limit; we intend to have all the net earnings of these railways, except a fair remuneration for the capital actually invested and fair salaries for those who administer them; and the only question with us is how to find out what the amount is, and we intend to have it." That great association contained as its members all the engineers of Great Britain, numbering many thousands. It has a great fund in its treasury of nearly a million of dollars, and it has had as much as a million and a half dollars at one time.

It selects one concern at a time and puts the men there employed upon a strike until their demands have been acceded to. The hours of labor have been cut down by this process to fifty-five hours per week, and the wages of labor have been largely increased, for no man can say them "nay" within the limits of right and justice which they strive to observe.

With this example other trades have organized, and these trades have confederated together and now constitute a great congress. They met

in 1881 when I was in London, and the figures of that time are the latest that I happen to have. There were one hundred and fifty-seven delegates in that congress, representing a constituency of 463,899 members. They met there to consider what could be done to raise the average condition of the British workmen. Their deliberations were conducted with a calmness, with a courage, with an intelligence that would do honor to this House or to any other deliberative body in the world. They did not seek to attack capital. They have learned that capital is their best friend, but they intend to make it their servant, and they can make it their servant.

There is a steady increase in the growth and influence of this great organization, but what concerns me here is to define the significance of such organizations. The labor of Great Britain to-day is practically pooled for the purpose of securing out of the products of industry the full portion which ought to be allotted to labor after paying current rate of interest upon capital and a proper remuneration for management. This result they have been able to accomplish. The rate of wages has steadily tended upward in Great Britain, and although much time has been lost in disputes ending in strikes, the result of the organization has been to introduce arbitration between the masters and men, so that strikes are becoming the exception rather than the rule in trade disputes. In these arbitrations the masters and the workmen meet upon equal terms. The result is a better understanding of each other's rights, interests, and duties, and out of which is slowly growing, through the agency of co-operation, the association of the workmen with the owners in ownership and management of the property.

That process is only at its beginning, but, thank God, the day is at hand, and will surely come in my time I hope, when workmen themselves will be the owners of all the machinery upon which they expend their daily toil, and shall themselves have whatever profits the God of Nature intended them to have as the fruit of their labor. [Applause.]

That process in England will precede its possibility in this country, but it will be there as a great example. In this country it can not begin until protection is broken down. I repeat that protection is in the nature of artificial friction causing so large a deduction from the earnings of labor as to prevent the accumulation of capital in the hands of workmen.

Hence I have changed my views. I have changed my views because I am a Democrat who believes that the welfare of the people is to be considered before the welfare of any single interest or of any single man. [Renewed applause.]

LAW OF THE REMUNERATION OF LABOR.

Let us try to measure the limit to which these organizations will enable the workmen to progress in securing for himself the largest possible remuneration for his labor. We have seen that after paying capital the natural resources of the country will determine the rate of wages of its workman when the markets of the world are opened for the free exchange of the fruits of his labor. Under natural laws they will be exchanged for the products of other countries where production is carried on under less favorable circumstances. The profits will therefore be the difference between the natural resources in the exchanging countries, and the whole of these profits belong and will surely come to the possession of the working classes unless they are obstructed artificially by the operation of law.

Hence Great Britain will exchange with all other countries, except the United States, at a rate which will enable her workmen to be better paid than the workmen of those countries, but the United States, having greater natural resources than Great Britain, will exchange with her and all the world upon still better terms. Hence our workmen under natural laws will be better paid than the workmen of Great Britain. But such a result is only possible with free trade, because the protective system prevents our products from going out into the markets of the world in free competition with those of Great Britain. Nor can the beneficent principle of association embodied in the trades-union system be available by the workmen of this country until they have free access to the open markets of the world by which alone they can avoid the paralysis of overproduction. I do not know that the manufacturer will gain by free trade; I do not know that the capitalist will gain by it; but I do know that the workman is suffering for the want of it, and that the improvement in his condition after it is achieved will be as marked and as satisfactory as that which has been accomplished in Great Britain during the last fifty years. And I know further that the workmen of this country will have no trouble to get their fair share of the profits of industry when they are put in the position, as now they are not, of making practical use of the principle of association, out of which in other departments have sprung the great triumphs of modern civilization.

To these conclusions I have been forced by my experience, by my observations carefully made at home and abroad, and by the conscientious study which I have given to the industrial and economic systems of other countries, and to the conclusions of the great thinkers of modern times. To one among these thinkers, Thorold Rogers, I commend the attention of the gentlemen who still believe in the efficacy of the protective system to promote the welfare of the wage-earning classes. His great treatise on "Work and Wages" has just appeared in England and in this country. He confirms in a most remarkable manner the conclu-

sion which I have announced, that the wage-earning classes of the world have no hope except in freedom of trade, and in the organization of the trades-unions and labor partnerships. In that admirable work he has developed the remarkable fact that the reward for labor in Great Britain has just recovered to the point which it had attained in the fifteenth century, when through the agencies of the guilds, which were labor partnerships, labor was far better paid than at any time in the history of the human race. The progress to this conclusion was in his mind slow, as it has been in mine. Nevertheless, in a paper which I submitted to the church congress in 1878, I announced this conclusion and discussed the probable results to society. This paper I shall append to these remarks in the RECORD.

The proposition can no longer be successfully disputed that for the welfare and improvement in the condition of the workers for wages the principle of association in labor partnerships or trades-unions is indispensable, and offers a solution of the perplexing problem of the proper relations of capital and labor. But before this great solvent for human suffering can be applied, industry must be relieved from its shackles, and its products be freed from obstructive duties, which add to the cost so as to prevent free exchange.

HOW TO BEGIN THE REFORM.

Mr. Chairman, how would I begin this great reform? How would I bring about this magnificent policy, this redemption of the sons of toil from the servitude of ages? I believe that the protective system must go [applause], but it must go as it came, slowly, and by such wise and moderate steps as will commend themselves to the judgment of all fair-minded men.

To abolish protective duties at once would ruin me, it would ruin the manufacturers, it would dislocate the labor of this country now engaged in the protected manufactures. We have no right to inflict this wrong. Hence, with the views I entertain, I have not hesitated upon all occasions to confirm the statements of gentlemen upon the other side that this reform must be made slowly. I warn my friends upon this side not to proceed rashly. I warn them that any mistake they may make will be taken advantage of by the manufacturers to put down wages, and to persuade the workmen that we are their enemies, and not their friends.

There is only one method by which we can accomplish this great result. Remove duties where it is possible—and there is plenty of room—without injuring existing interests, and then the steady progress in the improvement of the condition of the working classes, especially in their regular employment, without loss of time, which is what they want now more than high wages—this steady progress will convince the workmen that we are on the right road; and particularly will it convince them when they find that in the day of profits their trades-unions will be powerful enough to demand a better and fairer share of the earnings of industry.

I would begin with the raw materials. Gentlemen on the other side are very fond of repeating that phrase. Let me tell them that they have a constituency behind them that wants raw materials just as much as I do. Let me tell them that the manufacturers of New England are today perishing for the want of raw materials.*

And I know what I mean by "raw material." Gentlemen have chosen to pervert my definition of that phrase. I have defined it and I will define it again. For the purpose of tariff reform I mean by raw material those articles to which no process of manufacture has been applied.

Mr. SPRINGER. Or human labor.

Mr. HEWITT, of New York. I do not say that. There are many raw materials which involve human labor; all of them, I believe, involve human labor. I would permit duties to begin when the process of manufacture has begun, not before. All the others I would put on the free-list, and I would put on it such manufactured articles as we do not make in this country. Of these tin plates is the most striking example.

And I know nothing that would suffer unless it be the wool of my friend from Ohio [Mr. CONVERSE]. I do not believe it will suffer, but there is one class of wool which might be put on the free-list without any damage to the interest here represents. I mean carpet wools. Then I would limit duties. I would not have those excessive rates of duty which contradict the sense of justice of every man upon the Commit-

* No tax can be worse than that which is levied on a raw material, because, as a portion of the capital of the manufacturer is absorbed in paying the tax, and as this portion must secure a profit and be insured against risk not less than that which is employed in the purchase of raw material and the advance made for the wages of labor, and as this tax is levied at or before the commencement of the process, it will ramify through all stages of the manufacture, and appear as one accumulated impost to the consumer, the amount thus paid being far in excess of that received by the exchequer.

Furthermore, it is grossly unfair, being much more heavy on cheaper than on dearer stuffs. Nor can it easily be compensated when the same article may be imported from foreign countries in which no such tax exists, except by a duty which is almost prohibitive. And as raw materials are generally imported from countries which take manufactured goods in exchange, such a tax, as it diminishes consumption by an import duty unduly enhanced, seemingly impairs or counteracts foreign trade. The same objection applies to taxes on food, which are in effect taxes upon the raw material of human life. These taxes have this evil in addition: that they contribute to the exchequer only from what is imported, while they mulct the public in all that is consumed.—Thorold Rogers, *Brand's Encyclopedia*, article "Taxation," volume 3, page 710.

tee on Ways and Means. I would have rates beyond which no article on each schedule could go.

Then I would go before the people of the country and say: "We have begun the work of redemption; judge you 'the tree by its fruits.' Are you better employed? Have you steadier wages? Have you more of the comforts of life? If you have, then let us go on with the good work."

If it should turn out to be otherwise, then, Mr. Chairman, I would pause. I am not bigoted and prejudiced as once I was. I can be converted from opinions which I once held by the logic of facts and experience.

Mr. BRUMM. Will you allow me to ask a question? Your time is unlimited.

Mr. HEWITT, of New York. But my voice unhappily is not.

Mr. BRUMM. Only one question. Would the gentleman be in favor of repealing the conspiracy laws of this country?

Mr. HEWITT, of New York. Absolutely.

Mr. BRUMM. As they are in England?

Mr. HEWITT, of New York. Absolutely. They are a disgrace to the statute-book. I will go with the gentleman from Pennsylvania or any one else to the very end in giving the laborer the same rights before the law that he has before his God. I would deprive the workman of no right which is enjoyed by his employer, but I would not allow him to injure his employer or other workmen by intimidation or violence. My grievance against the protective system is that it robs him of at least half of what he might have had, and probably of two-thirds of what he will have when the era of free trade prevails throughout the universal globe, and men and brothers may make exchanges with each other as if they were all the subjects of one government and one law. [Applause.]

HOW TO PROCEED.

Believing as I do that we have reached an era of permanent low prices, which will greatly benefit the masses of the people if we accommodate ourselves to the necessities of the situation, nevertheless I would proceed slowly, especially at the beginning, toward their accomplishment. I would follow the great example set us by Great Britain, which, in the legislation of the tariff of 1842, proceeded upon the doctrine: first, of freeing raw materials from duty; secondly, of a low rate of duty upon articles partially manufactured and of a higher rate of duty, there 20 per cent., but here necessarily higher upon completely manufactured articles. No interest would be injured by the application of these principles. The freeing of raw materials would be a benefit to every interest.

I have been reproached with desiring to get free iron ore, on the ground that I am a buyer of it and use it in my business, but the fact is that I rarely buy foreign iron ore, but am a miner and seller of American ore. I am fully protected against any differences in the cost of labor by the cost of transportation. I should be a gainer, however, by the larger market which would be secured to me if I could mix my ores freely with foreign ores. The result would enable us to produce cheaper iron, which would give new life to every branch of business in this country. The same statement is true as to the other ores of the metals. It is true as to ingot copper, which is a secondary product, for we are now able to export our copper in competition with all the world. The duty is a mere nullity and should be repealed, because if copper should rise in the markets of the world it would simply be a bonus paid out of the pockets of our consumers to a particular interest which has no need of it.

THE RESULT.

But, in view of the fact that public opinion is not yet well settled upon this question, and that the prejudices of the manufacturers and farmers and workmen are largely on the side of the protective system, I would not attempt to go as I have heretofore said, in advance of public opinion. I would begin at the foundation, and by removal of duties from the materials which enter into the protected industries, prepare a way for the gradual and final abolition of the duties upon the finished products. At every step of this process the condition of the workingmen of this country would improve, and when they once realize the beneficence of the progress toward free trade, the journey will be soon completed, and the United States will be emancipated from a system which is at war with the declaration of the preamble of the Constitution of the United States, which declares that it is designed "to secure the blessings of liberty to ourselves and our posterity."

THE FINAL TRIUMPH.

The progress of the human race toward freedom has been slow and painful, but it has been sure, and in accordance with a well-defined law, now clearly traceable, in the history of man. It began with the struggle for freedom of thought, for the attainment of which we have to thank the Greeks. Although during the long night of the Middle Ages the light of intellectual liberty paled, and often took refuge in prisons and cloisters, it was never extinguished, but burned with new brilliancy in the era of the revival of learning. To-day a man may freely think, write, and publish the results of thought without the fear of man, and, if he choose, without the fear of God.

The next step in the great procession of the ages was the achievement of religious freedom, asserted by Luther, and sanctified by the

blood of saints and martyrs. Liberty of conscience drove our fathers to the inhospitable wilds of America, where in its turn it gave birth to political freedom, the next creation in the Genesis of human liberty. The child grew, even in our free atmosphere, but slowly and only reached its full maturity when the proclamation of the martyred Lincoln gave political freedom to every human being, without regard to color, race, or previous condition, within the borders of our land.

Industrial freedom only remains to be secured in order to complete the glorious record of the advance of the human race from servitude to liberty. For such industrial freedom we have now entered upon the final struggle. To the student of history the result can not be doubtful. It may come by moderate reforms, as I hope, or it will come as comes the avalanche, overwhelming and crushing the obstacles in its path. It may be attained by reform, or it may come by revolution.

But when it is achieved the world will be lost in wonder at its beneficent results, in comparison with which the triumphs of intellectual, religious, and political liberty, which were its necessary progenitors, will be but as dust in the balance of advantage to the physical and social welfare of the families of men.

Let us try then to form some idea of what will be the actual condition of the human race, when the temple of freedom is thus completed with its final story of industrial liberty, to which it will be glory enough to have contributed a single stone, as I am striving this day to do.

The world will be filled with wealth, partly the accumulations of past ages, and more the product of the present age, when the genius of man has made him master of all the subtle forces of nature. Capital will be superabundant, and therefore cheap. It will be like the living water which the prophet of God struck from the rock. But capital will then be the servant, and no longer the master, of labor. Labor will no longer be hired by capital, but will hire it. It will no longer work for wages, but for profits, which will be proportioned to the natural resources of each country, without deduction for the support of special classes of men, or for the advantage of special interests at the expense of the general welfare. All privilege will cease, and all men will be equal before the law, as they are before the Creator. They will differ only in physical and mental endowments, and each will be paid according to his work. Men will become more and more individualized and the property of each will thus be better defined and scrupulously respected; but the divine law that "we shall love our neighbors as ourselves" will then receive a new significance, because the force and habit of association in great industrial enterprises, wherein men have a common interest, will teach them to bear each other's burdens, as well as to respect each other's rights.

In such a state of society there will be still rich and poor, there will still be good and bad, but with the law of justice all-powerful, and legalized robbery unknown, jealousies will disappear, charity will increase, and the world, ceasing to be a pandemonium in which men are struggling with each other like demons for the possession of property, will become a paradise in which the primal curse has been converted into a final blessing.

This is no dream of an enthusiast, for I am a plain man of business, nor is it an excursion into the realms of Utopia, for I have been trained to weigh and measure the results of human action. It is a sober deduction from the study of the operation of the principle of association, which has crowned this age with material achievements of stupendous grandeur and beneficence, which is invading and taking possession of every domain of human affairs. It has already begun to organize labor for its emancipation from the bondage of ages, and it will be found as easy of application, and as fruitful of benefit, in this final field of action, as it has been triumphant and beneficent in other spheres of social development. [Great applause.]

APPENDIX.

A.

BUSINESS DEPRESSION AND REVENUE REFORM.

A letter addressed by Abram S. Hewitt to the Albany Argus, December 26, 1883.

NEW YORK, December 26, 1883.

DEAR SIR: I am in receipt of your letter, in which you say: "The Argus is now engaged in an inquiry into the causes and effect of the present depression of the iron industry. It is especially desired to be known what relation this state of things bears to existing tariff conditions." You ask my opinion in reference to these points.

I answer that the proximate cause of the present depression of the iron industry is to be found in the fact that the capacity for producing iron is in excess of its actual consumption, not only in this country but in those foreign countries which are large producers of iron and steel. When the supply exceeds the demand prices fall. Establishments which can not produce at the current prices without loss are compelled to suspend operations, and thus comes the actual depression to which you refer. The ultimate causes of such a state of things are unusually manifold; sometimes they are too obscure to be discovered with certainty. For example, the influence of abundant harvests or of a failure of crops upon the general condition of industry is unquestioned. Yet these very causes may produce prosperity in some branch of business while they produce depression in others. So in regard to the influence of tariff legislation. If duties are suddenly raised at a time when there is a demand for the foreign product, prices will go up and the iron business will be prosperous. If on the other hand duties are reduced so as to admit of a larger supply of the foreign product, the domestic business will be for the time being unfavorably affected and depression will result.

These, however, are only immediate and temporary effects. As a matter of fact, prior to 1878, under the highest tariff ever known in this country, we had

a long period of depression in the iron business. But about that time railway enterprises were undertaken on a large scale, producing a sudden demand for more iron and steel than the world was prepared to supply. Prices advanced all over the world, and to these prices was added the very high rate of duty then prevailing upon foreign iron brought into this country. The profits of the domestic business became excessive, and the owners of existing works proceeded to enlarge their capacity to the utmost, in order to gather this harvest of great profits, while new capital was attracted into a field in which the returns were known to be abnormally large. The business being thus overdone, a glut of iron resulted, and the reaction has brought about a state of things even worse than that which existed prior to 1878.

The evil from which we now suffer is, therefore, largely due to the fact that the war tariff imposed higher duties than were needed for protection, thus giving excessive profits to the manufacturers in a period when the profits would have been large enough without such high protective duties. We are suffering from unnatural stimulation which aggravated the excitement when the public interest required that it should be allayed, and now aggravates the depression by the excessive capacity for production which it engendered. How long this depression will continue no man can predict. But inasmuch as eras of prosperity and depression succeed each other in cycles, it is certain that sooner or later we shall come again to the period when the demand for iron will exceed the supply. Unless our revenue legislation be meanwhile reformed we shall then have a repetition of the experience through which we passed since 1878, an experience which shows that excessive profits are in reality of no real benefit either to the manufacturers, except in rare instances, or to the country at large, while the evils resulting from them are serious. They are especially injurious to the workmen of the country, who are the chief sufferers when the inevitable reaction to unnatural expansion narrows the field of employment for labor.

The lesson to be derived from this experience is that the duties on all kinds of iron should never exceed the lowest possible point which, in time of depression, will protect the domestic market from the flood of foreign iron which otherwise might be poured into its lap. Such rates of duty, provided they are specific, will on the average yield the largest amount of revenue, because when the price rises and the producer no longer needs protection, the consumer, who does need protection, can then supply his wants at a fair price in the foreign market without paying an increased duty, if he can not get equally fair terms at home.

Moreover, the experience of all commercial nations has shown that moderate specific duties afford the only safeguard against frauds in the revenue, as well from smuggling as from undervaluation in the invoices. The blind adherence to ad valorem duties in our existing tariff has only served to throw the importing trade into the hands of foreigners and to drive out reputable American houses from this business.

The reduction of extra-protective duties to a reasonable standard of specific duties is therefore the only practicable means of avoiding an unhealthy expansion of business when it is active. Extra-protective duties merely result in overproduction, in the general derangement of industry, and in consequent suffering to the workmen by the loss of employment and the reduction of wages. They must be made to realize that the only fund out of which their wages can be paid is produced by the money which is received for the product of industry. Out of this fund must first be paid the cost of the raw material and next the remuneration for the capital employed in the work of production. What remains is the amount available for the payment of wages. Hence the cheaper we can get raw materials and capital the more we can pay for the labor engaged in manufactures. High rates of interest and high-priced raw materials mean therefore lower wages for labor, while cheap raw materials and cheap capital mean higher wages for labor. The workmen thus have an interest, direct and immediate, in removing the duty from raw materials, as well in the iron business as in every other branch of industry carried on in this country. By raw materials I mean fuel, all food products, all materials to which no process of manufacture has been applied, all metallic ores, and all waste products which are fit only to be manufactured.

So far as any relief can be provided by legislation for the existing state of affairs the remedy must be found, first, in freeing raw materials from all duties; and, secondly, in imposing rates of duty on manufactured products not more than sufficient to make good the difference in the amount paid for labor in the production of any given article in this country, as compared with the amount paid for the same labor in other countries with which we compete. For this purpose the incidental protection afforded by revenue duties will, as a rule, be found sufficient when any protection is needed.

I am aware that this last proposition involves the protective idea to some extent, but to no greater extent than is the logical outgrowth of our past legislation. If we had never had protection we should not be required to pay any attention to the question of rates of labor, which are the result, not of protection, but of other conditions entirely independent of legislation. But the protective system has undoubtedly built up some branches of industry which otherwise might not, in consequence of the higher rate of wages, have existed. Inasmuch as this is their misfortune and not their fault, no sensible legislator would strike these industries down by the sudden abrogation of the protective system. We should, nevertheless, endeavor gradually to reduce its evils to a minimum, until in the progress of time it shall have given way, under natural laws, to a better and sounder condition of affairs.

But in this assurance of inevitable progress there is to be found no justification for the further maintenance of duties which only tend to reduce the wages of labor without conferring benefit on any interest whatever; duties which only impair our ability to sell commodities in the open markets of the world, and hinder the natural and healthy growth of business. All such unnecessary and hurtful obstructions should be removed without delay, and it will be a mockery of duty if Congress should fail to open the way to "freer trade" and wider markets for our products through any fear of consequences to politicians who have not the courage of their convictions, or have no other convictions than the desire for office. The mere politician follows public opinion; the true statesman instructs it. His constant aim should be to make clear to those who depend upon their daily labor for their daily bread the real basis upon which their welfare rests, and then to trust to their intelligence and votes for support. Success on any other condition would be dishonor. Any party which expects to get power by playing the game of "hide and seek" in politics does not deserve and will not gain the confidence of the country.

The only living issue, then, between the two great political parties which divides the country, as I understand it, is this: whether the revenue system shall be reformed and upon what basis of principle it shall be settled.

The Republican party believes in the doctrine of protection for the sake of protection. It insists that protective duties are constitutional, and are necessary in order to insure to the workmen a fair remuneration for their labor. It would, therefore, impose duties as nearly prohibitory as possible on articles produced in this country, and as a policy make free those articles which are not or can not be produced here.

The Democratic party insists that the Constitution merely provides for the imposition of duties for revenue, and not for protection, except so far as duties so imposed necessarily afford incidental protection; that protective duties can not and do not favorably affect the general rate of wages; that legislation is powerless to permanently increase the remuneration for labor, although it may seriously impair it; that protection can only divert labor and capital from more profitable into less profitable channels of industry. It recognizes, however, the fact that the protective system has been so long in force and is so entrenched in judi-

cial construction as to make it idle now to raise the constitutional question; that the amount of capital and labor now engaged in the protected industries is too great to admit of any legislation likely to do them any real injury; that the only reform now possible is in the reduction and removal of duties which are no longer needed to insure their continued existence; that these excessive duties are in reality obstructive to their prosperity; that duties on raw materials should be removed, because such duties constitute a practical deduction from the wages of labor. If the question were an open one the Democratic party would prefer to raise the public revenue by duties imposed upon articles not produced in this country, and trust to natural laws for the development of its industries. But the question is foreclosed by the great extent of the protected industries, replacing dead industries which otherwise would have thriven.

The Democratic party recognizing the necessity, therefore, of reforming the tariff in such a way as not to deprive these industries of the incidental protection afforded by reasonable revenue duties, insists that the protective system shall not be enlarged, and believes that moderate duties producing, on the average of years, a sufficient revenue, are adequate for protection at the only times when protection is needed—that is, in bad times, when our foreign competitors would seek to get rid of their surplus product in our markets, which, considering that an idle population is the greatest social calamity, we must then preserve, in order to give employment to our labor engaged in the protected industries; that at all other periods extra-protective duties merely give excessive profits to one class at the expense of other classes, ending in overproduction, stagnation of business and irregular employment for labor, powerless to protect itself against the errors of legislation and selfish action of capital striving for unreasonable profits. The condition of the business of the country at this time is conclusive proof that the protective system can not relieve either labor or capital from the consequences of overproduction, which is its legitimate result.

Between the political parties representing these two opposing views the country is soon to make its choice. The Republican party offers no remedy for the policy which has produced the existing paralysis of industry. The Democratic party proposes to open the way to freer markets, fuller trade, and better wages, by abolishing the duties on raw materials and removing the purely obstructive features of the tariff. If the Democratic House shall frame and pass a judicious measure of revenue reform, carefully adjusted to the actual condition of our suffering industries, and the Republican Senate shall refuse to concur, the issue will be fairly joined. The people can then decide whether the do-nothing party now in power shall be replaced by an administration which will remove the artificial barriers to healthy progress. When this is done, and not till then, will the country realize that it is no longer an infant at nurse, but a veritable giant, only requiring "ample room and verge enough" for the free play of its vast energies.

Sincerely, yours,

ABRAM S. HEWITT.

B.

The Mutual Relations of Capital and Labor, a paper read at the church congress, in Cincinnati, October 18, 1878, by Abram S. Hewitt.

The three cardinal and unchangeable facts of humanity are the individual, the family, and society. There is and can be no other basis for government or religion. The fundamental characteristic of the individual is personal liberty; of the family, love; and of society, justice. Personal liberty implies equality of rights and contains the germ of individual property, while justice implies its equitable distribution; and this distribution can only rest upon the axiom, To each according to his work. The problem, therefore, presented to systems of religion and schemes of government is, to make men who are equal in liberty—that is, in political rights, and therefore entitled to the ownership of property—content with that inequality in its distribution which must inevitably result from the application of the law of justice.

In the solution of this problem, all the ancient religions and governments absolutely failed. Briefly summed up, their progress was either from equality of property under the patriarchal system, or from equality of political rights under the early and rude democracies, into despotism in which no rights were respected, involving the almost total destruction of civilization, and ending in the long night of the Middle Ages. With the Christian religion, and the governments which have been based upon it as a foundation, the results have been directly the reverse. Christianity co-ordinates the individual, the family, and society into one harmonious scheme. It addresses itself to the personal conscience only, and its whole scope and efficacy is toward the development of the individual in all directions—physical, intellectual, and moral and spiritual. But the necessity for association in order to achieve results is not merely enjoined, but is the cardinal principle upon which the Church itself is constituted. Individualism and association thus go hand in hand in the march of progress; and it is a most suggestive fact that in ancient times no considerable development of industry was ever achieved, and the reason is that either the energies of the individual were deprived of free play, or society was so organized that men could not work together in peace and harmony.

Looking back over the eighteen centuries since the Christian doctrine was first preached, it is not difficult to discover the methods by which its results have been accomplished; but to one of the apostles looking forward into the centuries which have now passed it was impossible to comprehend or to predict by what means Christianity would work out its beneficent purpose. So, throughout the whole course of its history, its most devoted adherents, its ablest expounders, have not only mostly failed to discover its drift, but have frequently resisted its march of progress, as we now see, toward the successive steps by which it is developing itself into the fullness of its beneficence.

Let two illustrations suffice to prove this proposition. If individual liberty is to be maintained, then government must rest upon the consent of the governed. To this proposition is opposed the principle of the divine right of kings to govern; and yet until within a century this theory was maintained by the ablest men in the Church. Nevertheless, the right of the people to govern themselves asserted itself by silent and irresistible progress, based upon the growing convictions of mankind, until at last the whole theory of a divine right to govern was overthrown in a cataclysm of blood at the close of the last century.

And so with personal slavery. When Christ began to preach a large portion of the human race was in bondage. He incited no insurrections. On the contrary, He counseled obedience to the law. Nevertheless, He preached a doctrine which of its own innate power has sufficed, by slow and silent growth, to undermine the foundations upon which the right of property in man was upheld, and in our own day and generation the last stronghold surrendered; and henceforth the equality of men as to political rights will not be seriously controverted. And yet, during the 1,800 years which have been required for the accomplishment of this result of Christian doctrine, many of the ablest and best men in the Church resisted the operation of that silent law, which has at length secured to man the liberty with which Christ intended to make him free.

These primary steps in the Christian scheme, namely, the establishment of the right of men to govern themselves and to own and control the fruits of their own labor, may thus be said to have been only completed in our own day.

GROWTH OF WEALTH.

With the recognition of these rights has come a vast increase in the amount of wealth, which it is the object of society to accumulate and distribute. This

growth in wealth is, so far as we can judge, the direct result of the physical, political, and mental enfranchisement of man. His energies, now for the first time unshackled, have penetrated into the boundless storehouse of nature, captured the invisible forces which have heretofore guarded her treasures, and subjugated them to the service of the human race. But whether it be due to this cause or not, it is a fact that the growth of wealth has been contemporaneous with the enlargement of personal freedom.

The question of the distribution and ownership of property has always been one of primary concern to the human race, but when property is suddenly and enormously increased in amount the question assumes a proportionably increased importance and is surrounded with increased difficulties. Even if it be admitted that the existing system of distribution at any given time is equitable, it does not follow that upon a sudden development of wealth from new sources and by new agencies the old methods of distribution would continue to be just.

Hence controversies are inevitable. In ancient times these controversies resulted in intestine war and the destruction of government and society. In Christian times these controversies have not resulted in social disintegration; but, on the contrary, the social forces have been steadily developed and strengthened. The explanation of this difference is to be found in the fact that Christ based the organization of society upon the principle of justice, and whatever differences may have existed as to what justice requires, the conscience of society has come more and more to recognize the fact that it is to be done at whatever cost to vested interests, and the progress of society shows conclusively that there is a steady advance in the direction of justice.

LABOR AND WAGES.

The difficulties of the situation are, however, enormously increased by the fact of the comparatively recent enfranchisement of so large a portion of the human race. They have achieved liberty, but they have not inherited property, which is the fruit of liberty. The principles upon which they are to receive their share of the results of human effort have not only not been defined, but they have only begun to receive attention. Until the modern development of industry the compensation of labor had but little reference to what the laborer might produce. The slave, the serf, the bondsman, was fed and clothed, and when freed he inherited the custom of being fed and clothed. Hence what may be termed the custom of wages was based upon what the laborer required to keep him in a condition for efficient labor. Anything beyond this limit he could get only from the conscience of his employer or by the force of his own will. The power of isolated men to resist and overcome the force of custom is very slight. No radical or even appreciable change can be effected except by a union among those who believe themselves aggrieved. In other words, the principle of association must be invoked in order to produce any marked departure from prevailing practice.

THE CONFLICT.

Given, then, a state of things in which the wealth was in the hands of one class, who necessarily became the employers of labor instead of being its owners; and the muscular power in the possession of another class, possessing nothing besides muscle, and who, out of the common results of the employment of capital and labor, obtained only a bare subsistence, notwithstanding it was apparent that there was a steady increase in the amount of wealth, which, instead of being equitably distributed, was all appropriated by the employing class—it was inevitable, as it was just, that a struggle should arise to enforce a different ratio of distribution.

What is known as the conflict between capital and labor has thus a natural origin, and so far from being a subject of regret, it is to be welcomed as evidence of a healthy and growing vital force in the organization of society. It is an effort to correct an abuse; for, however ready we may be to admit that there must be inequality in the distribution of property proportioned to the contribution of each individual to its accumulation, no one has ever pretended that the entire surplus should go to one class at the expense and to the deprivation of another class. I know that natural laws are relied upon by the economists to effect this distribution, and I am not prepared to say that these natural laws might not assert themselves by some other methods than those which we find adopted by the contending forces of society. My purpose is rather to show the way in which the problem is being solved, and to insist upon it that this particular way is not to be resisted and objected to because the abstract thinkers of the world would prefer some other method.

STRIKES AND LOCKOUTS.

What is the method of solution which we find in process of execution? The working classes think they do not receive their fair share of the proceeds of productive industry. As individuals they ask for more. The demand is refused. They combine; they call themselves a "trades-union." As a union they ask for more. The demand is again refused. They decline to continue to labor; in other words, they strike. Capital ceases to earn profit, and labor ceases to earn wages. Capital can feed upon itself for a time. Labor can not. The strike fails, and labor has made no progress in obtaining what it believes to be its just rights. Labor takes a lesson from capital. It saves money from its scanty earnings as a reserve fund to sustain itself while in a condition of strike. Then, when sufficiently strong, it repeats the experiment. Sometimes it is successful, and sometimes it is not. The reserve is generally exhausted before success is achieved, and labor falls back, sullen, defeated, but resolute. The lesson of association is not lost. The unions in different trades combine and make common cause with each other, and when one union goes into a strike the others assist. Thus they become a great power, and capital at length comprehends that profit can no longer be realized except by the consent of labor, and labor comprehends that while it can deprive capital of profit, it can only do so through an amount of personal suffering which tries the human heart to its utmost capacity, because it addresses itself to that love which is the foundation of the human family, and is a co-ordinating element in the constitution of society.

Up to this point the progress has only been attended with evil, just as the progress of mankind toward free government, and toward the enfranchisement of men was by a pathway strewn with the wrecks of human hopes, and marked by sacrifices and calamities which no pen can describe. But one good result has been achieved. Labor is thoroughly organized and marshaled on the one side, while capital is combined on the other; each powerful to destroy the other if they work together in harmony. The contending forces are thus in a condition to treat. The great result achieved is that capital is ready to discuss. It is not to be disguised that until labor presented itself in such an attitude as to compel a hearing capital was not willing to listen, but now it does listen. The results already attained are full of encouragement; the way to a condition of permanent peace appears to have been opened.

CONCILIATION AND ARBITRATION.

The first step was taken about fifteen years ago, when the principle of conciliation was successfully adopted at Nottingham. Conciliation necessarily led to arbitration, and as the direct result of conciliation and arbitration the necessity for strikes has been very largely diminished, so that it may now be affirmed that while strikes still take place they are the exception and not the rule. Let it not be supposed, however, that conciliation and arbitration are other than transitional means for bringing about the ultimate relations of peace and harmony which must exist between capital and labor before the vast evils which accompany modern industry can be eliminated or materially circumscribed.

Before attempting to point out the road which the law of Christian progress seems to be taking in this direction, I desire to re-enforce what I have already said in regard to the power of trades-unions, singly and in combination, by a few figures. The strongest of the trades-unions in England is the Amalgamated Society of Engineers. They were organized in 1851. They have passed through many strikes. Sometimes they have failed and sometimes they have succeeded. They began with an accumulated fund of £1,700. The growth of this fund has varied, as a matter of course, with the demands which have been made upon it to sustain the members of the union during a strike; but the practical result is that in 1876 the fund in hand amounted to over £275,000, and the number of members, which began with 11,617, had risen to 44,578. The Society of Boiler-Makers and Ship-Builders in ten years have accumulated a fund of £45,000. The Society of Carpenters and Joiners in sixteen years have accumulated a fund of £74,000. At the general trades-union congress held at Leicester, in 1877, one hundred and twelve of these Unions were represented, with a membership of 691,089 persons.

These figures make it apparent that a new power has entered into the industrial world which must be recognized. It is also apparent that this power can not be destroyed by force or violence unless society be destroyed with it. It must be heard. Its just demands must be heeded. This is the voice of reason as well as of religion.

WEALTH AND CAPITAL.

What are these demands, and how far are they just? In order to answer this question we must penetrate a little deeper into the true nature of what is called the conflict between capital and labor, and we must define what we mean by capital. All wealth is not capital. So far as this discussion is concerned, and so far as regards the conflict of which we are speaking, capital may be defined to be that portion of the wealth of society which is employed in the work of production and distribution. Outside of this portion of human wealth there is a vast fund which is otherwise employed, in ministering to the wants, the luxuries, the tastes, the charities of mankind.

Now, when a strike takes place it is in fact a contest between the laborers and not labor, on the one hand, and the employer, and not capital, upon the other hand. In fact, the employer is not always, nor indeed in the majority of cases is he, the owner of the capital which he uses. Sometimes he owns none of it. It may be all borrowed; and as a matter of fact some of it, to the extent of the current wages due and unpaid, is always borrowed from the very men whom he employs. No conflict, therefore, between capital and labor ever really takes place, nor indeed is it possible for it to occur. Between the individual who labors and the fruits of his labor there can be in the nature of things no conflict. The very object of his labor is to acquire these fruits, which we call capital, and the possession of this capital is necessary for increasing the productiveness of his labor. If this be true of any one man, it is true of all the men who make up society. Therefore, whether the individual or society be considered, there is no antagonism and there can be no conflict between capital and labor. The utmost that can happen is that they each cease to earn anything. Great suffering always results to the laborers, and very often ruin to the employer; and yet so far as labor and capital are concerned, while they are paralyzed for the time being, they are not capable of rendering anything to each other but benefit. Still, there is a conflict going on—a conflict which the employer, as a rule, is powerless to mitigate, and which may ruin him, although he be the owner of no capital. In other words, the employer is often the victim of circumstances over which he has no control, and of an antagonism which he rarely understands.

What is it that labor really aims to accomplish? It is to transfer to itself a larger portion of the proceeds of the business. If it succeeds, this portion must be taken either from the capital itself or from the profits of the business which have heretofore been appropriated to capital. It can not be taken from the capital without either impairing the ability of the employer to pay wages or compelling him to suspend business altogether, in which event labor fails utterly to attain its object. If, therefore, a concession is made by the employer which impairs the capital and he continues business, the impairment must be filled up from some outside source, and that source can only be that portion of human wealth which was not previously employed in the work of production and distribution. If, on the other hand, the demand of labor is met out of the profits, then the amount conceded is taken from that portion which would have been transferred from capital to this outside fund. In either case, therefore, the result is to withdraw a portion of the outside fund not in use as capital, and transfer it to labor. The conflict, then, is a struggle for the ownership, not of active capital, but of that portion of the wealth of society which is used for other than productive purposes. In its essence, therefore, the conflict is between riches and poverty, and an attempt to change the existing ownership of wealth.

RICHES AND POVERTY.

We are thus brought face to face with the great underlying question whether property is equitably distributed. What are the facts? We find society practically divided into four classes. First, the very rich, who live without labor upon the proceeds of realized property, with superabundant means which they are free to employ either as capital in business or to minister to their own desires, whether commendable or censurable. Second, the great middle class, who know neither poverty nor great riches, who are as a rule engaged in useful employments, who have more or less of the comforts and luxuries of life, and who are above the reach of want. Third, the industrious working classes, who possess little property, but who gain a decent livelihood for themselves and their families by their daily labor. They may be said to be poor only in the sense that they are liable to be reduced to want by sickness or by the chances and changes of business depriving them of the opportunity to work. Fourth, the paupers, who neither work nor care to work.

If the first and fourth classes should cease to exist, humanity would not have cause to shed many tears. The problem, then, which society finds itself forced to solve, is engaged in solving, is the mode of getting rid of these two extreme classes without revolution and without injustice. The relations of the second and third classes would be readily adjusted, because the transition from one to the other is not only very easy, but very constant. The ties between them are often the ties of family. Their interests are identical, and their relations to each other are such as can be and are substantially regulated by the principles of justice. As between them, it is scarcely necessary to discuss the limitations of wealth. But when we come to consider the position of the very rich, we are met by the self-evident fact that they possess and control an amount of property which is far beyond the capacity of any class of human beings of their limited number to contribute by their own efforts to the sum total of human wealth. In fact the present possessors have rarely accumulated the fortunes which they control. The possession of superfluous riches will not stand the test of human justice; and in affirming this I only repeat the conclusions to which the greatest thinkers and the best men who have ever lived have invariably been driven. But even if it were not re-enforced by such authority, it is in accordance with the whole spirit and temper of the teachings of Christ himself. He nowhere condemns the ownership of property. On the contrary, when he tells us that the poor we shall have always with us, He expressly recognizes that there will be inequalities in the ownership of property. He states it as a fact. But He nowhere says that we shall always have the rich with us, and the spiritual danger of great riches is repeatedly enforced.

I use the word "rich" as the Savior used it—in the sense of the possession of

superfluous wealth. I do not pretend to say what is superfluous. It is not necessary for this discussion, nor do I think it will ever come within the province of legislation to decide that question. I think it will be settled by the action of causes now in operation, by which a larger portion of the accumulated wealth of society will be transferred from the class of the very rich to the class of the industrious poor, and that the struggle which we call the conflict of capital and labor will slowly and surely effect this transfer by the gradual growth of a better understanding between employers and employed, out of which will gradually come a different ownership of capital from that which now obtains.

CHANGE OF OWNERSHIP.

How can this change of ownership be effected? Already the employers and the employed meet upon the equal ground of open discussion. Already they endeavor to persuade each other to conciliate opposing interests. Failing in this, they arbitrate, and, in order that the arbitration may be just, the employers at length produce their books of account and submit their ability to pay to the decision of a fair tribunal. On the other hand, the workmen are free to proclaim their grievances and to assert their rights. They submit them to the arbitration of reason; they accept the award of the tribunal; and it is to their everlasting honor that in no single instance have they ever refused to abide by the award. Having got upon the common ground of free and open discussion, it is not a difficult step to reach the ground of joint ownership. As business is now organized, the workmen do not participate directly in the profits, but they have a first lien upon the profits; in other words, they must be paid before any surplus remains for capital. If they desire to participate in profits directly this prior lien must be given up, and its abandonment will demand far greater intelligence on the part of the workmen than they have yet displayed. But they are rapidly advancing in all the qualities which go to form the basis of intelligent action. Better elementary education and larger privileges in the exercise of the elective franchise, and the acquisition of political knowledge and sound economic principles through the agency of night colleges, mechanics' institutes and workmen's clubs, will soon prepare the way which will lead them to make the temporary sacrifice required to effect the great change in their social status which must inevitably attend the ownership of capital.

I shall be told (and I fully appreciate the force of the objection) that there are great difficulties in the way of associating employes in the ownership of the business in which they labor. So long as human industry is mainly controlled by individuals or firms composed of individuals, and so long as the laws impose individual liability upon all the partners for the acts of any partner, it will be impossible to associate a miscellaneous mass of workmen in the ownership of the business. But in England the old legislation has been entirely reformed, with the view to admit of such joint ownership upon almost any terms that may be agreed upon. In this country we need additional legislation, but in both countries there is one fact which points the way to an easy solution of the whole question, and that fact is the enormous growth of corporations for the conduct of industrial enterprises.

CORPORATIONS.

Here, again, I detect one of those unseen agencies which so often in the progress of Christian development have been opposed, deplored, condemned by the best and wisest men, and yet go on gaining in spite of opposition and resistance until they absorb the whole field of action. Although it is not fifty years since the first industrial corporation was organized, to-day corporations control more than half, if not two-thirds, of the manufacturing business of the world. It may be therefore assumed that the corporate principle is a necessity for the development of society and for placing its products upon a basis of equitable division. To attack corporations, therefore, as is still the fashion, is, so far as I can see, to attack that phase of human organization which offers the best promise for the advancement of the working classes. Of course corporations are liable to abuses, and in the early stages of their existence they assume powers which they should never possess. They develop evils, just as strikes have produced great suffering, although the end is seen to have been beneficent. Such evils are incident to progress under all circumstances.

The most conspicuous example is to be found in the introduction of machinery, which has conferred benefactions upon mankind quite beyond the possibility of estimate. With the growth of machinery has come the displacement of labor and the growth of pauperism, evils almost intolerable, and yet by no means comparable to the greater evils which would spring from the abolition of machinery, the result of which would be universal pauperism. Because new agencies produce evils we must not lose sight of the greater good of which they are capable, and which in reality they accomplish. Now the corporate principle is the only one which admits of the association of labor and capital upon the basis of an ownership distributed among those who contribute either capital or labor. Such an ownership is indispensable not merely to harmony, but to the achievement of the largest possible results and the equitable distribution of the products of human industry.

JOINT OWNERSHIP.

This division of ownership must, however, spring not from charity, but from mutual interest. The present owners begin to see that profits are impossible on the existing system, and labor is becoming sufficiently intelligent to understand that it must rely for compensation upon what the business can afford to pay. But until labor becomes an owner it never will understand the capacity of the business to pay. Heretofore great fortunes have been achieved mostly by monopoly of some sort or other, but the days of monopoly are now numbered. Even secrets are no longer kept, and the monopoly of a secret is limited by the duration of the patent. The exact condition not only of any particular business, but of business of all kinds, is now generally understood, and will become more and more the common property of society. In no respect is the influence of the press more potent than in this direction.

Henceforth the great object to be aimed at in the industrial world is rather steadiness and stability of business than excessive or spasmodic profits. When those who labor also become interested as owners it will be easy to adapt the business to the conditions required for steady work; and the habit of association, not only between workmen and employers, but between different organizations engaged in the same kinds of business, will go far to mitigate the evils of the competitive system, by placing checks upon reckless production involving sales at a loss, and by united efforts to extend the markets through the promotion of increased consumption. In fact, increased consumption will necessarily result from the greater intelligence and improved condition of the working classes. It is idle to deny that self-respect usually increases with the possession of property. Property is a humanizing and refining agency. Increased production means lower prices, and lower prices mean increased consumption; and thus there is an entire harmony between the two agencies which are most concerned in the improvement of the condition of mankind.

In order that this joint ownership may be brought about, it is necessary, first, that the employers shall see that it is to their advantage to encourage the workmen to become interested directly in the business; and, secondly, that the workmen shall take the necessary steps to become owners. This they can only do by abstinence, which is the parent of capital. They must save in order to have. Their capacity for saving is far greater than is generally supposed, even out of the scanty earnings which they receive in times of depression. It is a matter of record that in the Schulze Delitsch organizations in Germany the workmen who have become the owners of those successful and wonderful institutions, founded on the principle of "self-help," saved out of

their small gains as much as 40 per cent. for a series of years together; and when one reflects upon the vast expenditures of the working classes in all civilized countries for tobacco, liquor, and other indulgences, which, to say the least, are productive of no advantage to them, it is easy to see that in a single year a large fund could be accumulated for investment in business enterprises, and that in a generation the whole capital invested in industrial undertakings might be transferred to the wage-earning class.

THE MISSION OF THE CHURCH.

How are these results to be hastened? That they will come in the ordinary course of society I do not doubt, any more than I doubt the fatherhood of God and the brotherhood of man. But the Church and its ministers, and above all its intelligent laymen engaged in affairs, can hasten the good time coming by efforts to enlighten both those who employ and those who are employed; to point out that though these are evil times, yet they are not so evil as the times which have gone before; that there has been a steady, irresistible, unmistakable progress in the amelioration of the condition of mankind and the relations of men to each other; that the industrial strife which has been so conspicuous in our day, instead of being an indication of the decay and disintegration of society, is the evidence of progress toward a better state of things; and that the questions presented, although difficult at first, grow clearer and clearer day by day, and are advancing to a solution which should comfort the patriot, console the philanthropist, and encourage the Christian.

I am aware that the unrest and agitations which prevail throughout the Christian world have caused great anxiety and apprehension in the minds of good men, amounting almost to despair of the future of the human race. The growth of communism is cited as a discouraging omen for the future, but I have said enough to show that communism is not possible in the Christian scheme as it has been developing itself for the last eighteen centuries; that the growth has been altogether toward individualism, and individualism being secured, toward that kind of association, and that kind only, which preserves the individual right to liberty and property. Some point with despair to the depressed condition of modern industry, and conclude that the social structure is about to fall. They cite the excess of commodities which has been produced by the association of capital and labor, the lack of employment consequent thereon, and the widespread suffering which unquestionably prevails, as evidence that civilization is a failure. The fact is, that the energies of man have been almost altogether directed to the work of production. They have heretofore had no occasion to consider the question of proper distribution. In the nature of things the question of distribution can not become pressing until there is a very great surplus of production to be divided.

Society, in reference to commodities, is to-day in precisely the situation in which China and India find themselves in regard to food. There is a famine in portions of those countries, although there is a surplus of food in other portions adequate for entire relief. Between the two, however, there is no proper means of communication or distribution. This was formerly the case in Europe; but food famines in Europe are now unknown, because channels of communication have been opened in all directions, and to-day England imports two-thirds of all the food which she consumes, and yet is under no apprehension for the future. So in regard to commodities there is an industrial famine prevailing in one portion of society, an absolute want and destitution of those very commodities which are in great excess in other portions of society. In other words, we have the very rich and the very poor. Surely if man is equal to the task of distributing food he is equal to the task of overcoming the causes which lead to such industrial famines. The work in either case is the same—that of distribution; and I have endeavored to show that this problem has already presented itself as the great question of the age, and that it is in process of solution by the agencies of association between workmen and employers, to be carried farther into more intimate association as copartners not merely in production, but in the division of the proceeds of their joint labor.

The evils, therefore, under which the world suffers are incidental to its progress, and in fact compel progress. Indeed, it would not be difficult to show that the evils in any one age are mainly produced by the remedies which society has adopted to cure the greater evils of a previous age. In other words, the evils are transitory, the benefits are permanent, and the result of the whole is to place humanity upon a higher plane of intelligence, justice, and consequent happiness.

CONCLUSIONS.

The points which I have sought to enforce are, that the great question now pending is the equitable ownership of property, and that no ownership which does not conform to the principles of justice will be tolerated by society.

That the present distribution of wealth does not conform to the principles of justice.

That distribution has been undergoing a change during the whole Christian era, and that this change has been to distribute the ownership more and more over the great mass of society; in other words, that of all the wealth of the world there is a larger percentage to-day held by the majority of mankind than at any previous period in the history of the world.

That this progress toward a more equitable distribution must result in the diminution of great fortunes, the improved condition of the poorer classes, and the consequent extinction of pauperism.

That the conflict between capital and labor, which has assumed such prominence in our day, resulting in strikes, conciliation, and arbitration, is a healthful but transitional stage toward a more intimate and beneficent association of capital and labor through the corporate principle.

That in the nature of things it would seem that corporations must continue to grow and absorb the great bulk of the business of the world, but that these corporations will be organized upon a distribution of ownership among those who are engaged in them, so that in the end the business of the world will be conducted by men in association with each other, each being directly interested in the ownership of the enterprise in which he is engaged.

That the result of the better understanding thus produced will be such an economy in the work of production as to cheapen commodities and extend their consumption, whereby the condition of mankind will be greatly benefited, and the resources which are now utterly wasted in the strife between capital and labor, resulting in strikes and lockouts, may be appropriated toward the creation and maintenance of funds to insure the working classes against the temporary evils which are necessarily produced by the introduction of machinery and the dislocation of labor from causes over which they have no control; that society owes indemnity in such cases to the industrious poor, and that the principle of life insurance, adopted already by the British Government, points out the methods by which such indemnity may be provided, not only without imposing additional burdens upon the producing classes, but that such a provision will be a measure of positive economy, extinguishing pauperism and largely reducing the necessity for public charity.

I am not disturbed by the objection which will be made to some of my positions, that they are at war with the received principles of political economy. Political economy deals only with one side of human experience—the laws of the production and distribution of wealth. It is founded upon observation, experience, and reason. Just as Christianity has assumed various phases in different ages of the world, so political economy will vary in its conclusions with the changes of society. Christianity, addressing itself to the moral nature of man, is the prime mover in producing these changes. Political economy must therefore follow and not lead Christianity, and will conform itself to the con-

clusions at which society arrives in its progress toward a permanent moral order. What that moral order will be no man can pretend to predict, but that there is a procession toward it all men can see; and political economy takes its place among the elements which go to make up that procession, and its truths, when finally ascertained and settled, will be found to conform strictly to the higher laws which bind man to his Maker by the great bond of love.

Finally, there is one consideration which must never be lost sight of. If during the last hundred years there had been no industrial development, the questions which now stir society to its foundations would never have forced themselves on public attention. It is the marvelous improvement in the condition of the human race during the present century which has brought into prominence and created the necessity of dealing with the evils which in previous ages passed unnoticed or were accepted as inevitable. The very growth and abundance of wealth make the inequalities of its distribution more apparent. The standard of conscience has been raised with the standard of comfort. The conflicts between labor and capital are more intense because there is more to contend for. Privilege slowly but surely recedes before the advance of knowledge. The question, "By what right?" penetrates the very heart of power, and is no longer answered by the plea of tradition. Thus at length the way is opened for the amelioration of humanity by growth instead of by revolution, and henceforth society will take no steps backward. Moreover, we can see, it may be as "through a glass darkly," that the methods by which the possibility of peaceful progress has been reached are in accordance with a divine order, not to have been predicted, but to be clearly seen as it develops results, and points the way to new triumphs of justice. The soul of man is thus cheered with hope, and at the same time taught humility, as it is admitted to glimpses, dim and shadowy though they be, of the beneficent plan and purposes of Him who

"Moves in a mysterious way
His wonders to perform."

ABRAM S. HEWITT.

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Mr. WARNER, of Ohio. Mr. Chairman, I said yesterday in reply to the inquiry of my colleague [Mr. HURD] that the Morrison bill is not in harmony with the Ohio platform. That bill proposes a reduction in the rate of duties, but does not propose a reform in the tariff. Will the proposed reduction in the rate of duties result in lessening the revenues? In my opinion, Mr. Chairman, the reduction proposed will more likely result, through increased importations which it will invite, in an increase of the revenue, so that instead of accomplishing the desired object of relieving an overflowing Treasury, about which we hear so much, this bill will rather add to the surplus complained of.

But, Mr. Chairman, before I proceed to discuss the principles of the Ohio platform and its relation to the bill before us, I propose to reply to some of the arguments which have been made on this side of the House in the discussion of this bill. In these arguments I find two assumptions; in other words, I find that nearly all the arguments which have been made in support of the bill rest almost entirely upon two propositions, both of which I believe to be fallacious. The first of these is that to the extent a tariff raises the prices of manufactured products in this country, to that extent it amounts to a tax, levied by the authority of the Government, upon one class, called consumers, for the benefit of another class, called producers.

The distinguished chairman of the Committee on Ways and Means [Mr. MORRISON], in his opening speech on this question—a speech which bears the fullest evidence of close thought and guarded statement—has taken that ground. The gentleman from Texas [Mr. MILLS], in a speech indicating extended research, argues from the same standpoint. My other friend from Texas [Mr. WELLBORN], in a very strong and logical argument, has also based his reasoning upon the same premises, and logically pushed his conclusions to the farthest limit. The gentleman from Georgia [Mr. BLOUNT], a member of the committee, in an able speech, while not carrying his conclusions quite so far, nevertheless apparently accepts without question the same doctrine.

This and the second assumption, that it is the tariff which prevents our manufactures from going into foreign markets, also form the basis of the eloquent speech of my colleague [Mr. HURD], and this, with its finely wrought periods, as well as the arguments of all gentlemen founded upon these two propositions, must fall if the propositions themselves are found to be erroneous.

On the other hand, I will frankly say that if these assumptions be true, then there is no defense of any degree of protection. If by raising the price of goods manufactured in this country over foreign manufactures by a tariff, we are lending the power of the Government, which is the power of all, to enable one class to spoliage another, then there can be no justification for protection at all. If that is the necessary effect of a tariff, revenue should be raised in some other way. Even a tariff for revenue only, if with it the right of one class to levy a tax upon another is necessarily joined, as gentlemen assume it to be, then I go further than they, and say that such an exercise of the powers of Government would be wholly unwarranted. But is that true? Let us see. In order to bring out in the clearest language what this theory is, I will quote from the Treasury report of Robert J. Walker, of 1845, where this doctrine is clearly and forcibly stated. This report, too, is evidently the source of most of the arguments of those who have advocated this theory, at least they conform to and agree with the statement of the doctrine as contained therein.

Mr. Walker says:

If the marshal were sent by the Federal Government to collect a direct tax from the whole people to be paid over to manufacturing capitalists to enable them to sustain their business or realize a larger profit, it would be the same in effect as the protective duty, which, when analyzed into its simplest elements and reduced to actual results, is a mere subtraction of so much money from the people to increase the resources of the protected property.

This is the doctrine, fairly and clearly stated. And this doctrine is

the foundation of all the speeches on this side of the House against the encouragement of productive industries at home. Now let us see whether this doctrine be true or not. If true, then how do you justify a tariff at all? If a tariff of 45 per cent. results in an indirect tax on the consumer paid to the producer, of \$550,000,000, as charged by the gentleman from Illinois [Mr. SPRINGER], or of \$972,000,000, as claimed by the chairman of the Committee on Ways and Means, or \$1,073,000,000, as given by the gentleman from Texas [Mr. WELLBORN], or \$450,000,000, as claimed by my colleague [Mr. HURD], as paid by the agricultural classes alone, then a tariff for revenue only, which would probably be about a 15 per cent. rate, if it had any effect in keeping up prices—that is, afforded any protection—must result in an indirect tax, levied in the same way by one class upon another, in proportion to the tariff rate.

Now, how do the advocates of a tariff "on a revenue basis" justify lending the powers of Government to enable one class to tax another to the extent of even \$100,000,000, or \$200,000,000, or \$300,000,000, or at all? When you have justified that, then you have justified the principle, which is all any monopolist can ask; but you prove too much. No such tax is necessary and no such tax is justifiable. To lend the powers of government to one class to enable them to spoliage another is subversive of the foundation principles of our Government and of all just government. The truth is, the theory itself is fallacious and mischievous—mischievous as the old mercantile theory which dominated Europe for more than two hundred years, during which period, J. B. Say has said, more than fifty years was spent in wars arising out of this strange delusion which blinded statesmen and made enemies of nations.

So this fallacy of indirect taxation is the one delusion which, more than anything else, keeps up dissensions and prevents the settlement of the tariff question upon true economic principles.

Now let us examine the grounds of this theory that a tariff is necessarily accompanied by the transfer to one class of the power to tax another.

The tariff on iron and steel undoubtedly tends to raise to consumers the money price of iron and steel, and the prices of all articles manufactured from iron and steel in this country, over the prices of such articles in England. But who are the consumers? Everybody; those engaged in the manufacture of cotton and woolen goods, hemp, jute, and flax goods, earthenware and glassware—in short those engaged in the production of everything included in the list of what are termed the protected industries, as well as those engaged in the professions and in agricultural pursuits.

Now, if the rate of duty is equal—and that is the principle laid down in the Ohio platform—I say if the duty is equitably proportioned, then the producers of each class pay to the producers of every other class, on what they respectively consume of each others' products the increased price resulting from a tariff. Benefits and burdens become reciprocal. The effect is merely to vary the level at which goods are exchanged. Can the producers of cotton and woolen goods, and the laborers in those industries, say to the manufacturers of steel and iron, "The Government authorizes you to levy on us a tax, and we have to pay you a bounty whenever we buy any of your products?" Would not the manufacturers of steel and iron goods turn around and say, "Ah! but when we buy cotton and woolen goods of you, do we not also pay a higher price in consequence of the tariff duties?" And does not this principle of mutuality run through all the protected industries? My friend from Illinois [Mr. SPRINGER], I am sure, will agree with me so far. Then you are driven to the position that the only class that pays this indirect tax is the class not engaged in any industry which is directly affected by a tariff; for it is clear enough that in all the protected industries it is but an adjustment of prices to a given scale. It is simply this and nothing more. It is like trading a horse worth \$200 for a yoke of oxen worth \$200, instead of a horse worth \$100 for a yoke of oxen worth \$100. The level at which prices are thus adjusted is not the same level, it is true, that would exist were there no tariff, or if the whole world were admitted to the competition that determines this level; but the relation of things one to another may be the same at one level as at another.

But how is it when we come to the agricultural and other classes?

Mr. SHAW. Allow me to interrupt the gentleman.

Mr. WARNER, of Ohio. Certainly.

Mr. SHAW. Is the horse you speak about protected?

Mr. CHACE. Yes, 20 per cent.

Mr. WARNER, of Ohio. Yes, nominally, at least. But I will come to that in a moment. Is the law of adjustment to which I have referred limited to the protected industries, or does it extend to agriculture and other employments as well? It is a law of capital that it flows always from industries and business where profits are low to industries and business where profits are higher. Labor also moves from industries in which wages are low to industries in which wages are higher.

Let me give the generally accepted statement of this well-known law of political economy, which is as well settled as the law of gravity. Adam Smith says:

If in the same neighborhood there was any employment evidently more advantageous than the rest, so many people would crowd into it that its advantages would soon return into the level of other employments.

John Rae says:

Profits far exceeding the usual rate of profit can scarcely ever be drawn, for any time, from any employment.

Laveleye states the law in this language:

Profits will tend to a uniform level in all the different industries, inasmuch as enterprising men of business, furnished with fresh supplies of capital, engage in such industries as offer any unusual returns. This leveling process, however, is never accurately effected, since the fluctuations of industry and trade cause perpetual variations in the rate of profits. * * * The truth of the matter is rather that profit, being also the reward of labor, will rise and fall simultaneously with wages. Where large profits are made the workmen can and ought to be well paid. In the United States profit and wages are high. In the states of Western Europe they are both much lower.

Except then where there is or can be monopoly the tendency is to equalization in profits of capital and wages of labor in all industries. These movements are not, of course, without much friction. There is greater attractiveness in some kinds of labor than in others. Special fitness and skill are required in some, and wages vary accordingly. So capital will usually accept lower profits with increased security. But that there is a constant tendency to equalization in the distribution of profits of capital and wages of labor is an admitted law of economic science.

Nor is this equalizing tendency limited to special industries, but extends to all industries and all employments included in the same industrial system, except, as I have said, where monopoly has power to prevent competition. As an illustration of this tendency to equalization, some of my friends here know that capital in large quantities has been flowing from the manufacturing districts in the East during the last ten years to the agricultural districts of the West. It has gone into cattle-raising and wheat-growing. Why? Because these employments furnish better security and larger profits than the manufacturing industries, for new capital. Capital has been flowing in these and other directions, and equalization in this way has been going on between manufacturing industries and the agricultural industries. Of course capital is timid and moves cautiously, but nevertheless the leveling process goes on through all forms of investment.

The gentleman from New York [Mr. HEWITT] who has just taken his seat admitted in reply to my question, that the profits on capital invested in many manufacturing industries, and especially those in which he is concerned, were so small that it would be better for him to loan his money at 5 per cent. And when asked where he would look for a field profitable enough to enable the borrower to pay 5 per cent. interest, he said he would go to the farm-owners of the West. Thus, while my colleague argues that the tariff takes annually \$450,000,000 from the farmers and gives it to the manufacturers, his colleague on the committee, who agrees with him on this bill, says that agriculture is so much more profitable than manufacturing that they can pay 5 per cent. on capital that can not be profitably employed in manufacturing. I am sure my colleague [Mr. HURD] is not right, and I do not think the gentleman from New York is quite secure, either, in his position.

But where protection is carried so far as to permit prices in any industry to be raised above the adjusted level of labor and capital in the country, even though it may not directly constitute a monopoly, nevertheless it conduces to monopoly for the benefit of those engaged in it until home competition restores the general level; and if competition, from any cause, is prevented from operating, then the monopoly continues. But I say it is only where monopoly exists, only where power is given, or from any cause exists, to exclude competition, limit production, and prevent equalization, that the principle of indirect taxation operates; that is, in case of monopoly only; under this one condition and under no other, I say, is an advantage given to one class over another by a tariff. Monopolies, however, may exist from other causes than a tariff, and usually do exist from other causes. But whenever a tariff is so levied as to permit the existence of monopolies it does operate as an indirect tax levied on one class for the benefit of another; it does then turn over the power of the state to enable one class to collect a bounty from another, which is an unjustifiable exercise of the powers of government. But I repeat, sir, that only when the condition of monopoly exists does the evil complained of exist, and I shall show before I close that the Ohio platform carefully guards against that condition and distinctly draws the line against monopolies in any form.

Mr. SPRINGER. Let me interrupt the gentleman to ask how much of this tariff will Ohio agree to take off to prevent or break up the monopolies?

Mr. WARNER, of Ohio. Ohio is willing to take off all that is necessary to do that, and I am glad my friend asks the question. I will, however, come to the question of tariff reduction presently, but I will say here that I want a reduction of taxation, but by such an adjustment of the tariff as will cut down the rate which sustains monopoly, but not where any industry would be hurt by it. That is what I want.

Mr. CHACE. You do not want a horizontal reduction?

Mr. WARNER, of Ohio. No, sir; I do not. I want a better adjustment of the tariff than now exists.

Mr. MORRISON. Please tell us just what you would like to have. [Laughter.]

Mr. WARNER, of Ohio. If the gentleman will listen to me I will explain in a very few minutes to his satisfaction, I hope, what I want and what his bill does not give.

Mr. McMILLIN. Will the gentleman permit me to ask him a question?

Mr. WARNER, of Ohio. I will, with pleasure.

Mr. McMILLIN. If you do not support the pending bill, or if the proposed bill does not pass, will not the abuses that you complain of in the way of the inequality of burdens still remain; while if it passes will it not curtail the abuses?

Mr. WARNER, of Ohio. No; they will continue and in some respects possibly be made worse than they are now.

Mr. McMILLIN. But if the bill does not change the basis of taxation, and that I understand to be your complaint against it, will not the basis remain the same as it would under the Morrison bill, but with this difference, that under this bill, if passed, they pay a moderate duty, whereas under the present law the duty is a high, protective one?

Mr. WARNER, of Ohio. I will answer the gentleman. In the first place you will have more revenue under this bill than you have now; that is one thing; then on some things duties already low enough will be reduced below the difference in the cost of production here and elsewhere, to the great injury of our own industries, while duties much too high will still remain relatively high.

Mr. SPRINGER. But if they continue under the Morrison bill, then according to your theory the lower the duty the greater the monopoly; is not that it?

Mr. WARNER, of Ohio. Oh, no; I beg the gentleman's pardon. The gentleman has not understood me.

Mr. BRUMM. The lower the duty the greater the importation of foreign manufactures.

Mr. SPRINGER. But I understood the gentleman to say that under the Morrison bill these monopolies were still continued.

Mr. WARNER, of Ohio. Undoubtedly, though possibly not to the same extent throughout, but in some things the disproportion will be greater. But I shall refer to this again when I take up the Ohio platform.

Mr. SPRINGER. But you said to a greater extent.

Mr. WARNER, of Ohio. I was answering another question then, and the gentleman did not understand my position, perhaps.

But, Mr. Chairman, before proceeding to discuss the Ohio platform I desire to finish my argument on the indirect tax or bounty question.

Mr. WOLFORD. May I ask the gentleman a question?

Mr. WARNER, of Ohio. Certainly.

Mr. WOLFORD. If the Morrison bill will not be as great a monopoly and do as much harm as the present tariff, why not go for the Morrison bill?

Mr. WARNER, of Ohio. I will show the gentleman before I am through. But I wish now before taking up anything else to push this doctrine of indirect taxation to its legitimate conclusion, and for that purpose I quote from the speech of the distinguished gentleman from Illinois, the chairman of the Committee on Ways and Means, in which he says:

The census value of manufactures for 1880 was \$5,369,579,191. The wages paid in making them were \$947,953,795. The difference in cost of goods is said to be the difference in the cost of wages. But suppose the difference between the cost here and the cost abroad amounts to all the wages paid here, then these manufactures would cost abroad \$4,421,625,396. Suppose the average rate of duty which the bill before the House leaves at 33 per cent. was reduced to 22 per cent., and at that rate this \$4,421,625,396 in value of goods was imported. It would cost the importer at that rate of 22 per cent., \$972,757,587, which not only makes up for the difference in wages but exceeds all the wages paid for making all the goods.

He says in substance, if I understand him aright, that there would be a saving of \$972,757,587 if we bought our manufactured products abroad instead of producing them at home; in other words, that the tariff compels the consumers of these products to pay \$972,757,587 more than they otherwise would have to pay.

My friend from Illinois [Mr. SPRINGER], in an article last summer in the North American Review, calls it an "incidental" tax and places it at \$550,000,000 a year. To show his understanding of the question I quote the following:

I have based my estimates upon the rates of duty imposed by the tariff law of March 3, 1883. If I have erred in any way it is in placing the amount of incidental taxes too low. The people of the United States have been subjected to a burden of at least \$550,000,000 every year for the past twenty years, making an aggregate of over eleven billions of dollars, not one dollar of which went into the national Treasury.

My colleague [Mr. HURD] in his speech yesterday placed this bounty at \$450,000,000 as paid by the agricultural class alone. I give his language as reported in the Post this morning:

What was the effect of the ruinous system on the farmer? It increased the price of all articles which entered into his daily consumption, and this increase amounted to an annual sum of \$450,000,000. For this there was absolutely no compensation in the protective system.

The gentleman from Texas [Mr. WELLSBORN] figures up a much larger sum. He says:

To summarize these figures, the tariff yielded to the Government in 1880 a revenue of \$186,522,065, while it exacted from the people over and above what the Government received \$1,073,915,738. In other words, for every dollar of revenue that the tariff carried into the Treasury it placed in the pockets of the manufacturers \$5.77.

Some gentlemen have put it much higher than this even. I do not wonder that they differ so widely; they are all traveling in a circle, and some seem to go around it more times than others. But let us take the

estimate given by the gentleman from Illinois [Mr. MORRISON], and push it to its logical conclusion and see how we come out. Let us take round numbers, and to give the advocates of this theory the benefit of every advantage in their argument, take our manufactures at \$5,000,000,000, and suppose the tariff to be the cause of \$2,000,000,000 of that. Then suppose some foreign country would make us the proposition to furnish all these commodities laid down in our markets, as they are laid down by our own manufacturers, for \$3,000,000,000. You gentlemen would say there would be a clear gain of \$2,000,000,000, would you not? Ah! but there are always two sides to a bargain. On one side is the sale and on the other is the payment. Now, how will you pay for the \$3,000,000,000 worth of goods? What with? Not with gold, for we have not enough to more than begin such a payment. Nor with the kind of goods you buy, certainly. If you stop your manufacturing industries and buy your manufactured goods from abroad, what, I ask again, will you pay with? With agricultural products? If you do that you must turn your millions to agriculture to produce your supply. Then at what price will you turn over agricultural products in payment? At present prices?

Ah! if you could do that you might come out all right; at any rate, the argument would be on your side; but you can not do that. The world took from us altogether \$800,000,000 of our products, last year of which 90 per cent. were agricultural products. Would they give the same prices for twice as much? Would they for three or four times as much? By no means. There are some old statistics applicable here. Gregory King, an old authority often referred to, showed that in England, in the same market, a decrease of 10 per cent. in the wheat crop raised the price in that market 30 per cent.; a decrease of 20 per cent. raised the price 80 per cent.; while an increase of 20 per cent. lowered the price 40 per cent.; and that to double the quantity of a commodity suddenly in the same market often diminished the price three-fourths. England took of us last year 75,000,000 bushels of wheat at about \$1.15. Would she take 150,000,000 bushels at the same price? At what price, then, do you suppose she would take 500,000,000 bushels in the same season? At what price would England take double our cotton crop?

But we must pay for these three thousand millions of goods with agricultural products of some kind, and at such prices as they or the world will give for them. It is not necessary to follow this reasoning further. I think I have gone far enough to show how, when you have furnished agricultural products in quantity sufficient to pay for the three thousand million dollars' worth of manufactured goods, you will come out in the trade. You could not sell the quantity of farm products necessary to pay such a sum in the markets of the world at a price that would not bankrupt the country. There are, then, two sides to a transaction of this kind, the purchase and the payment, and the agriculturist would find that in the end for the same commodities, taking the aggregate, he would have to give twice as much and perhaps three or four times as much of his labor or of its products for the same goods, if we had no manufactures at home, and farm products had all to be sent across the ocean to be exchanged for goods. After one experiment of this kind I think our agriculturist would agree with Jefferson that the manufacturer should be placed beside the farmer and with Adam Smith, that "whatever tends to lessen the number of artificers and manufactures, tends to diminish the home market, the best of all markets for the rude produce of the land, and still further to discourage agriculture."

Individuals may buy in foreign markets at low prices and sell at home at high prices; but millions can not, and nations can not trade in that way; and here is where our friends have made their mistake. Individuals can go abroad and trade in that way, but the whole country can not. So that the law governing the distribution of capital and labor and the equalization of prices extends not merely to the protected industries, but to all the industries of the land. It extends as well to

Those who gather in the golden grain,
And those who fling it to the winds like rain,

as to those engaged in the other industries of the country. It includes everything in the same industrial system.

Another point, before I come to the Ohio platform, and it is a vital one in the arguments on the other side, and hence I dwell somewhat upon it. Our friends who argue for free trade, or a tariff for revenue only, say that what we want is to open the markets of the world to our productions. Gentlemen, they are open now. Tell me why you do not go into them?

Mr. SPRINGER. I can tell the gentleman why we do not go to Mexico, if he will allow me.

Mr. WARNER, of Ohio. If it will not take too long.

Mr. SPRINGER. Before the Mexican treaty was made (it is not confirmed yet) a firm of wagon-makers in the State of Indiana, anticipating the ratification of the treaty, sent a thousand wagons to the Rio Grande for the purpose of shipping them into that country. When they got them there they found that the duty on them was \$40 a wheel, or \$160 a wagon. The rate was prohibitory, and the wagons still remain on the banks of the Rio Grande waiting for the confirmation of that treaty before they can be taken into the markets of that country. It is restrictive laws which prevent trade between nations; remove those restrictions and trade will spring up.

Mr. WARNER, of Ohio. You may find an isolated instance of that kind, and one prejudicial to us, perhaps, although the bar against us is

no higher than against other countries who would be our competitors in the Mexican market, and what is best for Mexico I will leave for Mexicans to say. I ask you why we do not go into the world's markets now? I will tell you why. It is because we are not willing to sell the commodities we produce of the same kind and class that are produced in other countries at the same prices at which other countries will sell them. In other words, we are not willing to give as much labor, or the produce of as much labor, for a given price as some other countries are willing to give.

My colleague [Mr. HURD] said yesterday that he wanted the manufacturers of this country to have the benefit of the markets of the world for their productions. You can go into the markets of the world with your productions and sell them there when you can lay down in those markets what you take there at as low a price as they can be laid down in the same market by any other country, and not till then. [Applause on the Republican side.]

You will have to deliver your hundred yards of cloth in Brazil as cheaply as England will deliver it there, or you can not go there and sell such goods. On what conditions can you deliver your products there as low as anybody else? On these conditions and these alone: that all the conditions of production shall be as favorable, everything as low in this country as it is in any other country with which we must compete. Not merely the raw material which my friend from New York [Mr. HEWITT] wants to have free, not merely the buildings and the machinery employed in production, but every element that enters into production must be as low here as there, and that includes labor. Yes, besides having material as low and all other conditions as favorable you must have labor as cheap too, or else you can not go there.

There is this exception: if in the production of any article of commerce you have any natural or acquired advantage which is not possessed by any other country, then your labor need not be reduced to the level of labor elsewhere. If there is any natural advantage, I say, or any specially acquired advantage, the result of genius, skill, invention, or machinery, then you will not have to reduce the pay of labor to the level of labor abroad in order to get into other markets. In that case your advantage—superior skill or whatever it may consist of—will let you into other markets, and leave to labor a better reward.

But we must remember that England is our equal in nearly all these things, as far as they relate to manufactures, so that we will be able to go into the markets of the world with our manufactured products when we economize in their production as her manufacturers do; when we take as little profit on capital as they take; when we have materials as cheap as they have, and when we reduce our labor as low as they do, and not till then. [Renewed applause.]

And the counterpart of that is, that with free trade, goods produced at the least cost—that is, with the lowest profits on capital and the cheapest labor—will come into our own markets, and our own producers can sell here only when they can produce and sell as cheaply, and that will be when capital can be had at as low interest and labor at as low wages, and under no other conditions can manufactures, under free trade, hold our own markets, except when they possess some natural or specially acquired advantage.

My colleague [Mr. HURD] said yesterday he wanted a laborer here when he had earned his \$2 for a day's labor, to have the privilege of spending it in the market in which he could buy the most. But does he suppose a laborer can long sell his labor in one market at a high price and buy the produce of another's labor in another market at a low price? One laborer, to be sure, may do it, but can a million? Who will be the buyers of the labor of a million men at high wages here, if he must sell the produce of their labor at the same price that the produce of another million cheaper laborers in another country is sold for? He would have fish swim in the air and birds fly in the sea. Or could any other class depending upon earnings, or the professional class, continue very long to receive the same reward for their services as now if they ceased to take in exchange the products of others at a corresponding price? Only those having fixed incomes would continue to receive the same while permitted to buy for less. This is the one class to be benefited by cheaper labor and lower prices.

I tell you, gentlemen, this is a question of industrial systems. I said a few moments ago that in all the industries of the country there is a tendency to equalization by leveling up or leveling down; so there is; but this so far operates only in the industries belonging to our own industrial system. Within this system there should be absolute equality of rights, and so far as government is concerned, of opportunities; but when it comes to a question between our system and other systems, the public welfare, which is the interest of all, rises superior to the interest of any one. But it is one thing to equalize the many industries in our own system and quite another to equalize our social and industrial system with the social and industrial systems of other countries. Let me call the attention of the committee especially to this question, for it is of the utmost importance. I should be, with my friend and colleague [Mr. HURD], a free-trader if all the countries of the world had the same industrial system, the same social organism, with the same freedom from class and caste; the same liberty of the individual that we have. But that is not the case. The social systems of most countries of the world are very different from ours, and so are their industrial systems.

The industrial system of England is what it is because her social sys-

tem is what it is—an aristocratic class, owning the land, a middle class, a laboring class, doomed forever to be a laboring class, with only enough set aside from what they produce to keep them in existence. Allied to England and the British system is India with her 365,000,000 of population, divided by law and immemorial custom into castes, with a vast labor population kept at the lowest level of existence and too frequently not above starvation.

On the other side of us are the Mongolian hordes, with a social system which has come down through innumerable generations. Their industrial system includes also vast masses of laborers accustomed to live on the least amount of food that will support life. A few years ago we passed a law to prevent this population from coming into this country to occupy it. We said if they are permitted to come here, without restriction, they will supplant, take possession of, and occupy the land that should be reserved for a higher civilization. We said it was not for the interest of humanity to try to graft our civilization on Chinese stock, or to turn over a part of this continent for the cultivation of a Mongolian civilization. We determined rather to preserve it for the growth and development of our own race.

The House has before it now a proposition to prevent the importation of contract labor, and I think the time has come when it were well to consider where the gain lies, either to ourselves or to humanity, in adding such elements to our population. But if we open our doors to free trade are we not taking a step which must result in the end in lowering our laboring population to something near the level of laboring classes in monarchical and aristocratic nations? I hold that it is not possible to put our industrial system in competition with such as these without immediate loss to ourselves and the permanent injury of our social and industrial organizations. They will have power to drag us down, not we to lift them up. Free-trade writers admit this.

Professor Cairnes says:

The influence thus exerted by changes in the demand for commodities may be operative on an international scale, and may thus affect the average level of wages throughout an entire community (the world); the gain, however, to the country profiting by the movement being always compensated by a corresponding loss incurred by some other country or countries.

Would it pay us, then, to give to the world the advantages of our markets for the poor privilege of reducing the cost of production, including wages of labor, that we may compete in other markets thousands of miles away? For, as I have shown, that is the only condition on which we can go there. Shall we establish this equation of trade and thereby equalize the industrial system of this free country with the social and industrial systems of the worst forms of tyranny that exist in the world?

For these reasons, Mr. Chairman, I am opposed to free trade. I believe in the policy of preserving this continent, the fairest on the globe, for the development of the race now occupying it—the latest born of time, and along whose pathway of progress the light of all the ages shines. I want this land preserved for the children of this race, for I believe it capable of a higher and nobler civilization than any other. I am not willing, therefore, to see the virgin soil of this land converted into food products to be sold to other countries for what we really little need. In less than a hundred years our own population will have reached the limit of food supply; it will no longer then be a question of finding markets for food products, but finding food enough for the population that will then occupy this great country. We will be glad in that day to buy back the soil we have parted with for so little. Keep the continent, I say, and keep its richness for this population—our children and their children—who will soon enough fill its wide borders.

There will be need then also to have among us all the arts and industries known to men, and let us therefore preserve and support what our fathers thought fit to establish and encourage. Population, says J. S. Mill, dominates all other questions in political economy, and it will soon enough dominate all other questions with us.

There is another question I can not pass by without notice, since the gentleman from New York [Mr. HEWITT] who preceded me has made so much of it, connecting it, as did also my colleague [Mr. HURD] yesterday, as a principal cause of the present depressed condition of trade in the country. According to their doctrine it is overproduction, caused by the tariff, that is ruining manufactures, destroying trade, and reducing the people to starvation; and my colleague becomes alarmed over the discouraging prospect for the farmers unless the tariff is reduced—reduced on wool I suppose. He said, if rightly reported:

In that day—

And that day I understood him was close at hand—the farmers will be beggars in the midst of their own plenty, paupers by the side of their own golden-gathered sheaves. There is absolutely no relief except in making foreign markets for agriculture.

That is good. Farmers with bursting granaries beggars; paupers with full barns! I never met any of that kind myself. These are the farmers I look to for "square meals" when I am in the country. I can think of nothing more ludicrous than that, unless it be the idea somebody suggests, of rats starving to death in a wheat-stack. [Laughter and applause.] Overproduction the cause of distress and low wages!

Do these gentlemen mean to have us understand that there is a surplus of everything in the country? That would mean that we have too much wealth, more than we can divide up; or do they mean to say that we have supply but not demand? But that does not help

them; for nobody has the power of demand unless he has supply of some kind to offer; in other words, every one's supply is the measure of his power of demand, and supply and demand in the aggregate of things are necessarily equal. For every supply stands as a demand against every other supply. Of course there may be overproduction in a single industry and that industry would be depressed in consequence; and where there are but few industries in a country, and that country has to depend for a part of its wants upon others, then there may be overproduction in such a country. Hence the importance to any country of a diversity of industries. For where industries are widely diversified, although even then production may get out of proper proportion, general overproduction can not exist, for overproduction in all things, economists agree, is an impossibility. And yet overproduction, according to the doctrine of the gentleman from New York, is the great evil which is to sink the producing classes of the United States to the lowest depths of poverty, and the remedy is to stop production, or remove the tariff and let foreign cheaper products flow more abundantly into our market, for the poor privilege of competing with them in distant markets. Let me illustrate the fallacy of this doctrine of general overproduction in another way: Suppose on an island, separated from the rest of the world, there were 10,000 people having diversified industries, engaged in producing the things they need to supply their wants, which they exchange among themselves in a common market; then suppose somebody should persuade them that they were overproducing and that they would be better off if they produced but half as much; is it not clear that there would be but half as much to exchange, but half as much for each to take as his share? So in this country, if we stopped production and produced but half as much as we have been producing, would the market be any better? Would trade increase? In the end all trade is but the exchange of commodities, and the more there is to exchange the more each may have. Diminish it one-half and there is but one-half as much to trade on or to be divided.

Can wages be increased and production at the same time be decreased? Can you raise wages by lessening the quantity of things with which wages are paid? For wages are in the end paid from what is produced. The wage fund is in reality the share of the things produced that goes to labor; and if you reduce the total you reduce the share that labor gets. The greater the production to a given population the greater will be both the profits of capital and the wages of labor. But I do not deny that there may be a surplus of products of some kinds, or that there is not a surplus now. There are of some things but so much wanted. There are but so many heads, so many feet; and, of course, you may produce more hats and boots and shoes relatively to other things than are required; but what is wanted is more supply of another kind, which supply makes more demand. Demand and supply in the aggregate therefore are, as I have said, the same things. This doctrine is so well stated by Professor Cairnes that I will read his clear statement of it:

Demand, as a general phenomenon, can not exist without supply, and can not increase except in proportion as supply increases. This, I repeat, is fundamental in the theory of exchange, and all assumptions to the contrary must be regarded as baseless and absurd.

Again:

The illusion which I am combating, that demand and supply are independent economic forces, sometimes assumes another form in the notion that producers and consumers are distinct classes, and that production and consumption are acts which may go on irrespective of each other.

That production and consumption can go on irrespectively and that there is a producing class and a consuming class is not the case, at any rate, in this country, except the few living on fixed incomes; and this is the class that is clamoring for free trade, for it is to their interest to have the greatest possible amount of labor, or its product, to swell their incomes.

I turn now to the Ohio platform.

Mr. ADAMS, of New York. Before the gentleman takes up the Ohio platform will he allow me a question?

Mr. WARNER, of Ohio. I will allow any question if I only have the time to reply.

Mr. ADAMS, of New York. I understood the gentleman to say in his opening remarks that the only reason he opposed the Morrison bill was because it might increase the revenues of the country. I wish to know whether that is his only reason for opposing the bill?

Mr. WARNER, of Ohio. I beg the gentleman's pardon; I did not say that was the only reason. I said that would be the effect, and I am going on to show why.

Mr. BLAND. You would not object to increasing the revenues going into the Treasury if it was used to pay off the debt?

Mr. WARNER, of Ohio. Not if the surplus were used to pay the public debt. I would not object to a large revenue—that is, provided it were steadily and regularly paid out on the public debt. I am one of those who believe that one of the most important things to keep in view is the rapid and final extinction of the public debt. Is the gentleman from New York in favor of that?

Mr. ADAMS, of New York. I am in favor of the Morrison bill.

Mr. WARNER, of Ohio. I must confine myself now to the principles of the Ohio platform, which reads:

We favor a tariff for revenue, limited to the necessities of the Government,

economically administered, and so adjusted in its application as to prevent unequal burdens, encourage productive industries at home, and afford just compensation to labor, but not to create or foster monopolies.

The first principle is that the amount raised should be no more than is required for the legitimate expenses of the Government, including, of course, the payment of the national debt.

The next thing is the adjustment of the tariff so as to raise this revenue. In doing that by what principle shall we be guided? That is the great question. On what articles shall duties be levied, and at what rates? In determining this what shall be the governing principle? Shall it be simply to get revenue regardless of consequences? That is what I understand by a tariff for revenue only. Look only to your revenue, not to the consequences that must follow any tariff.

Does anybody suppose we can levy a tariff of \$200,000,000 on commodities without seriously affecting production, trade, and commerce? It is impossible. But the theory of a "tariff for revenue only" is, "Levy your tariff regardless of the consequences that may follow." Now, I say that is a blind man's tariff. It is a tariff without any intelligence in it.

Mr. SPRINGER. What business has the Government in the matter but to get revenue?

Mr. WARNER, of Ohio. Because public interests are involved. Our fathers recognized this fact, and since the gentleman has called my attention to this point, I will answer him in the language of a better Democrat than I can hope to be, or, I believe, than my distinguished friend from Illinois can claim to be. I will let the answer come from the same pen that drafted the clause of the Constitution which I will read:

Congress shall have power to lay and collect taxes, duties, imposts and excises, to pay the debts and provide for the common defence and general welfare of the United States.

In introducing the first tax bill into the First Congress of the United States, before the first President had been inaugurated, the very first measure that was discussed, Madison said:

There is another consideration. The States that are most advanced in population, and ripe for manufactures, ought to have their particular interests attended to in some degree. While these States retained the power of making regulations of trade, they had the power to protect and cherish such institutions. By adopting the present Constitution they have thrown the exercise of this power into other hands. They must have done this with an expectation that those interests would not be neglected here.

That is what Madison said, and I will let Madison answer the gentleman's question for me. And this act, introduced by Madison, when it passed contained this language:

Whereas it is necessary for the support of Government, for the discharge of the debts of the United States, and for the encouragement and protection of manufactures, that duties be laid on goods, wares, and merchandise imported.

That would make a good preamble now.

Mr. SPRINGER. How much were the rates of duty proposed in that bill?

Mr. WARNER, of Ohio. Oh, the principle is there, and that is what I am now considering. The Ohio platform does nothing more than announce the same economic principle which was well understood and acted upon by the fathers of Democracy for the first half century of the history of this Government. Its very language is borrowed in part from Madison, Jackson, and Jefferson; and it is nothing more, I say, than a statement of the doctrine which they well understood and acted upon; to prove which I will quote a little more, although I intended to confine myself in the time I have to the economic features of the question only. I will quote first some other things said by Madison in the debate on this bill. He says:

I presume that however much we may be disposed to promote domestic manufactures we ought to pay some regard to the present policy of obtaining revenue.

And that is what we think now. Mr. Clymer thought "encouraging manufactures and obtaining revenue" ought to go together. Madison said "he thought ship-building an object worthy of legislative attention." Mr. Hartley said:

If we consult the history of the ancient world we shall see that they have thought proper, for a long time past, to give great encouragement to the establishment of manufactures, by laying such partial duties on the importation of foreign goods as to give the home manufactures a considerable advantage in the price when brought to market.

And all through the debates on the first tariff bill there runs the expressed purpose of encouragement to productive industries at home.

In his seventh annual message Madison used this language:

In adjusting the duties on imports to the object of revenue the influence of the tariff on manufactures will necessarily present itself for consideration.

Washington, in his last annual address, said:

Congress have repeatedly, and not without success, directed their attention to the encouragement of manufactures. The object is of too much consequence not to insure a continuance of their efforts in every way which shall appear eligible.

Franklin said:

That it was the duty of government to encourage and protect industry, in all shapes, in all instances, and by all means.

Jefferson, in his sixth annual message, asks:

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

And in his letter to Colonel Humphreys, says:

My idea is that we should encourage home manufactures to the extent of our own consumption of everything of which we raise the raw material.

Monroe, who more ardently, perhaps, than either of the other early Presidents espoused the cause of American industries, in his third annual message said:

It is deemed of great importance to give encouragement to our domestic manufactures. In what manner the evils adverted to may be remedied, and how far it may be practicable in other respects to afford to them further encouragement, paying due regard to all the other great interests of the nation, is submitted to the wisdom of Congress.

Jackson, in his second annual message, says:

The power to impose duties on imports originally belonged to the several States. The right to adjust those duties with a view to the encouragement of domestic branches of industry is so completely identical with that power that it is difficult to suppose the existence of the one without the other. The States have delegated their whole authority over imports to the General Government, without limitation or restriction, saving the very inconsiderable reservation relating to their inspection laws. This authority having thus entirely passed from the States, the right to exercise it for the purpose of protection does not exist in them; and consequently, if it be not possessed by the General Government, it must be extinct. Our political system would thus present the anomaly of a people stripped of the right to foster their own industry, and to counteract the most selfish and destructive policy which might be adopted by foreign nations. This surely can not be the case; this indispensable power, thus surrendered by the States, must be within the scope of the authority on the subject expressly delegated to Congress.

In this conclusion I am confirmed as well by the opinions of Presidents Washington, Jefferson, Madison, Monroe, who each have repeatedly recommended the exercise of this right under the Constitution, as by the uniform practice of Congress, the continued acquiescence of the States, and the general understanding of the people.

I am then confirmed in my opinion not only by the opinions of Washington, Jefferson, Madison, and Monroe, but by the opinion of Jackson also.

Much more might be quoted to show that the founders of Democracy not only did not question the power of Congress to levy duties with a view to the protection of American industries, but advocated and supported such measures.

Mr. SPRINGER. Would the gentleman be willing to reduce the present tariff rates to those imposed by Mr. Madison's bill?

Mr. WARNER, of Ohio. Oh! circumstances have much changed.

Mr. SPRINGER. Ah, yes! and so have men changed.

Mr. WARNER, of Ohio. The principle remains; and what I complain of is that you have changed and got off of the principles the founders of the Government laid down and acted upon.

Mr. COSGROVE. The Ohio platform, I believe, demands the raising of only so much revenue as is necessary for the purposes of the Government properly administered. How, then, does the gentleman reconcile with the Ohio platform the present tariff, which annually collects \$50,000,000 more than the purposes of the Government require?

Mr. WARNER, of Ohio. If it were applied to the public debt I would rather have it more than less, but the bill before us will not reduce the total revenue.

Mr. COSGROVE. You can not so apply it.

Mr. WARNER, of Ohio. Certainly we can. There are over \$250,000,000 of interest-bearing debt, payable at our option.

Mr. BLAND. And it is a crime it is not paid.

Mr. WARNER, of Ohio. But I must return to the Ohio platform. Here is the next principle: The tariff must be "so adjusted in its application as to prevent unequal burdens"—I think all will agree with that—"and afford just compensation to labor, but not to create or foster monopolies."

I showed at the outset of my remarks that the only point at which the tariff operated as an indirect tax is where monopoly arises; not anywhere else. And we say in the Ohio platform, adjust the tariff so as to prevent monopoly, but encourage productive industries at home. I ask the attention of my Democratic friends to this principle; to me it is of the utmost importance; it is the cardinal principle in the Ohio platform. It means that where there are no climatic or other natural reasons why commodities may not be produced in this country as well as abroad, that duties should not be reduced below the line which marks the difference in cost of producing such commodities in this and other countries. I said our industries stood correlated one to another and adjusted to a given scale of prices, and that this adjusted scale is determined in a large measure by the cost of production; and we say there is a difference in the cost of producing many commodities here and in other countries. This difference, we say, arises largely from better-paid labor and higher interest on capital. But, from whatever cause it arises, the difference exists.

Now, the cardinal principle of the Ohio platform, I say, is that the tariff shall not be reduced below the line that marks the difference in cost of producing a given commodity here and abroad. Suppose the difference to be 40 per cent. and you reduce the tariff to 20 per cent., what is the result? The foreign producer is given the advantage in our own market of 20 per cent. What would be the necessary consequence? An inflow of foreign products and the stoppage of our own industries. That result would as certainly follow as night follows day.

Let me illustrate by taking a single commodity. Suppose the difference in the cost of producing steel rails in the United States and Great Britain to be, as things stand now, \$10 a ton—and that is about the actual difference. Suppose you put the tariff down to \$10; then this industry here and abroad is on a plane of equal competition in our market, is it not?

Mr. SHAW. No.

Mr. WARNER, of Ohio. Yes, they would be then.

Mr. SHAW. There is \$10 difference.

Mr. WARNER, of Ohio. The \$10 duty makes them equal, and that goes into the Treasury of the United States. On the supposition I have made, steel rails produced here and abroad, when the foreign product has paid the \$10, go into our market on an equality. Now, I would not lower the duties on anything below that line, and that is, I repeat, the guiding principle of the Ohio platform. But I would put it enough above that line to give some advantage to our own industries and our own labor in our own home market.

Mr. COSGROVE. The gentleman forgot to add the transportation from the seashore.

Mr. WARNER, of Ohio. Of course transportation is to be taken into account.

The CHAIRMAN (Mr. Cox, of New York). The gentleman from Ohio must address the Chair. [Laughter and applause.]

Mr. WARNER, of Ohio. Mr. Chairman, I hope I may be able to enlighten the Chair. [Laughter.] But suppose, the difference in cost being ten dollars, you reduce the duty to five, what is the result? An advantage of \$5 a ton in our own market in favor of the foreign product. Consequently our rail-mills must shut down till there can be a readjustment of things. And let me tell you these readjustments are costly. They mean always conflicts, struggles, suffering, losses. Never, therefore, except for the most potent reasons, I say, lower tariff rates below this line of difference in cost of producing a given commodity in this and other countries. That was sound doctrine in 1879 and it is sound doctrine now, and it will be, Mr. Chairman, sound doctrine a hundred years hence.

On the other hand, with a tariff on steel rails at \$17 per ton, while the difference in cost is but \$10; or worse yet, \$28, as it was before the last reduction, a few large establishments are enabled to combine, and by limiting the production, if need be, raise the price just under the line which would keep foreign rails out. That would be creating and fostering monopoly, which the Ohio platform carefully guards against. And I submit that where the tariff rate is never above, or much above the line of difference in cost of production, monopoly is impossible, and hence none of the evils complained of as resulting from a high protective tariff can arise under such a tariff as this platform calls for. There are good reasons, however, for putting the tariff rate sometimes above the line of difference in cost of production rather than below it. In the first place, to encourage home production the rate of duty should be somewhat above the actual difference in the cost of producing. In the second place, with duties a little above the line of difference in cost, at the seaboard, say, the importer, in order to come into our market at all, must scale down or give up a part, or all his profits, and to that extent he pays the duty, and not the consumer.

It is then precisely like two farmers going into the same market with wheat, one having to go through a toll-gate where he pays a toll, and the other not; they both get the same price when they reach the market. This principle is recognized and admitted by John Stuart Mill. Where the market is fixed by other conditions, if a part of the value is intercepted by a tax, he says: "The price can not be further raised, and it must be taken from the profits."

He further says:

It may, therefore, be laid down as a principle that a tax on imported commodities when it really operates as a tax, and not as a prohibition either total or partial, almost always falls in part upon the foreigners who consume our goods; and that this is a mode in which a nation may appropriate to itself, at the expense of foreigners, a larger share than would otherwise belong to it of the increase in the general productiveness of the labor and capital of the world, which results from the interchange of commodities among nations.

I might give any number of examples to illustrate the difference between a tariff that merely favors and preserves our own industries and one that permits or fosters monopolies, but my time will not permit; and I will proceed to show the difference between a tariff in accordance with the Ohio platform and a tariff for revenue only, or a tariff that would yield a maximum of revenue. In the Walker report, from which I have quoted, this principle is laid down: "That no duty be imposed on any article above the lowest rate which will yield the largest amount of revenue." This is called the point of maximum revenue, and is a different one from what I understand gentlemen here to mean by a revenue basis. I desire to show, first, the difference between the maximum revenue point and the line of difference in cost of production.

Take again the case of steel rails, assuming as before the difference in cost here and abroad to be \$10 a ton. At that rate of duty, or at a rate a very little above, our rail-mills would undoubtedly keep most of the home market and the duties collected would be comparatively limited; but suppose the duty to be reduced to \$7 a ton, the result then would be an advantage to the importer, and he would undoubtedly take, for the time being at least, the larger part of our market. If we suppose 100,000 tons to come in—and that is about what came in last year—with duties at \$10 a ton, the revenue derived would be \$1,000,000, but with duties at \$7 a ton, if 500,000 tons come in, and more than that doubtless would come, the revenue derived would be \$3,500,000. Now, the maximum revenue point is that point at which if duties are levied the largest revenue will be derived. In other words, maximum revenue is the greatest product obtainable by multiplying the rate of duty by the quantity of the thing imported. And it must be plain to all that the

maximum revenue point must necessarily and always be below the line that marks the difference in cost of production here and abroad. The Ohio platform adopts as the proper base-line to work from the difference in cost of production.

Which is right, this line or the maximum-revenue line? I tell you the line of difference in cost of production is the line our interests require us to take, and this country will stand by that line. To adopt the maximum-revenue principle would double the revenues of the country and break down half our industries.

Let us next find out, if we can, what is meant by a revenue basis, or a tariff for revenue only; the latter phrase, however, I take to mean any tariff that will bring in revenue, regardless of consequences, and that I say is a fool's tariff, because it admits of no intelligence in its application. But what is a revenue basis? If it means a horizontal tariff just high enough to bring in the required amount of revenue, I can understand it. If such a tariff rate were applied to everything imported it would scarcely need to be above 15 per cent. If, however, it is meant the lowest horizontal rate of duties which, if levied upon merchandise now dutiable, would bring in the required amount of revenue, I can understand that. That would be a tariff for revenue, with such protection as the rate of duty required to yield the necessary revenue, would afford. But that rate would probably not be above 15 or 20 per cent. Now I propose to show what the result would be of repudiating the principle of the Ohio platform and adopting either the maximum-revenue line, or the lower line of a revenue basis.

First, suppose the point of maximum revenue to be fixed upon, and all duties to be adjusted as nearly as practicable to that line, what would be your total revenue? Over five hundred million dollars' worth of dutiable merchandise came in last year with a rate prohibitory on many things. With a reduction of 20 per cent. in the duties it would require an increase of but 25 per cent. in the importations of the same merchandise to yield the same revenue. A reduction of 40 per cent. in the tariff rate would require, to bring the same revenue, an increase of 66⅔ per cent. in the imports; a reduction of 40 per cent. would still leave the average tariff rate about 26 per cent., which is probably not far from the maximum revenue point. But such a reduction would let in not only classes of manufactured goods now prohibited, but would lead to immense importations of everything—two or three times the quantity now coming in—which at a duty of 26 per cent. would yield necessarily a vastly increased revenue. Is this what is wanted? No; nobody wants that. But I say to you that every step downward from the line of difference in cost of production to the line of maximum revenue, which I have pointed out, must and will result in an increase in the total revenue. That, Mr. Chairman, is one of the reasons why I am opposed to this bill. It will not reduce the revenues that go into the Treasury, but result rather in an increase.

The consistent thing to do, therefore, would be, if it is determined to adopt the revenue basis as the guiding principle, to go there at once and carry to the free-list and make the rate low enough on other things to yield only the required revenue. But that of course would flood the country with foreign products, break down our own industries, stop our machinery, and send labor adrift, with consequences worse than if an earthquake, like that which visited Java, should shake our continent.

Now, I ask you gentlemen of the Committee on Ways and Means, in all seriousness; I ask the chairman of that committee, and I ask the distinguished Speaker of this House, who assisted, it is understood, in the preparation of this bill, what do you mean by a revenue basis? What do you propose by this bill? What principle do you adopt? Do you propose to go from the present level down first to the point of maximum revenue, and increase the revenues collected in the Treasury, and then on down to the revenue basis, or until you reach the line of lowest duties that will bring the revenue needed for the support of the Government? I would like to know what principle the committee is acting on. The people want to know; our people in Ohio want to know; they are deeply interested in this question. They have many industries, not the least among which is wool-growing. Now, what does this bill do for them?

I have only ten minutes left and must hasten on.

Take wool, for instance—and nothing shows better the operation of tariff reduction than the effect of the present tariff on this product. During the six months ending December 31, 1882, we imported 5,364,466 pounds of wool at an average price of 22.5 cents per pound; the duty collected was \$671,415, which was almost exactly 55 per cent.

During the six months ending December 31, 1883, under the new tariff we imported 10,431,655 pounds, at an average price of 23 cents per pound; the duties collected were \$1,073,311, the rate being 45 per cent.

From these figures, which are taken from the report of Mr. Nimmo on the tariff act of March 3, 1883, it will be seen that on a reduction of 10 per cent. in the duties on wool, the imports nearly doubled, and at 45 per cent. \$401,896 more revenue was collected than when the duties were 55 per cent., while the price of imported wool rose one-half cent per pound and the price of domestic wool fell from 3 to 5 cents per pound, which was exactly what might have been and what was foretold.

This bill proposes a further reduction of 20 per cent., which would leave the duty about 36 per cent.

A duty of 36 per cent. would probably result in increasing the price

of foreign wool to 25 cents a pound. At that price how much would come in? If 50,000,000 pounds, then the revenue would be increased to \$4,500,000. But 36 per cent. is not down to the point of maximum revenue. If that point were taken at 30 per cent., and we assume that 100,000,000 pounds would come in at that rate, the revenue would be \$7,500,000. But this is not down nearly to the revenue basis, or to a tariff for revenue only. During all this time, however, the price of foreign wool would rise in our market and domestic wool fall, until they come together at some indeterminate point.

Now, Mr. Chairman, the wool-growers of my State and the wool-growers of the country want to know, and they have a right to know, what the ulterior purpose of this bill is. Is it to go ultimately and as fast as we can get there to a revenue basis of 15 or 20 per cent. on wool? Which shall it be, the principle laid down in the Ohio platform establishing the line that marks the difference in the cost of production as the datum-line from which to adjust tariff rates, or the line of maximum revenue, with an increase of revenue from \$200,000,000 up to \$300,000,000, and possibly \$400,000,000; or the lowest revenue or revenue-only basis?

Mr. SPRINGER. Will the gentleman allow me to answer him?

Mr. WARNER, of Ohio. We have a right, I say, to know by which principle we are to be governed. Let us know it and let us go to the people with a full understanding of what we mean. As for myself I stand upon the Ohio platform. Its principles can be defended anywhere and everywhere. It is bomb-proof and can not be battered down here or anywhere else.

Mr. SPRINGER. Will the gentleman from Ohio allow me to interrupt him for a moment?

Mr. WARNER, of Ohio. Yes, sir, if it will not come out of my time.

Several MEMBERS. We will extend your time.

Mr. SPRINGER. I believe, so far as I know it, the general sentiment on this side of the House is to deal with this question on the basis of the following resolution:

Resolved, That we denounce the present tariff, as well as the substitute lately introduced in the House of Representatives by the Committee on Ways and Means, as a gigantic robbery of the labor and industry of the country; that they are solely designed to advance the interests of a few thousand monopolies, and that they should no longer be submitted to; and that no candidate for Congress nor for any other office is worthy of support who is not in favor of a low revenue tariff which closely approximates to free trade; that in the arrangement of any revenue tariff all the necessities of life should be absolutely free of duty.

This was in the platform adopted by the Democratic party in the State of Ohio in 1870, and which was no doubt indorsed then by the gentleman from Ohio [Mr. WARNER].

Mr. WARNER, of Ohio. And we were beaten in Ohio on that platform; and I did not indorse it then and I do not now.

Mr. SPRINGER. We made those pledges, and whether beaten or not we should stand by our pledges to the people.

Mr. WARNER, of Ohio. But last year we adopted another platform, a platform which was indorsed by every Representative from Ohio on this side of the House except one, and that was my colleague [Mr. HURD] who spoke yesterday. He would not indorse it, and I believe made no speeches on it. But let me tell you the result. My colleague did not get as many votes on his platform of free trade as Governor Hoadly got last year, when the Ohio platform was in issue, by 3,890. In 1882 the Ohio platform was essentially the same as now, and on that platform Mr. Newman, candidate for secretary of state, received 1,256 more votes in my colleague's district than he received on his brilliant free-trade record. I state this only because of the question of the gentleman from Illinois, and because my colleague so triumphantly yesterday announced that he wanted us on the record that he might appeal to the Democracy of the State in their next convention, which I hope he will do, for I have great confidence in the Ohio Democracy.

Other gentlemen here, as good Democrats as are on this floor, as my distinguished friend from the Mansfield district [Mr. GEDDES], standing upon the Ohio platform, beat the Republicans out of time even in old Republican counties. And that is the platform upon which I believe the Democracy of Ohio will go before the people again this year; and on that platform we hope again to carry the State, for there never was a platform adopted in that State which received more unanimously the accord and approval of the entire Democracy of the State than did the platform adopted last year, the principles of which I have endeavored to expound.

Mr. COSGROVE. Was that the platform on which the Senatorial contest was conducted which the gentleman denounced so vigorously?

Mr. WARNER, of Ohio. Better not introduce that question now. [Laughter.] The Ohio platform is opposed to all monopolies.

Mr. Chairman, I have not dealt in statistics. I distrust them unless I know how they are collected and that they are properly correlated with the things to which they relate, and that they are the only elements affecting the problem under consideration. For instance, my colleague yesterday said wheat had fallen under the terrible state of things the tariff had brought about, to 80 cents a bushel, the lowest price, he said, ever obtained in Chicago. Why, sir, I myself when a boy hauled wheat seventy-five miles over the worst kind of roads and sold it in Chicago under the low tariff of 1846-'60, at 42 cents a bushel. My

statistics—if such facts may be called statistics—standing alone, prove nothing. There were a hundred other things perhaps that affected the price of wheat then. Nor do his statistics, standing alone, prove anything. I merely state a fact. His statement, not a fact, was accompanied with a flourish of rhetoric; but it would have had no more force of proof if it had been delivered with the accompaniment of a full brass band.

The gentleman from Texas [Mr. MILLS] gave statistics to prove that our manufactures had flourished well under low tariffs. His conclusion seems to have been reached, however, from comparing prices only; but how many other elements have been left out? Absolute price depends on volume of money, and during some of the periods to which he refers there was great inflation of paper issues by State banks. At other periods prices were broken down by violent contraction of the currency. Gold was exported and paper collapsed.

The first effect of the reduction of tariff duties now will be upon the volume of money. Imports will increase; and in the first instance, at any rate, goods sell for money; gold will then go out as importations increase. Our money volume will thereby be reduced, and that will react with compound force upon prices. So that we will not only have increased imports, taking the place of and shutting out of our own markets our own products, but the prices of everything will be reduced by a contraction of the money volume.

The CHAIRMAN. The time of the gentleman from Ohio [Mr. WARNER] has expired.

Mr. STORM. I ask unanimous consent that the time of the gentleman from Ohio be extended until he concludes his remarks.

Mr. WARNER, of Ohio. I do not wish to ask for more time since there are so many other gentlemen who desire to speak. I should like, however, to touch on one or two points more, for five or ten minutes perhaps.

The CHAIRMAN. If there be no objection, the time of the gentleman will be extended for five minutes. The Chair hears none.

Mr. WARNER, of Ohio. Mr. Chairman, I have been asked what the Government had to do with anything but revenue in levying duties. I replied by quoting from the early Presidents. But there is another reason which I did not then give, as I did not know that I would have time to give it. It is this, and our fathers well understood the principle and acted upon it: There is often a difference between private interests and the public welfare. When the war of the Revolution closed all saw the importance of having transferred to this country a knowledge of the arts and manufactures. It was especially important that a practical knowledge of metallurgy should be possessed by our people. But it was not the interest of any private person out of his own means, if he possessed any, to establish the iron industry on this side of the water; and why? Because without the requisite knowledge and skill, and without the necessary plant here, it could not be undertaken till these were all imported. They could not be imported except at great cost. Higher wages must be paid to induce skilled labor to leave another country to come here. And any single individual or company that would undertake such an enterprise, without Government aid or Government protection, would certainly have failed. Mr. J. R. McCulloch, a high English authority, however, gives the reason better than I can, and I will quote from him:

It appears, therefore, reasonable to conclude that such new beginners having to withstand the competition of those who have already arrived at a very high degree of perfection in the art must be immediately driven out of every market equally accessible to both parties, and that nothing but the aid derived from restrictive regulations and prohibitions will be effectual to prevent the total destruction of their establishments, &c.

The evils which it details have been realized in Russia and Poland since the conclusion of the act of the 7th and 19th of December, 1818. Agriculture without a market, industry without protection, languish and decline. Specie is exported and the most solid houses are shaken. The public prosperity would soon feel the wound inflicted on private fortunes.

But had not the whole country an interest in having this and other industries established here? Is it not to our interest now as a great nation to have among us a knowledge of every art and industry possessed by man? My friend from Rhode Island who spoke the other day [Mr. CHACE] referred to the watch industry which had been so recently established in this country. That was one of the industries which it might never have been for the interest of any private citizen to establish here, for the reason I have given. But it has been an immense public gain to have that industry established among us. And why? Because, as he showed, on four dollars' worth of raw material four million dollars' worth of labor was expended.

A better illustration of the importance of a diversity of industries could not be given. This diversity of industry together with the knowledge and skill it gives rise to is in itself an important source of national wealth. It was a theory of Fourier that there was nothing to be done that some one was not better fitted to do it than any one else. Diversity of employment gives scope to every faculty of man, and whatever multiplies resources increases the wealth of a country. The individual seeks only his own wealth, and whether he gets it from another or by helping to increase the public store, does not concern him; but it does concern the whole people. For the great wealth of a country after all consists in its power to produce; not only in its machinery moved by the power of steam and electricity, in its railways over which the

locomotive thunders with its burden train of a thousand tons, but above all in the educated brain and skilled hands of its millions of workers.

Sweep clean the land of all that has been built upon it, but preserve the knowledge, the skill, the inventive genius possessed by our people, and how long would it take to recreate everything? We can buy, to be sure, what cheap labor has produced in other countries; but we can not buy the genius of a Stephenson, a Fulton, or a Morse; but the inventive minds of these men have added more to the wealth of the world than the unskilled labor of a million of men. Such mental qualities are the inheritance of the accumulated experience and skill of many generations. And what a country like ours must have to keep it in the van of the progress of nations is the fullest development of all these powers. We must diversify, specialize, differentiate—if I may use the term—if we would achieve a higher civilization than the race of man has yet attained. To do this we must take care of our industries—the human hives where the honey—wealth—is made.

And how we have been gaining in wealth under our industrial system let an English authority tell. Mulhall, in his balance sheet of the world, says:

It would be impossible to find in history a parallel to the progress of the United States in the last ten years. * * * Every day that the sun rises upon the American people it sees an addition of two and a half million dollars to the accumulation and wealth of the republic, which is equal to one-third of the daily accumulations of all mankind outside of the United States.

Let us not be deluded with the notion that we had better sell the soil we have inherited, for the products of the labor and skill of other countries, rather than encourage and maintain for ourselves an industrial system broad enough to include all the knowledge and employ all the skill which the centuries have handed down to us.

I know that gentlemen will say that our industries will flourish better under free trade and that we would be safe from foreign competition under such a system. You might as well tell me that the dam which nature has erected at the falls of Niagara has no effect in keeping back the waters of the great lakes, or that these waters flow down the Niagara River because the dam is there, and that if you would remove it the waters would be dissipated or would flow westward to the Mississippi River.

If you unwisely lower your tariff the quantity of importations flowing over it would increase, production at home would be stopped, labor would be thrown out of employment, and misery and wretchedness would follow as a necessary consequence. [Great applause.]

Mr. SPRINGER. Will the gentleman before he takes his seat answer one question?

Mr. WARNER, of Ohio. I will if I can.

Mr. SPRINGER. I did not learn from the gentleman whether the present law was in accord with the Ohio platform.

Mr. WARNER, of Ohio. It is not. I am for a reform in the tariff, but I want that done on the principle of the Ohio platform and not by a horizontal reduction. Reduce the tariff, I say, wherever it is above the line of difference in cost of productions here and abroad, down to that line, and shut out monopolies, but give our own industries at least an equal chance in competing for our own market.

Mr. SPRINGER. Will the gentleman tell us what reduction of the present rates he would have in order to make the tariff comply with the requirements of the Ohio platform?

Mr. WARNER, of Ohio. I would if I had time.

The CHAIRMAN. The time of the gentleman has expired.

Mr. BROWNE, of Indiana. Mr. Chairman, when this discussion began I did not intend to take part in it, but as my position in regard to the tariff has been misunderstood by some and willfully misinterpreted by others, I feel it is due myself and the constituency I have the honor to represent to say a word.

When the bill to revise the revenue laws of the United States was under consideration in the Forty-seventh Congress I took a brief part in the debate. What I said is of record; but before proceeding further I ask permission to reproduce the observations then made. I then said:

WHAT SHALL BE THE RATE OF DUTY?

I am a protectionist; I do not believe in free trade. But I do believe in free thought and free speech. Although I may differ with some of those with whom I am associated, that difference will be simply this: I claim the right to determine according to my own convictions how much duty ought to be imposed on a particular commodity in order to secure that industry protection. In thinking upon this question years ago I came to this conclusion, and there is nothing novel in it, that if we could ascertain the cost of a particular product abroad, taking into consideration the cost of material, labor, and a proper return for the capital invested, and also ascertain the cost of producing the same article in this country, the rate of duty to afford protection to the American manufacturer and laborer would be the difference between the cost of producing the commodity here and the cost of producing it abroad.

In making this estimate the cost of transportation to market should be taken into the account. A tariff commission might ascertain how much it would cost a foreign manufacturer to lay down, we may say to illustrate the idea, a ton of bar-iron in the American market, and, on the other hand, ascertain how much it would cost an American producer to lay down a ton of similar iron in the same market, and then the difference between the cost to the two manufacturers should be the tariff duty. This would protect while it would not cut off competition. Now, I admit that there will be fluctuations in values, but they are as likely to occur in the foreign market as in our own. That the tariff duty might surely protect I would add to it a small sum above the difference in the cost of production in this country and its cost abroad. I am here to-day as a protectionist, to vote as nearly as I can to put a duty on these manufactured products equal to the difference in the cost to the foreign manufacturer of putting his product in the American market, and the cost to the American manu-

facturer of doing the same. Let me say, however, that having obtained all the information I can secure, I must be the judge, when the vote is taken, as to the margin of difference or the duty to be imposed. The responsibility for my vote is with me.

Gentlemen admonish me occasionally that I belong properly to the other side of the House. I thank them; I am not afraid to vote with the Democratic party when I believe it to be right. Indeed, I am rather glad to vote with them when they do very rarely go right. I want to encourage them; it is not often I have an opportunity, I admit. [Laughter.]

But, Mr. Chairman, I represent a constituency engaged in both agricultural and manufacturing pursuits. We have large manufacturing concerns engaged in making plows, furniture, reapers, drills, mowers, thrashers, rakes, wagons, and every variety of agricultural implements. These buy their iron, coal, steel, lumber, paint, everything abroad. They go to Michigan for their lumber, to Ohio and Pennsylvania for their coal, iron, and steel; into different markets for their paints, oils, varnishes, and the other material that enter into these implements. They pay a duty on everything they buy. This may be added, it is true, to the price of the product and be ultimately paid when the implement is sold, but then my farmer constituency pay the duty.

These manufacturers are in favor of protection, fair protection, although they do not produce a single commodity protected by this bill. They do not ask protection for themselves. They build their reapers and boilers and drills, their hay-rakes and plows and wagons, and are willing to lay them down in equal competition in our markets beside similar products of any other country in the world. Upon steel, iron, coal, paints, upon all materials used by them, they are willing to pay such a duty as will enable the American manufacturer and laborer to compete with his foreign rivals. They do this in the interest of the whole country, disregarding the mere Congressional district or the mere section. They do this that labor may receive a fair return. When we have gone this far in the interest of protection they ask that I go no further.

WHAT IS THE EFFECT OF A TARIFF ON PRICE?

I confess I have not been able to understand the logic by which it is said that the imposition of a tax on a commodity cheapens it. [Applause on the Democratic side.] I have always been willing to impose a duty for protection—protection purely—disregarding the idea of revenue altogether, if such protection were necessary to build up a languishing industry. Again, I have not been able to understand how the narrowing of the area of competition increases competition. I confess I have always thought that as you enlarge competition, that as you increase the number that enter upon it you as a rule decrease the price of the commodity put upon the market. I may be mistaken about that. It is insisted, I know, by those who believe in the protection theory, pure and simple, that if you confine competition exclusively to American producers you reduce the price.

Mr. KELLEY. I do not know the protectionist who adopts that theory.

Mr. McMILLIN. It was just adopted a moment ago by the gentleman from Indiana [Mr. PEELE].

Several MEMBERS. Not at all.

Mr. BROWNE. It has been assumed, if I understand the logic of this controversy, that if you close our ports against a foreign product and leave the market wholly in the hands of the American producer it cheapens the commodity.

Mr. PEELE. Has not that been the result, I will ask my colleague?

Mr. BROWNE. Now, sir, I am a protectionist, but I want it understood distinctly while I am a protectionist, I believe that as a rule a duty for protection enhances the price of the protected commodity in the American market—

Mr. TURNER, of Kentucky. Of course it does.

Mr. BROWNE. But it brings to us a corresponding advantage, which, if the duty is properly imposed and adjusted, is equal to the enhanced price. My recollection extends back forty years; and I remember this: that during these forty years under the protective system almost all the time every manufactured article put upon our markets has been continually cheapening. Fifteen years ago I paid for an ordinary farm wagon \$140. Now in the same market a similar wagon can be bought for \$60 to \$70. I remember that less than forty years ago farmers in my district sold their pork at \$1.25 per hundred net; to-day they obtain for it 6 to 7 cents per pound. While every manufactured article has been diminishing in price everything grown by the farmer has been correspondingly increasing in price. While this is true, I believe at the same time that the imposition of a tariff duty increases the cost of the manufactured commodity, as a rule, in our markets; but as it increases the value of labor, as it makes a market for the agricultural product, it has brought in return for this increase the enhanced value of labor and the increased value of the agricultural product. In this way protection benefits alike the farmer, the manufacturer, and the laboring man.

THE CARRYING TRADE: TAX ON LUXURIES.

It has been apparent to every reader of our commercial history that our merchant marine has been disappearing from the high seas for more than a quarter of a century. Yet when it is proposed that the American Congress shall do something in the way of restoring this important industry, it is antagonized by the suggestion that we have done nothing to relieve the producers of tobacco or the distillers of intoxicating liquors.

Sir, it strikes me that the carrying trade is a matter of national importance, in which every producer, whether on the seaboard or in the interior, is interested. But it is said that we may not grant subsidies in that direction because we ought to relieve the chewers and the smokers and the slobberers of this country from the tobacco tax.

I want my friend from Kentucky [Mr. TURNER] to understand that the very last tax which I as a Representative of my constituency will vote to repeal is the tax on liquors and tobacco. If there be any protectionist in this House who would abolish the entire internal-revenue system in order to compel the Government to derive its entire revenue from import duties, if there be such a one, I have no sympathy with him. I have but one idea on this subject; that is to impose upon tobacco and intoxicating liquors the highest duty that can be honestly collected. If we can derive the most revenue from liquors by a tax of 40 or 50 cents a gallon, I am in favor of a tax at that rate. If the revenue may be increased by a tax of \$2 or \$3 or \$5 a gallon, I am in favor of that rate. So with tobacco and cigars. In other words, if specific taxes are to be imposed upon commodities, I am in favor of deriving the largest possible revenue from luxuries and the smallest possible amount from those commodities which are necessary.

Mr. TURNER, of Kentucky. I agree with you in the last part of your proposition, and I have never taken any other position. Taxes should be lightest on the necessities of life, both internal and tariff taxation. Does not the gentleman know that the crop of tobacco raised by the poor man is not a luxury to him, but is a necessity? For with it he buys the necessities of life for his family. It is only a luxury to the man who uses it, not to the producer; and it is unjust to discriminate against it and burden the producer with taxes that are not imposed upon producers of barley, rye, or corn, or to restrict the farmer in his right to sell for the best price the tobacco raised by him, the product of his own labor.

Mr. BROWNE. Mr. Speaker, in my view tobacco whether produced by the poor man or the rich man, by the small farmer or by the planter of large acres, is but a luxury. There is no good in it. It brings nothing of health. It brings nothing of real enjoyment to the domestic circle. It might be dispensed with without injury to anybody and with benefit to all.

What I have said as to tobacco applies with still more force to intoxicating

liquors. On this subject of taxation, whether by import duties or by internal taxes, I stand here in favor of imposing for the purposes of revenue as large a tax as possible upon luxuries, and as small a tax as may be possible upon articles which are necessities.

I see the Speaker's gavel is about to fall; I hope I may be indulged a moment. I only speak once in a decade anyhow. I hope the House will give me unanimous consent to go on for two minutes. [Cries of "Go ahead!"]

The SPEAKER. If there be no objection, the gentleman's time will be extended two minutes.

There was no objection.

Mr. BROWNE. Now, on the subject of the bill. I do not profess to understand it in all its details. I am a landlubber. I believe I have been on a sailing vessel once or twice in my life. I am, however, in favor of encouraging the industry known as ship-building, and particularly that industry engaged in the foreign carrying trade. I have listened to this discussion with much interest, and have determined in my own mind that when those gentlemen who seem to understand the subject have perfected the bill as nearly as may be I shall vote for it. If I were allowed to exercise my own personal judgment I would permit every American to go into any market and buy any ship at the smallest possible cost. I admit that this might be against ship-building interests; but if I understand the object of this legislation, it is not to promote ship-building but to promote the carrying trade. If you are to promote ship-building you will as a matter of course adopt this eighteenth section, with its drawback upon tariff duties, and those other sections to which I need not refer. But if we intend to secure a merchant marine and to put it in competition with carriers in foreign bottoms we must have cheap ships. To get cheap ships we must buy them where we can buy them at the smallest possible cost. This seems to me to be a proposition that need not be discussed. While such is my opinion, however, I wish to say that when this bill has been perfected I intend to vote for it, notwithstanding the fact that it contains some provisions that do not meet my approval. I doubt very much both the power and propriety of exempting ships or any kind of property from State taxation; but will waive that question and vote for this bill, expecting that if it be imperfect experience will so demonstrate, and that future legislation will cure whatever defects may be made manifest, for I hope to see the time come again when our people can compete successfully with any in the world for the carrying trade.

CHEAPER SUGAR.

I can see a reason why gentlemen who favor a tariff for revenue only can vote to keep sugar on the dutiable list, because it is a fact that can not be controverted that 90 per cent. of the sugar consumed in this country is imported, and the duty, so far as it may be paid upon that commodity, goes into the Treasury. But I must confess that I can not understand the logic of the protectionist who favors the imposition of a duty upon this product.

I believe in fostering an American industry, the product of which may at some time be equal to the demand of the country. But there are physical reasons, climatic reasons why the sugar product of this country can not be materially enhanced, and at the same time its consumption is constantly increasing. We produce now, as I have said, about 10 per cent. of the amount of sugar that we consume. The time is not far distant in the future when the per cent. of our production compared with our consumption will be even less than that.

Now let me ask gentlemen how it is that we in the Northwestern States can be expected to pay 1½ to 3½ cents duty on every pound of sugar which we consume, in order to foster and promote an industry which in the very nature of things can not exceed one-tenth of the amount we consume. Will they tell me?

Mr. ELLIS. We will tell you directly.

Mr. GIBSON. The gentleman is utterly mistaken in his facts.

Mr. BROWNE. I want to be corrected. There may not be many of us, but I am one of those who want to know the truth, and will follow it to the end wherever that may be.

I take the statistics as I find them. There is only a limited area in the United States where sugar can be produced successfully; everybody knows it. Now, let me ask gentlemen on the other side, let me ask my friend from New York [Mr. COX] who is so fierce for a tariff for revenue only, why it is that they are in favor of putting tea and coffee on the free-list, which are not produced in this country at all? If those articles were put on the dutiable list every cent that might be paid in the shape of duty would go into the Treasury. And yet these men who are for tariff for revenue only propose that they shall remain forever on the free-list.

Mr. REAGAN. Oh, no.

Mr. BROWNE. I know that my friend is in favor of protecting lumber, yet he is in favor of free trade for everything else in the world, because Texas happens to have a very large number of acres of primeval pine forests.

Now, I am for protection upon every article that may be produced in this country, the possibilities of which may reach the amount of the demand. But when you gentlemen tell me that an article equal in the amount of its consumption to that from which we make the bread of our people, an article the American product of which can not reach—and I put it as high as my imagination will permit me—can not reach more than one-fifth of the consumption, when on account of twenty pounds out of every one hundred that we consume we are compelled to pay 3 cents per pound, not upon the twenty produced only, but upon the whole hundred pounds imported, and charge every dollar of it to the consumer; until gentlemen explain that, I confess as a tariff man I can not be in accord with them.

It will be observed that so far as it may be necessary to impose taxation on specific commodities I would discriminate in favor of such as enter generally into the consumption of the people and are known to be essential to their maintenance. Tax the luxuries and relieve as far as may be the common comforts of life. The tax on tobacco and intoxicating liquors should not be repealed. These are in no sense necessities, and from them we derive a large revenue, a revenue amounting annually to \$91,369,000. While the national debt exists and an immense pension-roll is to pay, as long as the Government exacts hundreds of millions of yearly tribute from the people to meet the demands made upon its Treasury, these taxes should continue. They are paid by the consumer and may be escaped almost wholly without injury to the person or business of the citizen. If the imposition of a tax on these articles should lessen their production and discourage their use, the wealth and happiness of the people would not be diminished but materially increased. If the manufacture of intoxicating liquors is to be continued, it will be a wise policy to make the business reimburse the Treasury for the enormous outlay it compels the Government to make to protect the people from the crime and pauperism it inevitably entails.

A home product that can under the most favorable circumstances furnish but a small per cent. of the home demand may well be omitted from the list of protected commodities. A tariff on such an article is

"for revenue," and is dutiable on that theory only. Protection should be given to such industries as may be able to produce a supply of their manufacture equal or nearly equal to the demand of our own people. It is claimed, and it is true, that protection should be extended to an industry which by making it remunerative will invite competition and thus stimulate its production until it may become at least equal to the home market. By building up enterprises of this kind and producing all we need consume we make our people independent of all the world. There are well-known causes why our sugar product can not reach more than 12 or 15 per cent. of our consumption. It is estimated that in 1880-'81 we consumed 2,100,000,000 pounds, upon which was paid a duty of about \$46,000,000. Of this sugar the United States furnished but 300,000,000 pounds or less. It will be seen, therefore, that we pay a duty of over 2½ cents per pound on 1,800,000,000 pounds of the foreign product to protect 300,000,000 of our own. Forty-six millions is too much to pay to protect our small sugar industry in Texas and Louisiana. It would be cheaper to the consumer to pay our sugar planters 10 cents per pound bounty for each pound put by them into our markets. And this industry is not increasing, but upon the contrary is falling away. It gives us a smaller supply now than it did thirty years ago.

The crop year of 1853-'54 yielded 495,000,000 pounds of sugar, the crop year of 1860-'61 yielded 528,000,000 pounds, while 1880-'81, as I have said, gave us less than 300,000,000 pounds, and the last year went even below this. In twenty years this production has fallen off nearly one-half, while the consumers of it have increased by quite 20,000,000 of people. As the consumption is about forty-two pounds per capita, we can easily estimate this increase. As this industry can never supply our wants, as it is not increasing under the most favorable tariff legislation, as sugar goes on every table and costs our people as much as do the breadstuffs they consume, I am in favor of putting it on the free-list. If there be other home products occupying the same relation to our production and commerce I would put them there also.

I have been criticised for saying that I failed to comprehend the logic of one of my colleagues, who assumed that the imposition of a duty on a commodity cheapened it in the market. In a talk of five minutes, that being all the time then allowed me, it was not possible to either fully or accurately explain my position. It is true, I repeat, that the immediate effect of putting a duty on imported goods is to enhance their price in the market. If this is not the result, the tariff tax is not protective and utterly fails to accomplish its purpose. It is because, as is truthfully said, the foreign manufacturer, availing himself of cheaper labor and cheaper capital, can produce cheaper goods than we can make that an impost is demanded. It is demanded that the cheaper foreign product may not destroy our manufacturing industries and deprive our wage-people of remunerative employment. But while the immediate effect of this duty is to raise the price of the taxed article, that effect is but temporary, and ultimately the competition protection invites gives the laborer better wages and a cheaper product. This philosophy is well stated by Alexander Hamilton, who said, nearly a hundred years ago:

But, though it were true that the immediate and certain effect of a tariff was an increase of price, it is universally true that the contrary is the ultimate effect with every successful manufacture. When a domestic manufacture has attained to perfection, and has engaged in the prosecution of it a competent number of persons, it can be afforded, and accordingly seldom or never fails, to be sold cheaper, in process of time, than the foreign article for which it is a substitute. The internal competition which takes place soon does away with everything like monopoly, and by degrees reduces the price of the article to the minimum of a reasonable profit on the capital employed. This accords with the reason of the thing and with experience.

Washington, Jefferson, and other great men of that day agreed with Hamilton and were advocates of protection. Having said this much by the way of supplement to views heretofore hurriedly and imperfectly given, I will proceed, if the committee will indulge me, to briefly discuss

THE TARIFF ISSUE.

This discussion is crystallizing the issue for the coming political struggle. Shall our policy be free trade? Protection is put on trial, and it is vigorously declared that there is and can be but one rightful, constitutional function of taxation—that is, to raise revenue for the support of the Government; that even an adjustment of a revenue tariff so as to afford protection as an "incident" is a fraud and a deceit. The gentleman from Texas [Mr. WELLBORN] thus characterizes a revenue tariff with the protective incident:

The alleged incident has notoriously become the chief object, and revenue serves mainly as a pretext for accomplishing protection.

Against this fraud in the use of language I protest. If protection is good, if protection is right, if protection is constitutional, let it stand on its own merits, and not seek, as has been suggested, to lean on something so respectable as revenue. If a huge system of monopolies is to be perpetuated, and fatten on the substance of the land, let it not escape the odium and execrations an appropriate appellation invites.

The point is tersely put: let protection stand or fall on its own merits. That protective legislation to enable the American producer to fairly compete in our markets with his foreign rival is the true policy of the nation is abundantly proven by all our past experience. It has had the support also of our leading statesmen. The last Democratic President, in the tariff debate of 1828, said:

The American system consists in affording equal and just legislative protection

to all the great interests of the country. It is no respecter of persons. It does not distinguish between the farmer who plows the soil in Pennsylvania and the manufacturer of wool in New England. Being impartial, it embraces all. * * * The Legislature of Pennsylvania have given us what, in my opinion, is the correct version of the American system. They have declared that the best interests of our country demand that every possible exertion should be made to procure the passage of an act of Congress imposing such duties as will enable our manufacturers to enter into fair competition with foreign manufacturers, and protect the farmer, the growers of hemp and wool, and the distiller of spirits from domestic materials against foreign competition. The people of Pennsylvania do not ask for such a tariff as would secure to any one class or to any section of the country a monopoly. They want a system of protection which will extend its blessings as well as its burdens as equally as possible over every part of the Union; to be uniform in its operation upon the rich as well as the poor. * * * By encouraging domestic industry, whether it be applied to agriculture or manufactures, you promote the best interests of your navigation. You furnish it with domestic exports to scatter over the world. This is the true American system. It protects all interests; it abandons none. It never arrays one against the other.

In his inaugural, March, 1857, he asserted the same doctrine. Here Mr. Buchanan states the case clearly and fairly, and the policy he advocated is all the true protectionist demands. It is such legislation as will protect all interests and give a monopoly to none. From the first administration of Washington to the administration of Arthur I assert that protection has been either the object or the "incident" of our customs-revenue legislation. At no time, by no administration, has the idea of protecting our industries been wholly ignored. Free trade, as applied to our American policy, is a new growth, an exotic, a transplant from the "paradise of the rich—the purgatory of the poor." The first protective tariff was passed by the fathers and approved by Washington. In his message to Congress he said:

The safety and the interests of the people require that they should promote such manufactures as tend to render them independent of others for essential, particularly for military, supplies.

Jefferson's democracy will not be denied, and he was a protectionist. So was Monroe, and Jackson, and even Van Buren. As to the position of these distinguished Democratic statesmen I quote the language of a leading Democratic journal:

Thomas Jefferson, the father of Democracy, was a protectionist. In his report on the commerce of the United States in 1793, immediately before his retirement from the Cabinet, he indorsed the principle of protection. In 1802, in his message, he declared proper protection to American industry to be one of the "landmarks by which we are to guide ourselves in all our proceedings." Again, in his last message to Congress, in 1808, he congratulated the country that the new manufacturing interests would under "protecting duties" become permanent.

President Monroe, in his inaugural in 1817, said: "Our manufactures will likewise require the systematic and fostering care of our Government."

Andrew Jackson, in his letter to Dr. Coleman in 1824, said that our manufacturing interests "ought to have extended to them adequate protection, that our manufacturers and laborers may be placed in fair competition with those of Europe."

In his message of December 7, 1830, President Jackson upheld the constitutional power of the United States to maintain and adjust duties on imports, "with a view to the encouragement of domestic branches of industry."

HOW DEMOCRATIC PRESIDENTS UPHELD INCIDENTAL PROTECTION.

Martin Van Buren was nominated and elected President by the Democratic party long after he had established his position on the question of the tariff. In the United States Senate Mr. Van Buren had opposed excessive protection and favored a tariff for revenue, with incidental and equally distributed protection to home industry. He voted for the tariff of 1824 and the much higher tariff of 1828.

Tyler favored a tariff affording incidental protection, and so did Polk and Pierce. President Polk in his first message invited the attention of Congress to the importance of tariff legislation, and said:

The terms "protection to American industry" are of popular import, but they should apply under a just system to all the various branches of industry in our country. The farmer or planter who toils yearly in his fields is engaged in "domestic industry," and is as much entitled to have his labor "protected" as the manufacturer, the man of commerce, the navigator, or the mechanic, who are engaged also in "domestic industry" in their different pursuits. The joint labor of all these classes constitute the aggregate of the "domestic industry" of the nation, and they are equally entitled to the nation's "protection." No one of them can justly claim to be the exclusive recipients of "protection," which can only be afforded by increasing burdens on the "domestic industry" of the others. * * * The advantage under any system of indirect taxation, even within the revenue standard, must be in favor of the manufacturing interest, and of this no other interest will complain.

Mr. Calhoun was the author of the tariff act of 1816, and voted for that of 1833, and both of these were protective. To the list of Democratic protectionists I may add the distinguished names of Silas Wright and George M. Dallas; and to the list of those who advocated incidental protection that of Daniel S. Dickinson. The views of the great Whig leaders on this question were too pronounced, and are too well known to require a statement of them here. Having seen the opinions to which the leading statesmen of the past have given expression, we may well ask what has been the history of our revenue legislation? I must be brief here, for I pass over a well-beaten track and explore a field that has been frequently visited before. Our first tariff act was passed in 1789, and the preamble declared that it "was necessary to the encouragement and protection of manufactures that duties be laid on imported goods, wares, and merchandise." So satisfactory did this system of taxation prove that the duties upon imports were increased by the act of 1790, and again by the act of 1792. These were succeeded by several acts of Congress, including that of 1812, which, as a rule, increased the rate of duty. In 1816 Lowndes, of South Carolina, introduced a tariff bill which was most decidedly a protective measure. Here is an abstract of its provisions:

The average increase was 42 per cent. above the old rates preceding the war,

and arranged with particular reference to the encouragement of home industries. After considerable debate the duties on woolens and cottons were fixed at 25 per cent., to be reduced after three years to 20 per cent. The duty on rolled and bar iron and anchors was \$30 per ton; on bar and bolt iron not rolled, \$7; on sheets, rods, and hoops, \$50 per ton. On brown sugar the duty was fixed in favor of the Louisiana planters at 3 cents per pound, and on loaf sugar at 12 cents. On silks, stuff goods, and blankets 15 per cent. ad valorem was fixed. A number of articles were subjected to 20 per cent. ad valorem duties.

This measure was actively supported by both Mr. Webster and Mr. Calhoun. If I am not mistaken this act imposed a much higher rate of duty than any that had gone before it. The first tariff act levied a duty of about 8½ per cent., while the rate under this act of 1816 was of an average of over 30 per cent. The next legislation of importance was that of 1824, which increased the rate of duty to the equivalent of 37 per cent., and that was soon followed by the act of 1828, further increasing it to an average of 41 per cent. This was the highest levy that up to that time had ever been proposed in the American Congress. The following are a few of its features:

The duty on molasses under the act was 10 cents per gallon; on wool 4 cents per pound and 40 per cent., to increase 5 per cent. annually until 50 per cent. was reached; on bar-iron not rolled, \$22.40 per ton; if rolled, \$37 per ton; and on hemp, \$45 per ton.

This act passed the House by a vote of 105 for to 94 against it. In favor of it were 61 Whig and 44 Democratic votes, and 35 Whig and 59 Democratic votes were given against it. In 1832 and 1833 the tariff duties were reduced, and there was no further interference with the question until 1842. In this year a highly protective act was passed, and continued until that of 1846, which again reduced import duties and put the law on a revenue basis with slight incidental protection. Following this came the financial distresses of 1857, then the war of the rebellion, and then the Morrill tariff, so familiar to all. I need not trace the history of this legislation further, for enough has been given to show that our statesmen have fully recognized the necessity for protecting our manufacturing and industrial pursuits; that protection has been the uniform policy of the Government and has been advocated by our wisest and most patriotic men. Now, what has been the result?

The prosperity of our people is without a parallel. In thirty years their property values have increased from seven thousand millions to over forty thousand millions. They have invaded the great forests and cleared up farms; they have planted their gardens in the prairies and have been provided a market for their abundant harvests. They have developed the natural resources of a continent—have opened mines of coal, lead, iron, copper, silver, and gold; constructed 110,000 miles of railroad; built shops, mills, and furnaces, and given remunerative employment to hundreds of thousands of our people. The wages paid by them are higher than can be obtained in any other country in the world.

We have opened a better and larger market for the farmer and have given higher prices for the fruits of his toil. We have enabled the people without oppression to either labor or capital to furnish the Government with ample revenue for its current expenses, to largely reduce the national debt, and to enrich and enlarge their happiness. Our system of protective legislation has stimulated production and competition until the product of our mills, looms, shops, and forges have been cheapened. On the other hand, it has enlarged the market for the farm product and enhanced the price of everything the husbandman has had to sell. It has multiplied and diversified our industries, and made us a strong, self-reliant, and independent people.

I do not insist that all these blessings are directly attributable to our protective system, but it is a fact in our history from which there is no escape that prosperity and protection have come together to our people. And certainly our experience exposes the absurdity of the assumption that protection oppresses labor, is disastrous to agricultural pursuits, and fosters monopolies. It is true we have had financial panics and seasons of business depression; that the laborer has been at times out of employment and our manufactures without a market; but it is a significant fact that these periods have followed in the wake of laws that made great reductions of duties on imports and invited excessive purchases of foreign goods. The four marked epochs of free trade depression were 1790, 1824, 1837, and 1857, and the disasters of those years were appalling. These truths prove more than do volumes of unsupported assumptions, and sternly refute a theory "poor in fact and rich only in assertion."

The free-trader argues that protection means monopoly, that the most of the duty goes into the pocket of the manufacturer, is paid by the consumer, and that the tariff is, therefore, a tax imposed upon one class for the benefit of another. If it be true that the duty is paid by the consumer, then it is both unjust and unwise to levy it unless it brings to the consumer a corresponding benefit. The benefits, to be fair and just, must be equal and reciprocal. I insist that protective legislation that enables our manufacturers to compete with the cheap capital and pauperized laborers of Europe brings these reciprocal benefits. Now, there are three classes of our people who are mainly affected by this legislation—the capitalist, who owns the mills and shops; the laborer, whether he be an artisan or a worker in the forests or the mines, and the farmer. The first of these, the capitalist, is benefited all admit. That he should be is highly important to the other classes named, for prosperity to him means more shops, more spindles, looms, and furnaces, a greater demand and a higher price for labor and the farm prod-

uct. Capital and labor in their normal relations are dependent on each other. Each depends on the other for its profits. The manufacturer could reap no profits without the laborer, and labor would find a dull market if the fires in the forges and furnaces were out and the wheels in the shops stood still. If the employer is prosperous he is enabled to pay labor a better price, and thus greater comforts are put in the reach of the laborer. Instead of an antagonism between capital and labor, the individual prosperity of both—and national prosperity as well—depends upon the existence of harmonious relations between them. Legislation should deal fairly with both.

I am asked, what return has protection through impost duties brought to the skilled or unskilled laborer? I answer, it has given him a more certain employment and higher wages. The American wage-people are more prosperous and better paid than any in the world. They have brighter fires on their hearthstones and better and healthier food on their tables, and their children are better clad and educated. Our system of protection has enabled the temperate and the frugal wage-worker to own his own farm and his own cottage. It is bringing hundreds of laboring men and women every month from abroad to abide with us and enjoy its blessings. It has enabled the laborer to become the capitalist, the dependent to rise to independence, the poor to become rich. Many of the opulent of to-day were poor but a decade or two ago. I never hear the demagogue denouncing the "bloated capitalist" but I am reminded that with us a majority of the rich have come up from the ranks of the laboring people and their fortunes are but the result of labor saved. To illustrate, let me quote:

Here are six shoemakers working in one shop. One of them attends to his business; you can hear the music of his hammer late and early. He is in love, it may be, with some girl on the next street. He has made up his mind to be a man, to succeed, to make somebody else happy, to have a home; and, while he is working, in his imagination he can see his own fireside with the light falling upon the faces of wife and child.

The other five gentlemen work as little as they can, spend Sunday in dissipation, have the headache Monday, and as a result never advance. The industrious one, the one in love, gains the confidence of his employer, and in a little while cuts out work for these other fellows.

The next thing you know he has a shop of his own, the next store, because the man of reputation, the man of known integrity, can buy all he wishes in the United States upon credit.

The next thing you know he is married, and he has built him a house, and he is happy, and his dream has been realized.

After a while the same five shoemakers, having pursued the old course, stand on the corner some Sunday when he rides by. He has got a carriage, his wife sits by his side, her face covered with smiles, and they have got two children, their faces beaming with joy, and the blue ribbons are fluttering in the wind.

And thereupon these five shoemakers adjourn to some neighboring saloon and pass a resolution that there is an irrepressible conflict between capital and labor.

I can imagine that when this shoemaker by his frugality and industry had saved enough to run a shoe factory and employ these five workmen, he was denounced as a monopolist. But pardon this digression. I was proving, or at least trying to do so, that our tariff laws procured for our people better wages. I do not care to bewilder the committee by long columns of confusing figures in the shape of labor statistics, but will content myself by calling your attention to an oft-repeated and indisputable fact, that we pay labor, on an average, nearly twice as much as is paid for it in the Old World. Referring to the admirable argument of my friend, the gentleman from Rhode Island [Mr. CHACE], it will be seen that ten of the leading employments in the cotton-works of Manchester, England, are paid weekly wages averaging \$6.18 each, while in Massachusetts the weekly average for the same kind of labor is \$10.84. You can readily compute the per cent. of difference. I borrow from the same speech the following table:

*Wages paid in potteries at Hanley, England, and in the United States—
from letter of Robert P. Porter, in New York Tribune, April 2, 1883.*

	England.	United States.
Flat-presser	\$11 10	\$20 30
Dishmaker	9 62	19 43
Cupmaker	9 92	19 67
Saucer-maker	7 63	18 58
Handbasin-maker	9 66	19 73
Hollowware presser	8 14	17 90
Hollowware presser jigger	11 62	21 89
Printer	6 55	13 56
Ovenman	6 86	13 18
Sagger-maker	8 46	19 33
Moldmaker	10 23	20 79
Turner	8 00	16 97
Handler	8 39	16 62

Here are thirteen classes of laborers in the potteries. At Hanley the average weekly wage in 1882 was \$11.61, while the same were paid a weekly average of \$23.70 in the United States. In this industry our laborer receives twice the pay given the British employé. I might institute similar comparisons and with like results between our wages and those paid in Belgium, France, Germany, Spain, England, and indeed by all the industrial nations of the world, but to do so would be trespassing upon your patience. Presently I will try to show that the high rate of our wages as compared with those paid abroad is directly attributable to a tariff for protection.

I am now asked: "In what way is the farmer benefited?"

And first I will let President Jackson answer. In his letter to Dr. Coleman, of April 24, 1824, General Jackson asked:

Where has the American farmer a market for his surplus products? Except for cotton he has neither a foreign nor a home market. Does not this clearly prove, when there is no market either at home or abroad, that there is too much labor employed in agriculture, and that the channels of labor should be multiplied? Common sense at once points out the remedy. Draw from agriculture the superabundant labor, employ it in mechanism and manufactures, thereby creating a home market for your breadstuffs and distributing labor to a most profitable account, and benefits to the country will result.

Take from agriculture in the United States 600,000 men, women, and children and you at once give a home market for more breadstuffs than all Europe now furnishes us.

In short, sir, we have been too long subject to the policy of the British merchants. It is time we should become a little more Americanized, and instead of feeding the paupers and laborers of Europe, feed our own, or else in a short time by continuing our present policy we shall all be paupers ourselves.

And again, long enough after the tariff of 1824 had been passed to give ample opportunity to note its effects, President Jackson in his third annual message, December 6, 1831, said:

Manufactures have been established, in which the funds of the capitalist find a profitable investment, and which give employment and subsistence to a numerous and increasing body of industrious and dexterous mechanics.

The laborer is rewarded by high wages in the construction of works of internal improvement, which are extending with unprecedented rapidity.

And in every succeeding annual message President Jackson congratulated the country on its steady growth in population and wealth, or, as he states in his seventh message, 1835—

The unexampled growth and prosperity of our country.

This is Jacksonian democracy. You observe the answer: Protection gives a larger market, and as a consequence secures a better price for the farm product. It keeps a large body of laborers from the fields and puts them in the workshop; it makes them consumers of the farm product, when, if the workshop did not exist, they would be producers of it. While this system narrows the field of competition among agriculturists, it enlarges the body of buyers. If farming is to be profitable it must have a good market for its surplus, and this can not be had abroad. The farmer is almost wholly dependent upon his home market; and when this fails, his occupation, except in so far as he can consume its fruits, is gone. The gross farm product of 1882 is estimated at \$3,600,000,000. Of its surplus not more than 15 per cent. was sold abroad. The balance had to find a home market. Who make this market for the 85 per cent. of what the farmer raises for sale? I answer, the farm surplus is largely consumed by the 4,000,000 of our people who work in the shops and mines and factories. Drive these laboring people from their employments by any system of legislation that will have that result, and let them become producers instead of consumers of the farm product, and the farmer will soon realize the value of tariff protection. All our industries stand together, and an injury to one is felt by all.

It is asked, how does protection increase wages? All know that labor is the chief element of value in every manufactured commodity. If, therefore, foreign labor is cheaper than ours, manufacture here is only possible upon one of two conditions—either our labor must be reduced to the level of that abroad or we must put a duty on the foreign product when it enters our markets equal to the difference. Everything else between the foreign and home producer being equal, the tariff need only be the difference in the cost of labor to insure fair competition. It is certain that this must be had, or manufacturing industries can neither be established or continued in this country. Now, if the cheap labor of Hanley enables the British manufacturer to furnish pottery 50 per cent. below what it costs us to produce it, paying American prices for labor, we can manufacture no pottery without a tariff on that article equal to 50 per cent. at least. Having given this business that reasonable protection, it may proceed securing labor employment at a price above that paid abroad equal to the duty imposed. And if we fix the tariff rate on the imported manufacture at the fair difference in the actual cost to the foreign and home manufacturer of putting his product in the market, the monopoly, if there be any, is that of the laborer, for he gets the benefit of the duty in the increased price paid him for his toil. I have announced myself a protectionist, but I have never advocated a rate of duty beyond that necessary to enable our people to compete with their rivals in those countries where cheaper labor and cheaper capital are to be obtained. I would insure the capitalist a prosperous business and a fair profit on his investment, and no more.

We have now seen that protection gives a market to labor, to the farm product, and has enhanced the value of each, and I now assert that these more than compensate the consumer for any increase of price on what he buys.

But to what extent does a protective duty increase the price? I quote briefly from Mr. Giles B. Stebbins:

Even if a duty sometimes keeps prices up for a brief time, compensations come at once, and lower prices soon follow. Free-traders craftily ignore the compensations that they may the more plausibly deny the benefits. Take, for instance, the Brinkerhoff charge that \$40,000,000 went into the pockets of our iron-makers in 1868, as a result of the "iniquitous tax" imposed on the people by the duty on iron, and grant (what is not true) that the price was raised that amount. Mr. A. S. HEWITT, in his report as United States commissioner, said: "The entire difference in the cost of making iron here and in England is the wages," which he gave as 87 cents to \$1 per day there and \$2 here. So we find that the Brinkerhoff \$40,000,000 went to the workmen, and the farmers got about \$10,000,000 of it.

Napoleon created the beet-sugar industry in France under a prohibitive embargo. Sugar was high, but it soon fell, and hundreds of thousands of tons of beet-sugar are made in France to-day, practically their entire consumption, and it is exported to the London market.

History tells the same story in different countries—the building up of vast industries and the cheapening of prices under protective tariffs. In England woollens formerly had a high tariff, sometimes a prohibition, and the duty on iron was raised a score of times, from \$2.50 up to \$35 per ton, and woollens and iron grew cheaper all the time.

What is our own experience? I will not repeat the figures so often given, but the fact dare not be controverted that under our protective system labor and the farm product have been constantly advancing, while every manufactured product has been cheapening in price. Farm labor has gone up 100 per cent. and more within forty years. Cereals, poultry, beef, pork, hay, the product of the dairy, everything the farmer puts on the market has gone up, while woollens, cotton goods, hats, shoes, agricultural implements, every manufacture, indeed, the laboring man buys has steadily gone down.

Mr. Chairman, I remember when, as a boy, forty years ago, I stood behind the counter of a country store in my district; we bought butter at from 5 to 10 cents per pound, eggs at 3 to 6 cents per dozen, chickens at 75 cents to \$1 per dozen, pork at from \$1.50 to \$2.50 per hundred net, and other farm products at prices equally low. These products have advanced three to four hundred per cent. since then. On the other hand, cotton fabrics, such as prints, brown sheetings, tickings, drills, &c., that sold then at 12 to 15 cents per yard, are to be had to-day in the same market for from 6 to 9 cents. There have been like reductions in the prices of lawns, cassimeres, cloths, flannels; but I need not give details, as these facts stand admitted. The conclusion is clear; we can safely continue a policy that has brought these conditions to the country.

Under the genius of our economical legislation we have stimulated industrial enterprise until our raw material is no longer being sent abroad to be made up by the foreign artisan. It is manufactured largely at home by our own people. A few years ago in my own State of Indiana the noise of the wheels and hammers of the mill and shop could be scarcely heard and the glow of the manufactory fires seldom seen. To-day almost every village has a manufactory filled with busy workers in wood, iron, or steel. There are in my little State 12,442 manufacturing establishments, representing an aggregate investment of \$53,000,000. These give employment to nearly 80,000 working people, and last year they consumed \$97,000,000 of raw material and put of their products in the market the value of \$160,828,000. Here we have 80,000 wage-people for the farmer to feed, and here nearly \$100,000,000 is paid for raw material. Indiana is proud of these thriving and growing industries, and her political influence will be given to that policy that will maintain them by securing them a market. Our wool, iron ore, coal, and all kinds of raw material are, by reason of these industries, made up at home. The cotton of the South will soon be spun and woven in mills erected by the side of her own cotton and corn fields, thus giving her own work-people employment and her planters a home market.

Alabama has now 23 cotton-mills; Georgia, 62; North Carolina, 92; South Carolina, 81; Tennessee, 33; Virginia, 14; Maryland, 24; Louisiana, 7; Mississippi, 11; Texas, 6; Kentucky, 5; Arkansas, 4; and Florida, 2.

These mills were returned in the census of 1880 as producing \$21,000,000 worth of cotton goods; but the product of 1884 is estimated at \$35,000,000 to \$40,000,000.

Since the census was completed \$25,000,000 of earnings of these mills has been sent North for the purchase of new and additional machinery, for though the South itself is rapidly advancing toward such a manufacture of iron and steel implements as will enable her to supply the machinery for her own cotton-mills, at present she has got no further than agricultural implements. In these, however, the South in 1880 had 296 manufactories, which turned out a product worth \$3,557,604, the growth having more than doubled between 1870 and 1880.

But, Mr. Chairman, this subject is exhaustless, and I have talked upon it much longer than I intended. I leave it here, and leave much unsaid. I conclude by saying that no legislation should be invoked that will oppress any, even the poorest and humblest, and no special privileges should be secured to any. Our laws should bless all and equally protect all. A true statesmanship has regard for the interest of every calling and every class, for the national prosperity is but the aggregate prosperity of the individual citizen. Believing that fair protection distributes its blessings equally to all; that it has secured an unexampled prosperity to all classes; that under it the nation and the people are enabled to be independent, I shall give it, as a system, my support.

Mr. CULBERSON, of Texas. Mr. Chairman, I do not propose to discuss the details of the tariff. That duty is devolved upon the members of the Committee on Ways and Means; but as I shall vote for the Morrison bill with or without the amendment suggested by Mr. Speaker CARLISLE, which proposes to abolish the tax upon tobacco and to reduce to a nominal amount the tax on brandy distilled from fruits, I propose to submit some of the reasons that control my vote.

The sentiment of a majority of the people demands a reduction in the rates of tariff taxation, and it is the duty of the House of Representa-

tives, and especially the majority of it, to make an honest effort to comply with this demand. If such an effort shall fail of success the people will place the responsibility of a failure upon those who contribute to it.

It is the policy of the Democratic party, as I understand it, to cut out by the roots the protective system and substitute in its stead a tariff for revenue as contradistinguished from a tariff for protection.

How that policy shall be enforced is the great question before Congress and the country. It would be an act of party destruction to avoid the duty which is now devolved upon the majority of the House.

Wise and wholesome legislation upon the tariff must be based upon existing conditions to which it relates. What are some of these conditions?

The protective system has prevailed for many years, and under the influence of the bounties and protection bestowed upon the manufacturing industries a vast amount of money has been invested in that business. These industries have grown to great proportions. Their wealth, influence, and power are recognized throughout the entire country, and their business relations are intimately mixed and blended with all the affairs of the people.

The demand for labor in these industries has withdrawn from other callings millions of toiling men, women, and children who, after long years of employment therein, have become parts and parcels of the business. In dealing with the fixed relations of vast industries to the affairs of the people by legislation important changes should always be made with that caution and prudence that high considerations enforce.

It can not be denied that the manufacturing industries are in an unhealthy condition. Under the influence of high protection against fair and just competition they have been hoisted upon stilts. The hot-house influence of bounties and subsidies has fostered a reliance upon the favors of law and not upon the merits of business conducted in the face of fair competition.

Violent or inconsiderate legislation, though leveled at such an oppressive and iniquitous a system of taxation as the protective system is believed to be, would not be justified by existing conditions nor the judgment of the people.

The bill under consideration is a conservative approach toward a tariff for revenue. Its conservatism, fairness, and liberality are all apparent when considered with reference to the conditions to which I have adverted. The reduction in the rates of tariff taxation proposed by it can not present a just cause of complaint from any quarter. After the reduction proposed shall have been applied the average rate of duty upon imports will be 33 per cent., a rate far above a revenue basis. Opinion as to the effect of the bill upon revenue is very much divided. It is believed by some that the amount of revenue that will be realized under its provisions, in case it becomes a law, will be thirty millions less per annum than the amount usually collected under the existing tariff; but I do not concur in that opinion. On the contrary, I believe the revenue will be increased, and I am supported in that opinion by the uniform operation of tariff taxation.

Every reduction in the rates of the tariff from high protection toward a revenue basis increases importations, and consequently the amount of revenue; but such result will present no objection to the bill, to my mind, for the reasons I shall hereafter give.

Mr. Chairman, the great point gained by the people, if this bill becomes a law, and that which constitutes its chief excellency, will be a reduction of 20 per cent. upon the cost of nearly all manufactured products consumed by them. The burden of tariff taxations of which the people complain is the exorbitant prices that they are required to pay for manufactured products, foreign and domestic. Such prices are the result, in the main, of high rates of tariff taxation. A 20 per cent. reduction will be a great saving of expenses to the people, especially to the poor, whose scant wages and meager incomes are, for the most part, consumed in the purchase of the actual necessities of life, so enhanced in price by the tariff.

Considerations of a just public policy stay the work of reconstruction of the tariff at the limit fixed by this bill, but the demand of the people who have been so long oppressed by tariff taxation will not be wholly satisfied until the work of reconstruction shall be complete by the substitution of a tariff for revenue for the protective system. This measure therefore must serve as notice to all interested that the Democratic party means to advance step by step to the only just and constitutional mode of raising revenue by a tariff.

Mr. Chairman, it is indisputably sound policy to collect no more money by taxation than the Government needs to meet its current demands. A plethoric or overflowing Treasury invites legislative spoliation and encourages wasteful extravagance in all the departments of the public service and the appropriation of public money to objects of doubtful propriety.

The annual withdrawal of large sums of money from the people, not needed for public purposes, is an oppressive exercise of power, if not a grave political crime. I do not think, however, that the Government will collect more revenue under the provisions of this measure if it shall become a law than will be needed to meet the demands upon the Treasury, and therefore there need be no fear of an overflowing Treasury and the harmful results of idle money.

It is said that we are now and have been for several years collecting

a large surplus, and that we now have a redundant Treasury. Schemes robed in the guise of benevolence, projects of shameful extravagance, and demands for large appropriations are pending in Congress, all seeking to reduce the cash balance in the Treasury and make room for more money to be gathered from the people.

Mr. Chairman, there is not a surplus dollar in the Treasury. Over \$250,000,000 in bonds drawing 3 per cent. interest annually are overdue and unpaid. The tax-payers are paying from seven to eight millions of dollars interest on these bonds annually. How can it be said that we have one hundred millions, or any less sum, of surplus money in the Treasury when the people are paying millions of dollars interest annually upon overdue bonds?

The truth is, that those whose duty it is to apply the money to the payment of these bonds have no disposition to obey the law in that respect. They believe that the public debt is a national blessing because it furnishes a necessity from year to year to gather taxes from the people and a pretext to keep in full vigor the national-banking system, that must expire as the public debt is discharged.

A large proportion of the series of 3 per cent. bonds now outstanding and overdue are owned by the banks. If they were paid off these pets of Government patronage would be compelled to go into the market and buy other and dearer bonds or surrender their circulation. The whole field of legislative expedients is being explored to find some mode to avoid the payment of the public debt, in order to furnish a perpetual foundation on which to rest the banking system, the most remorseless of all monopolies that feed upon the spoils of legislative favor. If it should transpire that the pending bill will yield the Government more revenue, in case it becomes a law, than the present tariff, that result should furnish no just cause of complaint against the bill, but should add to its favor, already great, among the people, who demand that the public debt shall be paid as it falls due, and that national-bank notes shall give way to legal-tender Treasury notes. I support the bill, therefore, because it enforces a reasonable and conservative reduction in the rates of import duties, and to that extent a reduction in the cost of manufactured products to the people, and because under its provisions, as I believe, sufficient revenue will be raised to meet the current demands of Government and extinguish the matured bonds outstanding.

Mr. Chairman, a tariff for revenue, as contradistinguished from a tariff for protection, represents the theory and principle of the Democratic party, as I understand them, upon tariff taxation, and is the only constitutional and just mode of raising revenue by impost duties.

The fundamental principles upon which a tariff for revenue ought to be constructed are that taxes ought not to be levied except for public purposes over which the Federal Government has jurisdiction; that no more money should be collected than such public purposes require under honest and economical administration; and that the burden of the tax should be in proportion to the ability of the tax-payer to bear it.

A tariff constructed upon such principles and fairly adjusted, with reference to existing conditions, excludes the idea of a redundant treasury. It excludes wholly any recognition of right in favor of any individual or class of individuals or corporations to the advantage or protection of tariff taxation in the promotion or advancement of their private interests at the expense of the public.

The results which follow such a tariff system, as has been clearly demonstrated in the history of the Government during the period of the existence of a tariff for revenue, are most beneficent and just when compared with those which flow from a tariff for protection. By it economy in the administration of all the affairs of Government is enforced, because no money is provided for wasteful expenditure or extravagant appropriations. Unequal burdens are impossible, because taxation is proportioned to the ability of the citizen to bear it.

Industries flourish because they must be conducted upon their own merits, without reliance upon the principle of protection and bounty. The laborer rejoices in a better living upon the expenditure of less money. The necessities of life, indispensable to the poor as well as to the rich, are cheapened or made free of tax. Monopolies are not fostered, because protection to investments or bounties and subsidies paid to individuals or corporations are forbidden by this just system of taxation. Monopolies are not the product of individual or corporate exertion only. Legislative favor, advantages, bounties, and subsidies secured by law are the promoters of monopoly. And, finally, under such a system whatever of prosperity comes to gladden the country is shared by all, from the humblest tiller of the soil to the millionaire.

If there is any question fully settled, so far as the courts can determine, it is that the taxing power under our system of government can only be lawfully exercised to provide revenue for public purposes within the jurisdiction of the Government, and that the exercise of that power for the special benefit of individuals or corporations is a usurpation of power pure and simple. A tariff for revenue falls within the legitimate sphere of the taxing power of the Government because it is the imposition of import duties for public purposes, and not for the special benefit of individuals or corporations.

The Supreme Court of the United States say in the case of the Loan Association vs. Topeka (20 Wallace, page 657), that—

The power to tax is therefore the strongest, the most pervading of all the powers

of the Government, reaching directly or indirectly to all classes of the people. It was said by Chief-Justice Marshall, in the case of *McCulloch vs. The State of Maryland*, that the power to tax is the power to destroy. A striking instance of the truth of the proposition is seen in the fact that the existing tax of 10 per cent. imposed by the United States on the circulation of all other banks than the national banks drove out of existence every State bank of circulation within a year or two after its passage. This power can as readily be employed against one class of individuals and in favor of another, so as to ruin the one class and give unlimited wealth and prosperity to the other, if there is no implied limitation of the uses for which the power may be exercised.

To lay with one hand the power of the Government on the property of the citizen, and with the other to bestow it upon favored individuals to aid private enterprises and build private fortunes, is none the less a robbery because it is done under the forms of law and is called taxation. This is not legislation. It is a decree under legislative forms.

Nor is it taxation. A "tax," says Webster's Dictionary, "is a rate or sum of money assessed on the person or property of a citizen by government for the use of the nation or state." "Taxes are burdens or charges imposed by the legislature upon persons or property to raise money for public purposes."

Coulter, J., in *Northern Liberties, vs. St. John's Church*, says, very forcibly:

I think the common mind has everywhere taken in the understanding that taxes are a public imposition, levied by authority of the government, for the purpose of carrying on the government in all its machinery and operations; that they are imposed for a public purpose.

Although this decision was made upon a question that involved the power of the Legislature of Kansas to tax the people of that State for a private purpose, yet the principle announced is equally applicable to the power of Congress when exercising the taxing power. If there is no limitation of the uses for which this power may be exercised it may be employed, as it is now, to maintain a protective tariff to ruin one class of individuals and increase the wealth of another. The imposition of import duties for the purpose of raising money to donate to manufacturing industries to enable them to compete with foreign industries would be a clear violation of the taxing power. No protectionist would undertake to defend a violation of the Constitution so open and flagrant. What is the difference between taking the property or income of one citizen by direct means and giving it to another, and in accomplishing the same result by indirection? So far as the citizen who is injured is concerned, there is no difference. His loss is the same, whether his property is taken by one or the other method. The indirect mode suits the recipients of the bounty better, however. If the bounty-money was raised directly, Congress would have to apportion it out among the "protected classes" according to some rule of division. Each establishment would get its proportion. There would be no opportunity for the several parts of each "protected industry" to get more of the stolen goods than its share; whereas under the indirect system that protected industry gets most of the bounty, that drives the hardest bargain with labor. It would be far more honorable to raise the money openly and divide it among the protected classes. The people would then realize how much they pay for the support of the manufacturing interests, and labor could understand its interests in the bounty.

But, Mr. Chairman, this indirect method of taxing the people for the benefit of a few who are engaged in manufacturing is the only safe mode by which to secure the bounty. If this burden was laid openly, so that its enormity would be exposed, the people would revolt against such unjust exaction. Self-interest always rebels against open robbery, but fraud, robed in a patriotic garb, deceives while it plunders.

There will never be a period of time in the future of this Government when a revenue tariff will not give an advantage to the home manufacturer over his foreign competitor. That advantage is not the offspring of right, but it comes as the inevitable result of taxing imports at all. Why should the home manufacturer not be content with the advantage which flows to him under the provisions of a constitutional tariff? What right in morals or law has any private business to be supported from the income of the people?

The proposition is abhorrent, and repugnant to every sentiment of justice and fair dealing, and is an assault upon the equality of right, the very foundation upon which our institutions are supposed to rest. A private industry which can not maintain itself upon its own merits ought to be abandoned. This is the rule of business applicable to all the affairs of men, and simple justice and fair dealing forbid exceptions to it made by bounties extorted from the people under the guise of raising revenue for public purposes.

Mr. Chairman, the contrast between the operation and effects of a tariff for revenue and those of a tariff for protection is marked and significant. It has aroused universal inquiry among the people. There is unrest and disquiet under the burden of a protective tariff plainly discernible in all sections of the Union. While the war raged the burden was borne by the people with patriotic fortitude. For a long time after the close of the war the great public debt silenced their murmurs; but now that peace reigns and the public debt is no longer an incubus, neither patriotism nor sense of honor demands further submission to the cruel exactions of protection.

If a tariff is a tax imposed upon the people who consume foreign commodities that are taxed, and it can not be otherwise, the gross injustice and onerous oppression of the existing protective system is easily demonstrated. I can not go into details, but the total value of all the taxed commodities imported into the United States during the last fiscal year was \$493,916,383.81; the average rate of duty or tax paid was about 42½ per cent., and the total amount of revenue received by the Govern-

ment from the tariff was \$194,464,758. These figures mean that the people paid that much revenue for the privilege of buying the foreign taxed commodities that were imported into the United States during that year. They paid over one-third of the value of the goods for the privilege of buying them. This was an enormous tax not justified by the demands of Government.

Now, why did Congress deem it necessary to fix the rates of the tariff so high? It was not for the purpose of collecting revenue for public purposes. If revenue had been the object of the tax less rates would have been fixed, for everybody concedes now that high rates lessen the amount of revenue, while low rates, if not below the revenue basis, increase the amount of revenue. The main object of fixing the rates so high was to protect home manufacturers from the competition of foreign manufacturers. But high as the rates of the tariff are, and enormous as the amount was that the people paid last year for the privilege of buying the small amount of foreign products consumed, it was a mere fragment in comparison with the amount actually paid by the people

to the protected industries by reason of the existing costly and imperial system of taxation.

Nearly nine-tenths of all dutiable goods imported into the United States compete with similar products manufactured here for a market. The "protected industries" represent an immense business. The value of the products manufactured by them during the year 1880, as shown by the census, reached the enormous sum of \$2,440,502,649. All of these products which were purchased in the United States sold at a price enhanced by the tariff tax upon the foreign competitors. That is to say, the home manufacturer goes into the market with his goods with the advantage of the tariff tax over his foreign competitor. The higher that tax is the better for him. Just how much that advantage yields annually to the "protected industries" is a subject of estimation, which experts can very nearly approximate.

I have been furnished with a table prepared by Mr. SPRINGER, of Illinois, which shows the operation of the tariff for the year 1882. It is as follows:

Statement showing the amount of incidental taxes annually imposed on the people of the United States in the increased cost of home products by reason of discriminating duties on imported articles of like character, together with the value of such home products, the amount of wages paid and number of hands employed, and the imports and duties received thereon, for the year 1882.

Articles affected by the tariff.	Merchandise imported during the fiscal year ended June 30, 1882.			Value of home products, census year, 1880.	Average number of hands employed. Boys under 16 and girls under 15 counted as one-half a hand.	Total amount in wages during the year.	Estimated rate of increase ad valorem.	Incidental taxes, being the increase cost of home products by reason of the tariff.
	Values.	Duty received.	Average ad valorem rate.					
	Dollars.	Dollars.	Per cent.	Dollars.	Number.	Dollars.	Per cent.	Dollars.
Chemical products.....	21,517,169	6,718,561	31.32	117,377,324	23,895	11,840,704	20	23,475,464
Earthenware and glassware.....	13,822,043	6,693,257	48.42	31,632,309	30,674	13,130,403	45	14,234,539
Metals: iron and steel, and all metal manufactures.....	74,427,988	30,358,936	40.79	604,553,460	290,000	122,648,191	20	120,910,692
Wood and woodenware.....	8,654,327	1,589,851	18.37	311,928,884	185,426	47,817,199	15	46,780,332
Sugar and molasses.....	94,540,269	49,210,573	52.05	(a)			40	4,848,714
Tobacco.....	8,216,132	6,000,961	73.03	118,665,366	81,809	25,041,257	25	29,666,341
Cotton and cotton goods.....	34,868,044	13,482,167	38.67	270,950,383	170,363	45,614,419	20	42,190,076
Hemp, jute, and flax goods.....	33,578,076	9,844,652	29.32	5,518,866	4,329	1,238,149	20	1,103,773
Wool and woolsens.....	47,679,502	29,254,234	61.36	267,182,914	145,341	47,351,628	40	106,873,165
Silk and silk goods.....	38,535,475	22,632,490	58.73	41,033,045	23,554	9,146,705	50	20,516,522
Books, paper, &c.....	4,923,620	1,406,787	28.57	65,960,405	25,274	9,895,995	20	13,192,081
Sundries.....	62,410,690	17,272,269	27.68	665,699,693	337,216	129,881,399	20	133,139,938
Total.....	433,173,335	194,464,758		2,440,502,649	1,327,881	463,606,049		556,938,637

(a) Planters' product for 1880 was: Sugar, 196,759,200 pounds; molasses, 16,573,273 gallons. Number and wages of laborers not stated.

This table shows that the "protected industries" received during the year 1882 \$556,938,637 from the people of the United States, who purchased their products in excess of what their products would have brought if there had been no tariff. That is to say, for every dollar paid into the Treasury as a tax upon imports \$3 go into the pockets of the "protected classes." I am aware that other estimates place the amount received by the protected industries at a much greater sum, but I regard this estimate as reliable.

It thus appears that on account of the protective tariff over \$700,000,000 were drawn from the people during the last fiscal year. Not quite \$200,000,000 of that amount was paid into the Treasury as revenue. All the balance of it went into the pockets of the "protected classes" as enhanced profits by reason of the tariff upon the sale of their merchandise.

Can it be possible, Mr. Chairman, that a system of taxation that thus outrages every principle of justice and fair dealing finds a warrant for its existence in the Constitution which we all so much revere. Its greed and pillage are sufficient to appall every just man.

If this enormous burden fell only on the rich, or if it were equitably adjusted and apportioned among the people according to their ability to pay, the system would in some measure be relieved of its unblushing tyranny and gross oppression; but such is far from the fact. The burden falls heavier upon the shoulders of the poor than upon those of the rich. The poor must purchase the necessities of life taxed as they are, and so must the rich; but this system of taxation makes no distinction between the ability of the two classes to pay the taxes imposed, even upon the necessities of life.

What must be the results of such a system of taxation? Unlike those which flow from a tariff for revenues wholly. The burden of the tax falls unequally. Those the least able to supply themselves with the necessities of life are most oppressed, and the burden decreases as income increases. Its tendency is to centralize wealth, to build up classes by forced contributions upon the people at large, to foster monopolies, and to create an aristocracy of wealth. It degrades labor instead of elevating it, for under the guise of high wages it robs it of its income in enhanced prices for the necessities of life. Monopoly and serfdom go in pairs, and both are the legitimate offsprings of a system which robs the public to aggrandize the few. [Applause.] Besides, sir, the effect of this system upon the protected industries themselves is most harmful. It encourages overinvestment and overproduction, and the bounties paid enable them to suspend work at pleasure, to the ruin and distress of labor. It creates conditions under which large wealth is accumulated in the hands of few, while the many are forced into poverty.

It is said, Mr. Chairman, that the present tariff is the offspring of the war. During that great but ever to be regretted struggle the demand for revenue and manufactured products reached the very highest point of human necessity. The present rates of the tariff were fixed, in the main, for a twofold purpose: for revenue, and as a stimulus to production to meet the extraordinary demands of the war.

Whatever might be said by way of justification of the system as a necessity of war would challenge my respect, for I recognize the fact that the life of a great nation imperiled by war is dearer than constitutions or laws. But the war closed twenty years ago. There is now no war demand for manufactured products and no stimulus is needed. On the other hand, the stimulus applied by way of bounties and protection has resulted in overinvestment and overproduction. On all sides we hear of mills closed or running on limited time. The mill-owner rests on his bounty until demand for his goods revive, while the laborer is turned out to look for work in other employment. The system has outlived its purpose.

Mr. Chairman, it is said that the marvelous development of the resources of the country during the last twenty years and the enormous addition to the wealth of the people and their apparent prosperity are all due to the protective system, and they are eloquently displayed as the beneficent results of protection. Is the credit due? I think not. If you will compare the results of the period when we had a Democratic tariff with those which are now claimed for protection fairly and with reference to the conditions applicable to each, you will find the prosperity of the people under the former period far more satisfactory to the philanthropist and the patriot than that which now exists. During the period of a tariff for revenue, the prosperity of the people (as shown by the census) was marked and significant. It was widely diffused. The *acquets* and gains of labor, industry, and enterprise were shared by the whole people, from the humblest tiller of the soil to the millionaire.

The prosperity which is apparent to-day is in a large degree deceptive. The general and substantial prosperity of the tariff-for-revenue period does not exist. It is true that we are dazzled by the glare of wealth and stand lost in admiration at the grand development of the inherent resources of the country. But I regret to say that the wealth which attracts our attention to-day lies up in heaps. It is enthroned in palatial residences that shelter the bounty-fed barons of protection. It displays itself in the long lines of railway stretching across the continent, all owned by money kings; in the "million list," who cut the coupons from untaxed bonds; in the long roll of banks and bankers, fattening day by day upon the spoils gathered from the people by the favor of class legislation; in the costly public buildings, more fit for

the scarlet henchmen of royalty to dwell in than the servants of a republican people, erected all over the country by the money wrung from the public by this system of indirect taxation; and finally in the baronial landed estates filched from the public domain, the heritage of the poor, under the forms of law. [Applause.]

From 1860 to 1870 the nine leading manufacturing States increased their wealth 173 per cent.; from 1870 to 1880, 200 per cent.; while for the same period the nine most fertile agricultural States show no such wonderful achievements in the acquisition of wealth. The truth is, and I regret to say it, that the wealth of the country acquired under the protective system is most unevenly divided. There is abundant wealth and prosperity, but who shares it? There are to-day more modest homes where the comforts of wealth are unknown, there are more tenement houses where tired people are supposed to rest, there are more cabins clinging to the hillsides or dotting the great plains, there are more hovels where squalid poverty sleeps upon its rags, and there are more able-bodied men and women eking out a miserable existence upon scant wages than at any other period in the history of the country. In the very glare and glamour of centralized wealth and corporate power which the protective system promotes there is a vast army of men, women, and children struggling for the barest living. There is no factor in American politics or policies that has contributed more to centralize the wealth of the country, to make the rich richer and the poor poorer, than the system of protection.

This iniquitous system of protection is defended mainly upon the ground that the aid extended to the "protected industries" is necessary to enable them to pay their laborers compensatory wages. This defense is remarkable in many respects, and in none more so than its entire falsity and want of sincerity. Abstractly considered, it presents no merit founded on right. It assumes that Congress has the right to tax the people for the purpose of making a private business profitable to the owners, a right denied by the highest court of the country. The very statement of the demand is abhorrent and repugnant to justice and fair dealing. It has no warrant in the Constitution. It is the offspring of greed. [Applause.]

Life, Mr. Chairman, from the cradle to the grave, is but a combat for a comfortable living and a decent burial against all opposing elements. In that great struggle every contestant is entitled to a fair chance of success, and whenever the Government lays its heavy hand upon the income or property of the citizen, not for public purposes of government, but to transfer it to another citizen to aid him in the struggle, it commits an unpardonable crime against humanity. Besides, sir, this defense of the protective system upon the part of the recipients of its bounty is false and insincere, and in proof of it I present the letter of Dr. Young, the president of a cotton factory in the State of Georgia:

GOLUMBUS, GA., March 13, 1884.

DEAR SIR: I have your letter of 10th instant, in which you ask my views as to what effect a reduction of 20 per cent. would have on the cotton manufacturing interests of the South. To the question I answer unhesitatingly, none.

The South is now engaged in manufacturing, say, standard (or heavy-weight) goods, and which are mainly consumed by the masses of our population South and North; and now the South sends her surplus productions to the North, where they displace all such heavy-weight goods as were formerly made there and sent South. These advantages (in all such goods) must ever remain with the South, over New England and Old England; and New England, on account of closer proximity to the cotton-fields, has a relative advantage over Old England.

A reduction of 20 per cent. in the tariff would not enable England to compete with this country, North or South, in these heavy-weight goods; but if the tariff on all articles entering into the cost of manufacturing in this country were also reduced 20 per cent., then the manufacturers North and South would be benefited; and if the duties on all such goods entering into the cost of manufacturing were made free, then the North and South could compete with England in all markets of the world. The tariff as it now stands of course shuts out all foreign competition with manufacturing productions in this country (except a few specialties of fine goods for the wealthy); and it locks in their productions, and thus confines them to the home demand; and, as a consequence, there is now a glut of goods. To illustrate my position, the company over which I preside consumes about fifty bales of cotton per day. A New England mill consuming that amount of cotton would have to pay \$350 per day more for it than it costs this company, and a mill in England would have to pay more than that.

These advantages are so great that the tariff (if entirely removed) would not enable England to compete with this country on heavy-weight goods, and if the tariff was removed on all articles that enter into the cost of manufacturing, then this country could command the markets of the world and the supremacy of England would be ended.

I have visited England three times and have investigated the cost of labor compared with the South, and found it more (or higher) than here; and yet our operatives were in better condition from the fact that food costs less with us, and clothing also, as our climate does not require such heavy clothing.

I think labor at the North about the same as in England. I also investigated the cost and selling price of heavy cotton goods, and concluded I could sell in England at a profit, but to do so I must adopt their peculiarities of styles, and I prefer a home market.

I believe if all our custom-houses were abolished that this country would find (in England) a large market for our manufactures of cotton and woolen goods. Now, this country is heavily taxed with almost everything that enters into the cost of production, beginning with machinery and ending with the baling the goods with Scotch burlaps.

I believe the manufacturing interests in this country, with their natural advantages, if free from all tariff legislation, would soon become the great manufacturing center.

Yours, truly,

EAGLE AND PHOENIX MANUFACTURING COMPANY,
W. H. YOUNG, President.

HON. HUGH BUCHANAN,
House of Representatives, Washington, D. C.

In order to show the insincerity of those who urge this plea in behalf

of protection, I submit that the "protected industries" during the last fiscal year paid their laborers \$447,719,876. They received incidentally from the protection afforded by the tariff, as I have shown, over \$500,000,000. How was that sum applied? If it was applied to the payment of the wages of their laborers, it was more than sufficient to pay the entire wages due their laborers. So it seems that the people paid the wages of the laborers employed by the "protected industries" and nearly \$200,000,000 in excess, which went to swell their enormous demands.

It will be borne in mind that this demand is made in behalf of American labor against the competition of cheap foreign labor.

The history of the transactions of the "protected industries" shows that no consideration of the wages of laborers enters into the demand for tariff bounties and protection. It shows that the iron rule of supply and demand is applied to the wages of the laborer. If the supply is great the laborer must be content with whatever price is offered. Nor is this rule harsh and arbitrary, as it is always applied in the interests of the American laborer. But these "protected industries," notwithstanding the bounties and protection they secure, confessedly in the interest of American labor under the tariff, do not hesitate, whenever they desire to swell their profits, to explore the crowded marts of the Old World for cheap foreign labor to take the place of American labor, until now 30 per cent. of American labor has been driven out of their employment and foreign labor substituted for it.

Sir, the Democratic party makes no war upon capital, but is now and always has been the champion of the rights of the people against the encroachment of power and unjust exactions. It has always battled for a pure and honest administration of Government. It has stood by the people throughout the long war which monopoly and centralized wealth have made upon their income and property. It has been the avowed foe of all class legislation. It has struggled to bestow the blessings and benefits of Government on all alike and to apportion its burdens among all the people. Time and time again it has gone down in defeat, overwhelmed by the combined elements of protection, monopoly, and centralized wealth. But undaunted by defeat, inspired by the great cause of the people against all opposing elements, it will ever be true to its principles and traditions in adversity or prosperity. [Great applause.]

Mr. MILLIKEN addressed the committee. [See Appendix.]

Mr. CUTCHEON. Mr. Chairman, I am opposed to this bill because I believe it wrong in principle, unscientific in construction, hurtful in tendency, and destructive in effect if carried to its logical conclusion. Its very discussion is already disturbing the business of the country, and the only parties who look forward to its passage with hope are the manufacturers of England and the school of politicians who advocate it upon this floor.

The questions involved have been so amply discussed that I should have remained silent had it not been for the fact that I represent a district which this bill strikes with fatal force. The details of tariff legislation have received such full consideration in this debate that I do not purpose to add to the discussion of details. So many figures have been given, which no one remembers except in a general way, that I shall not pile up more figures; but I shall seek to discuss some of those underlying principles to which all details and all figures are subordinate.

We have here a positive antagonism of theories, while their supporters profess a common aim and object. All protectionists and free-traders alike, profess to desire the permanent welfare of our people, and especially of those who depend upon daily labor for daily bread. Professedly we do not differ in the end, but only in the means of attaining the end. These two theories are:

1. "Commercial freedom," or free trade, the fundamental idea of which is that our market is the world.

2. Protection, or "the American system," with the fundamental idea that by discriminating duties upon imports we may segregate the markets of our country from those of more densely populated countries, and that thereby a scale of wages definitely American may be maintained.

In discussing this question we are not to forget that one of these theories has been thoroughly tested, and its results are known and reasonably certain.

Free trade in its full meaning has never been tried in this country, and therefore what its results would be is a matter of speculation only. Whatever names may be used, it must not be forgotten that there are not and never have been any advocates of genuine free trade in this country. Ever since

THE OLD CONFEDERATION

broke down for the want of a stable revenue, and the present Constitution was adopted in order that the Federal Government might have an income independent of the several States, and since the levy of duties on imports was found the simplest and most feasible method of raising Federal revenue, a practical free-trader has been unknown in this country.

To support the Government by direct taxation upon property would necessitate either the employment of a second network of tax officials throughout the States, a system most expensive and offensive, or the collection of the Federal revenue through the tax machinery of the several States upon requisitions from the General Government, thereby inviting constant collisions and conflicts of Federal and State jurisdic-

tion, ending at last in the employment of military force or a final breakdown of the Union as the Confederation broke down, for the want of the taxing power. In either case no party would long survive which attempted to conduct this Government by direct taxation on property.

THE ISSUE IS NOT, THEREFORE, BETWEEN TARIFF AND DIRECT TAXATION.

There remain, then, two resources:

1. External taxation, or "tariff."
2. Internal taxation, called "internal revenue." Internal revenue has never been recognized as a part of the ordinary and accepted tax system of the country. It has been unpopular from the foundation of the Government. The cause of this is not far to seek nor hard to find. (1) It is a tax upon production and not upon consumption. It discourages the production of whatever it is laid upon. (2) It is a tax upon the business of the country and brings it under a surveillance at once obnoxious and embarrassing. (3) It can only be carried out through and by a system of espionage, not only costly and odious, but contrary to the spirit of our institutions. (4) Its only place in any system is as a tax upon a few things, such as distilled spirits, which are recognized as not only strictly luxuries, but are conceded to be hurtful to society, and the production of which is rather to be diminished than increased. The internal-revenue system finds its only true sphere in time of war, when a vast revenue must be raised with a certainty not dependent upon our consumption of foreign products. The weakness of the tariff as a purely revenue system lies in the fact that through our inability to consume foreign products in time of war the revenue is certain to break down when most greatly needed. We are brought around, therefore, to the conclusion that the only ordinary and permanent source of revenue that the Federal Government can rely upon is the duty on imports collected in its own custom-houses by its own fiscal agents.

THE ISSUE IS NOT BETWEEN TARIFF AND INTERNAL REVENUE.

No party since the adoption of the Constitution has ever proposed to dispense with a tariff. No party now proposes to dispense with it, and none ever will so long as the Federal Government must have an independent revenue.

The issue, then, is not between tariff and anti-tariff, nor yet strictly between high tariff and low tariff, but rather between protection and anti-protection. And yet for the purposes of this discussion I shall speak of these two parties or elements as protectionists and free-traders. Both are for a tariff for revenue. Both are not for a tariff for revenue only.

The protectionist system is

THE NATIONAL SYSTEM.

The free-trade system is a cosmopolitan system.

By protection we seek first, foremost, and always to develop our own country—

1. As to its natural resources, its raw material.
2. As to labor, the transmuting power in production.
3. As to its transmuted labor, its capital or wealth.
4. As to its markets, its means of consumption.

By this system we seek and believe that we achieve the following ends, which we consider in the highest degree desirable:

1. National independence—

First. By the development of our own natural resources, our raw material.

Second. By the production within our own borders of all that is needful to national or individual life.

Third. By the creation within ourselves of every form of labor, skill, or invention requisite to national or individual support.

Fourth. By the control of our own markets, free from the domination of foreign powers either in peace or war.

Fifth. By the maintenance of a national scale of wages, creating a greater power of consumption, higher civilization, greater content, and greater loyalty.

And here let me say that no nation can be truly great or truly independent until it can arm, clothe, and munition its own armies in time of war, and control its own markets in time of peace! [Applause.]

2. The next object of protection is the conservation and utilization of the great natural advantages which the Almighty has given us in our broad domain, our ample raw materials and natural facilities for transmuting them into products for the consumption of an advanced civilization.

3. Maintenance of home markets adequate to the consumption of home production, so as to effect a saving upon transportation which shall go to augment the common wealth of the country, increasing the wages of labor, the returns of capital, and the capacity for consumption.

Against all this the free-traders put a single maxim, to wit: "The market is the world; buy where you can buy cheapest, sell where you can sell dearest." In other words, the whole race of life is reduced to a race for cheapness, not for advancement.

What does this maxim mean? When we are adjured to "open the markets of the world," what does that mean? It means that we are adjured to reduce our cost of production to a level that will force our products into the markets of the world. This can only be done by reducing the wages of our laborers to and below the level of the wages of

every nation with which we compete in the specified production, for transportation must be added to prime cost. "The speed of the fleet is the speed of the slowest ship," and the level of wages in order to compete in production with the nations must be the level of the nation having the cheapest wages engaged in the specified production.

"FREE TRADE" IS THE MILLENNIAL SYSTEM.

When all nations are on an even plane of civilization, all nations on an equal scale of production and invention, all nations of an equal density of population, and all nations shall have an equal capacity for consumption, then the markets of the world will reach an equilibrium, and when thereafter the epoch of universal peace shall come in—in other words, when the millennium shall dawn—the doctrine of free trade may become practical, but never until then. Until then there must be discrimination and protection in favor of our own resources, labor, production, and markets. [Applause.]

We have now advanced thus far:

1. The Government must have revenue.
2. This revenue must be derived chiefly from duties upon imports.
3. That in deriving this revenue from imports a discrimination should be made in favor of American materials, American labor, and American markets.

I come now to discuss these questions in detail, under the several heads of

RAW MATERIALS, WAGES, AND MARKETS.

And first of "raw material." This is the shibboleth of the free-trade party—"free raw materials!" Now, what is raw material? On this matter of primary definition there seems a great confusion of ideas, but on it depends much, if not the entire question. That eminent economist, the gentleman from New York [Mr. HEWITT], spoke the other day of pig-iron and scrap-iron as "raw materials." The equally distinguished gentleman from Pennsylvania [Mr. KELLEY] resents this as to pig-iron, but joins Mr. HEWITT in putting alcohol in the list of "raw materials." The gentleman from Ohio [Mr. HURD], in his eloquent speech recently, puts wool down as a "raw material." And by some strange contradiction of terms "manufactured lumber" is classed as a "raw material." In the minds of these gentlemen evidently raw material is a "movable quantity," a relative term. It would be defined thus: "All that comes to me is raw material, no matter how many hands have wrought upon it before; all that goes from me after my labor has passed upon it is 'finished product,' no matter how many processes it may pass through between me and the consumer."

Now, in truth and in fact there is no raw material but nature; all else is the result of labor. The ore untouched in the unopened bed is raw material; but when labor has opened the mine, built a track for the ore, put cars upon it, constructed implements for mining, dug the ore, rolled it out of the mine, transported it to the dock, loaded it on ships, carried it to the furnace which labor has built, lifted it with machinery which labor has erected, mingled it with lime which labor has quarried, melted it with charcoal which labor has cut in the forest, burned in kilns which labor has built, and then when grimy and sweating labor has drawn the glowing molten mass from the vast crucible and cast it into ingots or pigs, it is not "raw material," but labor, concentrated labor. More than nineteen-twentieths is labor and less than one-twentieth is "raw material." [Applause.]

In the case of alcohol it is even more absurd to class it as a raw material. The raw material in alcohol is infinitesimal. Labor clears the land and reduces it to cultivation. Labor plows the ground. Labor plants the corn, which labor before has raised. Labor cultivates the crop. Labor harvests it, houses it, shells it, transports it on roads which labor has built to distilleries which labor has reared. Labor puts it through the various processes of distillation, casting nineteen-twentieths of the raw material to the distillery swine or cattle. And when the spirits, the alcohol, emerges from the still 999 parts in every 1,000 is labor, and one part or less is "raw material."

It is little less than astounding to hear that political economy which places alcohol in the category of raw material, but it is no more amazing than it is to hear manufactured lumber placed in the same list.

The raw material is the untouched forest. Labor fells the trees, cuts them into logs, skids them, hauls them to the water, floats them to the mill which labor has built, lifts them into the mill, saws them, piles the lumber on the dock, puts it on the vessel, transports it to the primary market, and there, where four-fifths of its value is labor, it is still classed as a raw material.

In the same way, only to a less extent, wool is a raw material. Nature grows the fiber, but labor prepares all the conditions. If you can estimate the value of the wool clip of this planet before the hand of man had struck a blow upon it, before a tree had been felled or a home reared, you can justly estimate to what extent wool is a raw material.

Wool is as much the product of labor as statuary, in fact more so, for the raw material enters more largely into the marble statue than into a piece of woollen goods, or even a clip of wool.

The sooner we recognize the fact that all civilization, all wealth, all production is the outcome of labor—the great magician, the touchstone that transmutes nature's treasures into life and comfort and human use,

the sooner we shall find ourselves upon the everlasting adamant. [Great applause.] All wealth whatever is labor crystallized. "Free raw material," except we use our own raw material, is a delusion and a snare.

We may as well settle our hearts upon this foundation fact, that for the purposes of this discussion there is no raw material imported into this country and from the very nature of the case there can be none, for when it reaches these shores the so-called raw material will be composed of from 900 to 999 parts in every 1,000 of labor and nothing but labor.

Labor, mental and physical, ought to possess the wealth of this world, because it has the right of creator. I thank God that in this land at least they do possess it. And it is only here and there that some one has gained possession of wealth which he did not help to create. The general average of our 54,000,000 people is not greatly disturbed by these exceptional cases.

My colleague from Michigan [Mr. YAPLE] in his able free-trade speech declared that "exchange is the source of all life and wealth." My friend is in error. Labor, productive labor, is the source of all life and wealth, and the less of this productive labor that is wasted or expended by exchange in bringing the producer and consumer together the better for both producer and consumer. Exchange is necessary, but the less the expense of exchanging the larger the residuum. It is the recognition of the fact that manufactured products are only embodied labor that forms the basis of the tariff system.

The tariff duty is intended to be apportioned upon different articles according to the amount of labor that has entered into their production: if but little labor, then but little duty; if much labor, then a larger duty; and the highest duty upon that which involves or embodies the largest amount of labor. With each new process, therefore, through which the manufacture passes comes an addition to the duty which is levied upon it. As the more elaborate and expensive articles are generally consumed by the wealthy, and the simpler forms, involving less labor, by the poorer class, the higher duties are consequently laid upon articles of luxury, and not of necessity. It is the idea of the equitable distribution of the rewards of labor to the actual laborers that lies at the very foundation of the protective policy.

This brings me next to speak of

THE WAGES OF LABOR.

The price of anything is simply the price of the labor in it. The labor is measured by wages, and so wages—the price of a day's work—becomes the measure of value of everything that the world uses or consumes.

If all nations were upon a dead level of civilization, with equal natural resources of the same kinds, for which there was an equal demand, with equal powers of invention and production, with equal capacity for consumption, and an equally dense population, then wages would be everywhere the same. The price of labor, like the price of everything else, depends upon the law of supply and demand; that is, upon the amount of the supply relatively to the demand.

The supply depends upon the power of production, and production depends largely upon brain labor and inventive genius, and the use of labor-saving machinery. One engine, run by two engineers and a half dozen firemen and attendants, will do the work of more than twenty thousand men. So we see that the greater the brain-power—the inventive faculty, in a word—the higher and more vigorous the civilization, the greater the production, and the greater the supply.

On the other hand, the demand depends upon the ability to consume, equal populations being considered. The barbarian can consume but little. His wants are but few and simple. A wigwam, a bow and arrow, a fishing rod and line, a breech-clout, a bearskin, a tomahawk and knife are sufficient to meet his demand. Civilization is the multiplication of wants. Civilization must have houses, grounds, gardens, fences, roads, railways, canals, ships, factories, shops, schools, and churches; and all that these imply. In its homes there must be the accessories of civilized life, furniture, carpets, books, pictures, tapestries, decorations, instruments of music, and a multitude of like objects. A thousand articles of use and beauty fill the home of civilization. All these things must be made, and made by labor. In a word, the higher the capacity for consumption, the higher the civilization; and the higher the civilization the greater the capacity for consumption and the consequent demand for labor.

When we compare the common people of our own land with those of older countries, and especially free-trade countries, we find in those countries, first, a lower grade of civilization and a consequently smaller capacity for consumption of the products of labor, and hence a comparatively small demand for labor itself; second, overpopulation and overproduction, and a consequent oversupply of labor. There are two men to do the work where only one man is needed, and hence the two must divide the wages of one. The consequence is that wages are kept at the lowest living line. If the common laborer can live, it is all that he expects and all that his children hope. On the other hand, in this country the demand for labor is in excess of the supply.

Our conditions are singularly favorable to the working class. We have a vast and undeveloped continent. Its natural resources are great in extent and in variety. Here land, the prime raw material, is free. Here cities are to be built, mines to be opened, farms to be cleared,

railroads to be constructed, canals to be dug, and all the forces and accessories of a most vigorous, versatile, and advanced civilization created. [Applause.] The work to be done is vastly in excess of the workers, and the result is that wages are high. This again increases the capacity for consumption among the wage-earning class. And this again an enlarged demand for production, an increased call for labor; and so we move in the endless procession of high wages, large consumption, demand, and production, which constitutes highest civilization. This is national prosperity.

IMMIGRATION

is the great economic thermometer of prosperity. Immigration measures the superiority of the American system over those of the Old World. Every year we see from one-half to three-quarters of a million of people leaving the homes of their youth, the hearthstones of their sires, the graves of their ancestors, to find a home among strangers in this strange land. Why this breaking of all the most sacred ties? Why this uprooting of all the deepest affections? Why this voluntary expatriation? It is because they leave behind them the land of industrial despair and turn their faces to the land of blessed and soul-inspiring hope. Away beyond Atlantis, beyond the blessed isles of the Hesperides, lies for them the sun-lit land of promise, where honest toil is recompensed by honest reward. [Great applause.] It is in vain that you tell them that this is the land of the "robber tariff," that this is the land where the "poor grow poorer and the rich grow richer," for they know that you do not tell the truth, and that their friends who came before them have acquired comfort and a home, and have sent them the means to follow. They know that though they may pay more for a few things, yet bread and meat are cheaper, rent is cheaper, land is cheaper, while a day's work brings more; and at the end of a year they have saved more than they could possibly save in the land which they leave behind them.

Now the question is: Shall we throw away all these advantages? Shall we open our markets freely to the producers of all the world and force our wage-workers into the unequal contest with the half-paid labor of Europe or the quarter-paid labor of Asia?

In collecting our vast revenue shall we aim to collect it from such articles as embody cheap labor, and thereby maintain our standard of wages and protect our manufacturers and laborers, or shall we adopt

A TARIFF FOR REVENUE ONLY?

We may as well here as anywhere consider what "a tariff for revenue only" means. It is a tariff whose only object is revenue. The moment you seek anything more than this you become protectionists. It is a tariff levied and adjusted with reference to raising the largest amount of revenue in the cheapest manner and with the greatest certainty. It must therefore be levied upon the smallest number of articles and those of most general consumption, and hence upon the necessities of life. Revenue must be most certain and most uniform; therefore the tariff must be laid upon those articles which we do not ourselves produce, and which therefore do not come in competition with our labor. So that the "tariff for revenue only" strikes the poor man twice, and twice fatally. First, it taxes the articles of daily consumption, such as tea, coffee, sugar, and spices; second, it taxes those things which come least into competition with his labor, while those manufactured products which are all labor and come most into competition with him are untaxed or least taxed. It is free trade aggravated with taxation of the prime necessities of living.

A protective tariff is the reverse of all this. It puts upon the free-list those articles which we do not and can not produce, together with those into which the least labor enters, and which do not come into hurtful competition with American production. Upon the coarse and cheap necessities of the poor low duties are laid, while the higher duties are reserved for such as enter into sharp competition with American labor, and such as are chiefly consumed by the rich. That

WAGES ARE HIGHER IN THIS COUNTRY

even the free-traders concede. It was conceded on this floor during this debate by the author of this bill [Mr. MORRISON] in answer to the gentleman from Ohio, Mr. McKINLEY. But for the purpose of comparison I will ask to print as an appendix to these remarks the tables prepared and used by my friend from Rhode Island [Mr. CHACE]. But they say that it is not protection that makes high wages. For the purposes of this discussion I do not care very much whether we say that protection creates high wages or say that it preserves and maintains them. We know that without protection the maintenance of high wages would not be possible in free and open competition with low wages.

As ninety-nine parts at least in every hundred of the cost of every manufactured article is the cost of the labor that enters into it, it follows, "as the night the day," that the only way in which we can compete under free trade with the cheap labor of the Old World is by cheapening our own labor to their standard. The only alternative to this cheapening of labor is that we shall give up the attempt to compete in manufacturing and devote ourselves to something else. They tell us we "must buy where we can buy cheapest." That is undoubtedly in the markets stocked by the starvation labor of Europe. But remember that every article which we buy abroad is an article that ought to have been made from American material, by American hands, on American soil.

Whenever we encourage foreign importations we are transferring to English shops the work that ought to be done in American shops by American labor. [Applause.]

THE WHOLE THEORY OF PROTECTION

is simply this: It says to the foreigner who uses cheap labor, and has converted that cheap labor into manufactured goods, "You can not sell in our market until you have paid into our Treasury a sum sufficient to bring you into the market on a level with the manufacturer who employs American labor at American wages." "But," says the free-trader, "that makes your produce cost more." Perhaps so at first, but not at last. There are multitudes of cases, among the most notable of which is the case of steel rails, where home competition has forced the market, and brought down the foreign price to about one-half of what it was when protection stimulated the home production. It leaves the price to be regulated by the energetic and strenuous competition of 54,000,000 of as wide-awake and go-ahead people as there are in the world, which will soon reduce the price to the lowest living compensation. Protection simply puts a fence of law around these 54,000,000 and says to the rest of the world, "Hands off."

Universal experience shows that, owing to the stimulus of this protection, the greater inventive genius of our people, and the introduction of labor-saving machinery, we are soon able to control our own markets, and even to invade the markets of our great competitors. Of course I need not say, because it goes without saying, that when that time comes the foreign producer, and not the American consumer, pays the duty necessary, in order to force his production into our market.

THE AGRICULTURAL CLASS.

But we are told again that while this system may be good for the manufacturer and good for the wage-earner, yet it is bad for the agricultural class. On the contrary, I maintain that there is no class more vitally interested in the maintenance of the present system than the agricultural class. There are none so absolutely dependent upon a near market as the farmers. One large class of soil products will not bear long transportation by reason of perishableness, and the absence of a market near at hand is equivalent to an inhibition of their production. Another large class of farm products are too bulky in proportion to value to bear long transportation. This is true of corn, potatoes, and almost all root crops. In fact, there is no farm crop but that if it be required to transport it from the Mississippi Valley to Europe the transportation will eat up so much of its value as to leave little margin for the producer.

What the farmer needs above all things is a home market and cheap transportation. What the farmer of the West needs is not to send his crop across a continent and an ocean to find a market in Birmingham and Manchester and Sheffield, but rather by the maintenance of the American system to build up a Birmingham, a Manchester, and a Sheffield in the valley of the Mississippi. [Applause.] What the manufacturer wants is a domestic market for his wares, and what both farmer and manufacturer require is a national system of diversified and balanced industries that shall make us wholly independent of foreign domination. Already we consume 91 per cent. of our food products. The foreign market is growing yearly more uncertain. Already our farmers begin to feel the pressure of the competition of the wheat of India and Russia. Every year this competition will increase. The vast and rich wheat-fields of British North America lie just upon our northern border. It will be no surprise to me if within ten years the American farmer is demanding more protection for his wheat, just as he is now demanding more protection for his wool. Once the American wool-grower supposed that he was secure of his home market. But the cheap wools of Australia and South America are crowding him to the wall, and ten years will not go over his head when he will find Indian wheat, grown by labor that costs 10 cents a day, crowding him out, just as Australian and Brazilian wool is already crowding him.

That our farmers may ponder this matter, I make the following extract from the New York Daily Commercial Bulletin of March 20, 1884:

Up to this date we have shipped about 40,000,000 bushels less of last year's wheat surplus than we had anticipated and were able to spare. Looking around for an explanation of this disappointment, it is found that India has increased her exports of wheat from 2,000,000 bushels in 1879, 4,000,000 in 1880, and 12,000,000 in 1881, to 36,000,000 in 1883. This leap is so sudden and so extraordinary that it is important to inquire what it means. Is it a mere spurt of extraordinary yield, or is it due to causes more normal and permanent? The following facts may throw some light on this question:

According to the consular reports to the State Department, India has now a wheat area of about 20,000,000 acres; of which 7,000,000 acres are in the Punjab, 6,500,000 in the northwestern provinces and Oudh, 3,000,000 in the central, 1,500,000 in Bombay, 1,000,000 in Bengal, and the remainder scattered. The usual crop is about 240,000,000 bushels, or 12 bushels per acre; but, with improved cultivation and irrigation, this product is susceptible of being doubled over a large portion of the area. The rate of yield depends chiefly upon irrigation; and that the local and general governments are doing their utmost to extend, with the result of a yearly increase in the yield. One new canal has just been completed in the Punjab 502 miles in length, which will irrigate 780,000 acres of wheat land through 2,500 miles of minor channels. Beyond the now cultivated wheat area, there are 55,000,000 acres of virgin land, at present jungle but mostly available for successful wheat-growing, the clearing of which it is the special object of the India Government to encourage. United States Consul-General Mattson, of Calcutta, says:

"In order to facilitate the development of the wheat resources and to assist the export trade, the Government of India is pursuing a policy of encouragement

which has already resulted in better facilities of transit to the seaboard by the construction of new railways and in the reduction of freight; it has removed tares, export and octroi duty; it is diffusing knowledge and instruction in the cultivation of wheat and improvement of the soil; constructing canals for irrigation and transportation; and in many other ways giving moral and material aid to this great cause, in the hope that India may ultimately become the granary of Great Britain."

Trunk lines of railroad are in operation through all the wheat-producing provinces, to which tributary branches are constantly being attached. The Indus Valley road has lately been completed, which brings the Punjab, the principal wheat province, into direct communication with the port of Kurrachee.

The foregoing facts appear to indicate that the sudden increase in the India supply is largely due to the official encouragement given to wheat production in that country. This policy of encouragement is but in its beginnings; and when it is considered that the actual wheat area is 20,000,000 acres, and the possible area 56,000,000 more, or a total of 76,000,000 acres, which is about double the present wheat acreage of the United States, and when it is further considered that the present rate of yield (12 bushels per acre) is about the same as that of the United States, and that it is the policy of the India Government to largely increase it by promoting improved methods of cultivation, it becomes evident enough that the possibilities and even the probabilities of a very large increase of wheat supply from India are serious enough to cause our farmers to ponder gravely on the limits of their market.

The progress of the trade has been truly astonishing. The figures are as follows:

Year.	Cwts.	Bushels.
Amount of Indian wheat exported in—		
1873.....	394,010	735,485½
1878.....	6,373,168	11,896,580½
1879.....	1,056,720	1,972,544
1880.....	2,201,515	4,109,494½
1881.....	7,444,375	13,896,166½
1882.....	19,901,005	37,148,542½
1883 (six months).....	15,714,982	29,334,633½

This all goes to Europe.

The old maxim is that "it is right to be taught by our enemies." England is in a sense our industrial enemy. What does she want? England wants absolute control of our markets for her manufactures, and the cheapest possible food supplies for her operatives. That is precisely what we do not want. For every cargo of English manufactures imported into this country an amount of American labor equal to that embodied in such manufactures, is forced out of manufacturing, and must support itself in some other way. Whither shall these laborers turn? Not to the mines, for with the iron and coal trade murdered with the knife of "free raw materials" the mines will be closed, or only partially worked. Not to the field of commerce, for under this system the carrying trade will pass more absolutely than ever into the hands of our competitors. Where then shall they go but to agriculture. The millions who are now consumers cease as between these classes to be consumers and become producers. There are just so many less mouths, outside the agricultural class, to feed, and just so many more hands to feed them, and the destruction of the American manufacturers will not increase the food market of Europe. What is the consequence? Overproduction of food supplies and consequent depreciation, destruction of home markets, long transportation both of food and manufactures, waste of force in reaching distant markets, reduction in wages and savings, a diminished capacity for consumption, a general lowering of civilization all along the line.

This is not mere theory, it is more—it is experience; it is history. There never has been a free-trade epoch or, what is the same thing, a "tariff for revenue only" epoch in this country that has not been an epoch of low wages, disordered industries, financial distress, and commercial disaster. On the other hand, every period of a protective policy has been a period of diversified and stimulated industries, of large demand for labor, higher wages, larger comforts, greater content, and greater social order.

I would that I could here reproduce the splendid picture of industrial progress and national prosperity which was held up before us the other day by the distinguished gentleman from Ohio [Mr. McKINLEY]. The figures are startling and almost incredible. But it is not needful to repeat them here. Never has the world seen so grand a march.

With an increase of population from 31,000,000 to 50,000,000 between 1860 and 1880, covering the period of a terrible and destructive war, the increase in wealth and material development has outrun the increase of population. The total wealth of the United States was, in round numbers, in 1860, \$16,000,000,000. In 1870 it had increased to \$30,000,000,000; in 1880 it amounted to \$42,000,000,000. In other words, the increase and accumulation of wealth in the twenty years from 1860 to 1880 was greater by more than two and one-half times than the entire accumulation from the time when Columbus discovered America until 1860. [Applause.]

Mr. Chairman, I have spoken of two distinct, opposite, and antagonistic systems. But the bill before us is neither the one nor the other. It is neither flesh, fish, nor fowl. It is neither protection, free trade, nor "tariff for revenue only." It is a protective tariff, with a free-trade slash 20 per cent. wide directly through its vitals. It is inconsistent, unscientific, inexcusable. "A monster, horrid, shapeless, huge, and blind."

Mr. Chairman, the voice of experience and of that "history which is philosophy teaching by example" admonish us not to surrender the

advantages of a proved success for the *ignis fatuus* of an untried theory. Revenue we must have, and we must have a "tariff for revenue." Protection we need and must have until the increase of our population and the development of our continent shall produce an equilibrium of markets and of wages with the nations of the Old World, which will not be in our day and generation. What we want is not a "tariff for revenue only," nor yet a tariff for protection only, but a tariff for revenue and protection, one and inseparable. [Applause.]

In closing these remarks, Mr. Chairman, I beg to reiterate the words used by me before the Committee of Ways and Means:

I hold this true; that labor and brains lie at the very foundations of society. The greatest and most sacred duty of the statesman of this day and land is to protect, improve, elevate, and cultivate that great mass of humanity which is, ever has been, and ever will be embraced in the working or laboring class.

That man is a traitor to the best interests of his nation and his race who ignores this fact or is recreant to the duties which it imposes upon him.

The future weal or woe of this great Republic and of free institutions depends upon the future of the working class.

We can pursue a policy which will put them under the grinding heel of poverty, where they are kept in the overpopulated free-trade countries of the Old World, or by shaping our economic system in their interests we can surround them with the comforts of American homes, clothe them with comfortable and comely clothing, feed them with sufficient and wholesome food, house them under roofs of their own earning, and send their children with "shining morning faces" to well-taught schools, where they can be cultured for intelligent, orderly, and patriotic American citizens.

One way lie low wages, discontent, communism, and anarchy. The other way lie good wages, contentment, loyalty to law and order and country, and a strong and enduring commonwealth.

It is only because I believe that protection is in the interest of this great foundation-class of society, that it gives them more work, better wages, better

homes, better schools, better life, better death, and a better hope of an endless life beyond, that I am a protectionist; and when I am satisfied that such is not the case I shall cease to be a protectionist.

A national policy can not be a matter of patch-work and pieces—a little free trade here and a little protection there—a little higher tariff for wool and a little lower tariff for salt, and none at all for lumber.

A national system must be consistent with itself and with all its parts. We must determine whether upon the whole a tariff, with diversified interests and industries, home markets, short transportation, and good wages, is better than few industries, foreign markets, long transportation, competition with a world full of pauper labor, low prices, and consequent starvation wages; and then we want to make our system uniform, symmetrical, national.

For almost a round quarter of a century we have tried this experiment of protection. It has given us an age of wonderful development and growth. Within that time an empire has sprung from a wilderness; new States have taken their places in the constellation; wealth has grown among all classes in unprecedented ratio.

Emigrants have swarmed to our shores by millions to reap the rich reward of higher wages, better homes, and a superior civilization. Shall we reverse all this history, dash all this prosperity, and darken the future by reversing our national policy?

Do you hope to put a theory in the place of tested and proved success?

I warn you, gentlemen, that it is a dangerous experiment; dangerous to our industrial system, and dangerous to the party that undertakes it.

That way lies neither political glory nor gain. Instead of the scheme of free competition with the half-paid labor of other lands, I suggest a better platform, and it is this:

American work for American workers.
American wages for American workingmen.
American markets for American farmers.
American homes for American citizens, native or naturalized.
American schools for American boys.
And America, our trust, against the world forever.

[Prolonged applause.]

APPENDIX.

TABLES PUBLISHED IN 1882.

Wholesale English and American prices, in 1882, of staple articles of hardware.

[Obtained by personal inquiry for the American Iron and Steel Association, from an English hardware merchant and from a prominent Philadelphia merchant.]

Articles.	Quantity.	English price, in store. (Reduced to United States currency.)	American price, in store.
Axes, No. 2.....	Per dozen.....	\$9.....	\$9.50.
Augers, cast-steel.....	do.....	1-in., \$4.48; 2-in., \$12.....	1-in., \$5.76; 2-in., \$11.52.
Auger-bits.....	do.....	1-in., \$4.48.....	1-in., \$3.
Chisels, socket, framing.....	do.....	1-in., \$3.72; 2-in., \$7.....	1-in., \$5.76; 2-in., \$8.64.
Hatchets, shingling.....	do.....	No. 2, \$6.....	No. 2, \$5.25.
Pickaxes, best, assorted.....	Per cwt.....	\$7.....	\$9.
Saws, hand, 26-inch.....	Per dozen.....	Common, \$6; best, \$13.48.....	Common, \$5; good, \$15.
Saws, cross-cut.....	Each.....	4-ft., \$2.36; 4½-ft., \$2.60; 5-ft., \$3.12.....	4-ft., \$2; 4½-ft., \$2.25; 5-ft., \$2.50.
Planes, jack, 18-inch, 2½ double iron.....	Per dozen.....	\$15.....	\$10.20.
Brass rocking-cocks, 1-inch.....	do.....	\$6.....	\$7.
Brass butts, middle, pairs.....	do.....	2-in., \$1.48.....	72c.
Cast butts, loose, pairs.....	do.....	3 by 3, \$1.24.....	\$1.
Strap-hinges, light, pairs.....	do.....	6-in., \$1.48.....	\$1.
Plate hinges.....	Per cwt.....	\$6 and \$7.....	\$6.16 and \$7.28.
Wrought-iron hasps and staples, 8-inch.....	Per dozen.....	72c.....	65c.
Carriage-bolts, best, 3 by ¾.....	Per gross.....	\$2.12.....	\$1.57.
Curry-combs, 6 bars, open, No. 1.....	Per dozen.....	\$2.48.....	90c.
Brick-trowels, 10½-inch.....	do.....	\$3.24.....	\$7.50.
Anvils, steel face.....	Per pound.....	8c.....	8½c.
Iron squares, 18 by 12.....	Per dozen.....	\$4.48.....	\$5.25.
Fry-pans, iron, tinned, No. 3.....	do.....	\$4.48.....	\$4.25.
Coffee-mills, box, square, No. 1.....	Each.....	\$4c.....	67c.
Enamelled kettles, 4 quarts, Maslin's.....	do.....	66c.....	50c.
Cast-steel shears, trimming, common 8-inch.....	Per dozen.....	\$6.....	\$4.20.
Shovels, No. 2, square.....	do.....	\$7.48.....	\$5.
Door-knobs, mineral.....	do.....	\$2.48.....	\$1.
Door-knobs, porcelain.....	do.....	White, \$3; Black, \$3.72.....	White, \$3.25; jet, \$4.50.

RETAIL PRICES.

Trace-chains, such as are used by plowmen and with heavy harness.....	Per pair.....	85c. to 97c.....	65c. to \$1.25.
Do.....	Per pound.....	8c.....	10c.
Horseshoes, machine made.....	Per cwt.....	\$3.40 to \$4.37.....	\$5.60 to \$6.72.
Do.....	Per pound.....	3c. to 4c.....	6c. to 7c.
Horseshoes, either hand or machine made.....	Set of 4.....	85c., 91c. and 97c.....	Machine made, 47c., 57c. and 65c.; hand made, \$1.
Log-chains, for heavy dragging.....	Per pound.....	6c. to 8c.....	8c.

Let us see what the farmer's articles would buy when they went to market:

Table No. 1.

	1846.	1847.	1848.	1849.	1850.	Average.
Wheat.....bush.....	\$1 08.5	\$1 36.5	\$1 17.5	\$1 24.0	\$1 27.5	\$1 22.8
Corn.....bush.....	68.0	85.5	63.5	62.7	62.5	64.4
Oats.....bush.....	39.5	49.0	41.4	38.7	43.0	42.3
Butter.....lb.....	13.0	16.0	16.0	15.0	15.1	15.0
Kentucky tobacco.....lb.....	4.7	4.8	5.3	6.1	8.2	5.82
Wool.....lb.....	32.3	35.2	34.3	36.1	40.0	35.68
Cheese.....lb.....	6.8	6.9	6.7	5.0	6.2	6.3
Coal.....ton.....	5 72.5	5 70.5	5 39.0	5 59.0	5 73.0	5 63.0
Liverpool salt.....sack.....	1 34.0	1 35.5	1 39.0	1 29.0	1 36.5	1 34.8
Bleached sheeting.....yd.....	14.95	14.2	14.25	15.0	14.75	14.43
Prints.....yd.....	10.91	10.17	9.17	10.0	10.0	10.05
No. 1 pig-iron.....ton.....	27 87.0	30 25.0	26 50.0	22 75.0	20 87.0	25 65.0
Refined bar-iron.....ton.....	91 66.0	86 04.0	79 33.0	67 50.0	59 54.0	76 82.0
Railroad iron.....ton.....	69 08.0	62 25.0	53 87.0	47 87.0	58 27.0	

Table No. 1—Continued.

	1876.	1877.	1878.	1879.	1880.	Average.
Wheat.....bush.....	\$1 18.5	\$1 60.7	\$1 24.2	\$1 22.3	\$1 25.3	\$1 30.2
Corn.....bush.....	51.2	58.3	51.3	49.0	54.7	52.9
Oats.....bush.....	36.1	42.4	32.8	38.5	43.8	38.72
Butter.....lb.....	20.4	24.0	23.3	32.7	23.0	24.68
Kentucky tobacco.....lb.....	9.8	9.8	7.1	8.0	7.7	8.48
Wool.....lb.....	39.9	48.8	41.6	52.0	41.4	44.74
Cheese.....lb.....	9.4	11.6	9.9	11.2	7.6	9.94
Coal.....ton.....	4 19.0	3 38.7	3 54.9	2 89.8	4 08.9	3 62.3
Liverpool salt.....sack.....	80.1	73.2	65.0	73.8	69.0	72.22
Bleached sheeting.....yd.....	12.25	11.72	10.87	11.43	12.66	11.78
Prints.....yd.....	7.18	6.67	6.1	6.31	7.5	7.95
No. 1 pig-iron.....ton.....	22 25.0	18 87.0	17 62.0	21 50.0	28 50.0	21 75.0
Refined bar-iron.....ton.....	52 08.0	45 55.0	44 24.0	51 85.0	60 38.0	50 82.0
Railroad iron.....ton.....	41 25.0	35 25.0	33 75.0	41 25.0	49 25.0	40 15.0

Agricultural articles are 6 per cent. higher; manufactures and fuel are 30 per

cent. lower; making 50 per cent. in favor of the farmer. Labor is 25 per cent. higher; what the laborer buys is 25 per cent. lower; making 66 per cent. in favor of the laborer.

Table No. 2.

	Salt.	Coal.	Bleached sheeting.	Prints.	Pig-iron.	Bar-iron.	Railroad iron.
One bushel of wheat would buy—							
Under free trade.....	Sacks. Lbs.	Yards.	Yards.	Lbs.	Lbs.	Lbs.	
Under protection.....	1.80	719	11.04	16.27	107.3	35.8	47.23
One bushel of corn would buy—							
Under free trade.....	.47	25.65	4.46	6.4	56.24	18.78	24.76
Under protection.....	.73	32.85	4.49	6.65	54.49	23.32	29.55
One bushel of oats would buy—							
Under free trade.....	.31	16.85	2.93	4.20	36.94	12.33	16.26
Under protection.....	.536	24.04	3.27	4.89	39.87	17.07	21.63
Ten pounds of butter would buy—							
Under free trade.....	1.112	59.75	10.39	14.92	131	43.74	57.69
Under protection.....	3.417	153.2	20.95	31.04	254	108.82	137.87
Ten pounds of cheese would buy—							
Under free trade.....	.474	25.09	4.36	6.28	55.02	18.37	24.23
Under protection.....	1.376	61.93	8.43	12.52	102.36	43.82	50.53
One pound of wool would buy—							
Under free trade.....	.264	14.17	2.46	3.54	31.06	10.37	13.68
Under protection.....	.661	29.65	4.05	6.00	49.16	21.64	21.08
Ten pounds of Kentucky tobacco would buy—							
Under free trade.....	.431	23.18	4.03	5.79	50.82	16.97	22.34
Under protection.....	1.117	52.69	7.19	10.66	88.33	37.38	47.37

Corn has been depressed in price on account of the tremendous increase of production. While the price of corn is comparatively lower than that of any agricultural product, still the farmer can produce it relatively cheaper, as all know who know anything about it, and he can land it cheaper at tide-water market.

But let me proceed with the table: Under free trade the farmer could buy with one bushel of wheat .91 of a sack of Liverpool salt; under protection it would buy 1.8 sacks. Under free trade the bushel of wheat would buy 8.51 yards of bleached sheeting; under protection 11.04 yards. Under free trade it would buy 422 pounds of coal; and under protection, 719 pounds. Under free trade it would buy 12.21 yards of prints; under protection, 16.27 yards. Under free trade it would buy 107.3 pounds of pig-iron; under protection, 131 pounds. Under free trade, 35.8 pounds of bar-iron; and under protection 57.35. Under free trade it would buy 47.23 pounds of railroad iron; under protection 72.6 pounds.

Mr. DORSHEIMER obtained the floor.

Mr. MORRISON. If the gentleman from New York [Mr. DORSHEIMER] yields, I move that the committee rise.

Mr. DORSHEIMER. I yield for that purpose.

The motion that the committee rise was agreed to.

The committee accordingly rose; and the Speaker having resumed the chair, Mr. COX, of New York, reported that the Committee of the Whole House on the state of the Union had had under consideration the bill (H. R. 5893) to reduce import duties and war-tariff taxes, and had come to no resolution thereon.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. SYMPSON, one of its clerks, announced that the Senate had passed without amendment a joint resolution (H. Res. 240) to print 12,500 copies of the eulogies on Thomas H. Herndon, late a Representative in Congress.

The message also announced that the Senate had passed bills and a joint resolution of the following titles, in which the concurrence of the House was requested:

A bill (S. 66) providing for allotment of lands in severalty to the Indians residing upon the Umatilla reservation, in the State of Oregon, and granting patents therefor, and for other purposes;

A bill (S. 336) releasing the estate of the late Frank Soule, late collector of internal revenue for the first district of the State of California, and his sureties on his official bond;

A bill (S. 869) to vacate an alley in square 234 in the city of Washington;

A bill (S. 1072) for the relief of Samuel B. Seat, administrator of Christian Kropp, deceased;

A bill (S. 1251) to authorize the purchase of a wharf for the use of the Government in Wilmington, North Carolina;

A bill (S. 1553) to remove the charge of desertion against David Wood; and

Joint resolution (S. R. 82) in relation to the ceremonies to be authorized upon the completion of the Washington Monument.

ELECTION CONTEST—O'FERRALL VS. PAUL.

Mr. LOWRY, from the Committee on Elections, submitted a report in the contested-election case of Charles T. O'Ferrall vs. John Paul, from the seventh Congressional district of Virginia.

The resolutions appended to the report are as follows:

Resolved, That John Paul was not elected as a Representative to the Forty-eighth Congress from the seventh Congressional district of Virginia, and was not entitled to the seat.

Resolved, That Charles T. O'Ferrall was duly elected as a Representative from the seventh Congressional district of Virginia to the Forty-eighth Congress, and is entitled to his seat as such.

The SPEAKER. This report will be laid over and ordered to be printed.

CHEAPER TELEGRAPHIC CORRESPONDENCE.

Mr. ROGERS, of Arkansas. I ask unanimous consent to report a bill at this time from the Committee on the Post-Office and Post-Roads, with leave to submit the report in writing hereafter.

There being no objection, leave was granted; and

Mr. ROGERS, of Arkansas, from the Committee on the Post-Office and Post-Roads, reported a bill (H. R. 6864) to secure cheaper telegraphic correspondence; which was read a first and second time, referred to the Committee of the Whole House on the state of the Union, and ordered to be printed.

ADMINISTRATION OF OATHS BY NOTARIES PUBLIC.

Mr. ADAMS, of New York, by unanimous consent, introduced a bill (H. R. 6865) to amend section 2805 of the Revised Statutes of the United States so as to allow oaths to be administered by notaries public in the district of New York; which was read a first and second time, referred to the Committee on the Judiciary, and ordered to be printed.

LABORERS FOR CLERK'S DOCUMENT-ROOM.

Mr. SPRINGER. At the request of the Clerk of the House, I ask unanimous consent to introduce a resolution for reference to the Committee on Accounts.

There being no objection, the following resolution, which was read, was referred to the Committee on Accounts:

Resolved by the House of Representatives, That the Clerk of the House be empowered, and is hereby authorized, to employ two laborers in the Clerk's document-room to arrange, sack, and ship the "reserve-call" bound documents belonging to members; the said laborers to be paid out of the contingent fund of the House, under the supervision of the Committee on Accounts.

MATERIALS FOR HOUSE FOLDING-ROOMS.

Mr. RANDALL. I am instructed by the Committee on Appropriations to submit for present consideration the resolution which I send to the desk.

The Clerk read as follows:

Resolved, That the Clerk of the House be, and he is hereby, authorized to expend, out of the contingent fund of the House, a sum not exceeding \$1,500 for the purchase of folding materials for use in the folding-rooms of the House of Representatives.

The SPEAKER. Is there objection to the present consideration of this resolution?

Mr. RANDALL. In explanation of the resolution I desire to say that the fund for the purchase of envelopes and wrapping material needed in the folding department of the House is entirely exhausted; and the adoption of this resolution is necessary in order that speeches recently made may be promptly sent out.

There being no objection, the resolution was considered and adopted.

Mr. RANDALL moved to reconsider the vote by which the resolution was adopted; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

LUCY LE G. JEFFERS.

Mr. STRUBLE, by unanimous consent, reported back from the Committee on Pensions with a favorable recommendation the bill (H. R. 2198) granting a pension to Lucy Le G. Jeffers, widow of the late Commodore William N. Jeffers; which was referred to the Committee of the Whole House on the Private Calendar, and the accompanying report ordered to be printed.

HISTORY OF STATE DEPARTMENT.

Mr. NUTTING. Mr. Speaker, the Committee on the Library, to which was referred the document I send to the desk, has directed me to report it back with a request that it be referred to the Committee on Foreign Affairs, to which committee it properly belongs.

There being no objection, the Committee on the Library was discharged from the further consideration of Executive Document No. 124, a letter of the Secretary of State recommending the purchase by the Government of the Chronological History of the Department of State and the Foreign Relations of the Government from September 5, 1774, to the Present Time, by John H. Haswell, for the use of the heads of Departments, officers in the foreign service, and committees of Congress; and the same was referred to the Committee on Foreign Affairs.

MECKLENBURG CELEBRATION.

On motion of Mr. COX, of North Carolina, by unanimous consent, the joint resolution (H. Res. 236) authorizing the Secretary of War to loan two hundred flags to the city of Charlotte, N. C., for the celebration of the Mecklenburg declaration of independence, returned from the Senate with an amendment, was taken from the Speaker's table for present consideration.

The amendment was read, as follows:

Insert the words "or as many as can be conveniently spared;" so it will read: "*Resolved*, &c., That the Secretary of War be, and he is hereby, authorized to loan to the mayor and aldermen of the city of Charlotte, N. C., two hundred United States flags, or as many as can be conveniently spared, to be used in

decorating said city at the approaching celebration of the one hundred and ninth anniversary of the Mecklenburg declaration of independence of May 20, 1776: *Provided*, That satisfactory security be given for the safe return of said flags, and that the Government be at no expense for transportation."

Mr. COX, of North Carolina. I move the amendment of the Senate be concurred in.

The motion was agreed to.

Mr. COX, of North Carolina, moved to reconsider the vote by which the amendment was concurred in; and also moved that the motion to reconsider be laid on the table.

The latter motion was agreed to.

DEFICIENCY.

The SPEAKER, by unanimous consent, laid before the House a letter from the Secretary of War, transmitting a letter from General W. S. Hancock, asking the immediate appropriation of \$25,093.75 to supply deficiency in appropriation for incidental expenses of the Quartermaster's Department for the current fiscal year; which was referred to the Committee on Appropriations.

THREE FORKS, KENTUCKY RIVER.

The SPEAKER, by unanimous consent, also laid before the House a letter from the Secretary of War, transmitting a report of the Chief of Engineers relative to the application of the appropriation in the river and harbor of 1882 for the erection of a lock and dam at Three Forks of the Kentucky River, and recommending the purchase by the United States of the land required for its site; which was referred to the Committee on Rivers and Harbors.

PENSIONS.

Mr. MATSON, by unanimous consent, from the Committee on Invalid Pensions, reported back, as a substitute for H. R. 1189, a bill (H. R. 6866) providing pensions for certain disabled soldiers and certain widows of soldiers; which was read a first and second time, referred to the Committee of the Whole House on the state of the Union, and, with the accompanying report, ordered to be printed.

Mr. MATSON. I move the minority have leave to print their views. There was no objection, and it was so ordered.

ORDER OF BUSINESS.

The SPEAKER. The gentleman from Indiana [Mr. MATSON] will preside at the evening session as Speaker *pro tempore*. The hour of 5 o'clock having arrived, in pursuance of the previous order of the House the Chair declares the House in recess until 8 o'clock p. m.

EVENING SESSION.

The recess having expired, the House reassembled at 8 o'clock p. m., Mr. MATSON in the chair as Speaker *pro tempore*.

Mr. MORRISON. I move that the House now resolve itself into Committee of the Whole on the state of the Union.

The motion was agreed to.

The House accordingly resolved itself into Committee of the Whole, Mr. HALSELL in the chair.

The CHAIRMAN. The committee resumes the consideration of the bill (H. R. 5893) to reduce import duties and war-tariff taxes, and the Chair recognizes the gentleman from Connecticut [Mr. WAIT].

Mr. WAIT. Mr. Chairman, I propose to state generally my views with regard to tariff legislation and my reasons for opposing the passage of this bill. I speak for a constituency which is deeply interested in the action of Congress upon this subject. Not only are millions upon millions of capital, which has been accumulated by thrift, sagacity, and prudence, invested in the manufacturing establishments located in that part of the country which I represent, not only are thousands upon thousands of intelligent men daily employed in the prosecution of its diversified and magnificent industries, but the great body of our citizens who are engaged in other employments, and who in their respective lines of duty, enterprise, and labor are advancing the greatness and prosperity of the Republic, are earnestly concerned that the action taken by Congress with reference to the bill now under discussion shall be most carefully considered, judicious, and conducive to the welfare of the entire country.

Nor do I speak only for my own district, because the questions involved in our legislation upon this matter extend far beyond localities and sections. They can not be restrained entirely within the limits of party lines and party ties. They lay hold with searching grasp upon the prosperity of an entire nation. They affect not only the men of capital and their employes, without whose skillful hands and intelligent co-operation capital would be powerless, but they advance or impair the welfare of all classes who purchase and consume the products of agricultural and mechanical pursuits, of manufacturing skill, and creative genius. In other words, no man is excepted from their operations and results. From busy New England with its wheels and looms, from the great central States, from the fertile valley of the Mississippi, from the cotton-fields of the South, from the magnificent Northwest and over the Rocky Mountains, from all along the Pacific slope, go up the sounds of a great nation's industries, which, though diversified and numerous, are yet interdependent and combined.

Legislation which would enrich one class and impoverish the other would be pernicious; legislation which would degrade labor, compel it

to yield place to idleness or give its services for starvation wages; which would imperil capital now invested in important enterprises at the invitation of the Government under existing laws; which would discriminate against our own citizens, and by preventing competition with manufacturers abroad would force them to pay such prices for all goods as foreign traders might demand, would be manifestly detrimental and destructive; but that legislation which would preserve and maintain in just and fair proportion the rights and interests of every class, which would build up our internal strength, develop our boundless resources, encourage industries at home, and while protecting the producer would guard the consumer with equal care, would be equitable, conservative, and just.

The bill reported from the committee by the distinguished gentleman from Illinois, and which he has advocated with his accustomed ability and skill, embodies the objectionable features I have just enumerated. If enacted into law it will, in my deliberate judgment, still further unsettle values and introduce additional uncertainty and distrust into all manufacturing and other business undertakings. At a time when trade is languishing and values are declining, when it should be the aim of legislation to impart stability and confidence to every branch of mercantile and manufacturing affairs, this vexatious question, uncalled-for and unwelcome, is forced by the leaders of the dominant faction of the Democratic party upon the minds of the business public.

The mere declaration of the Democratic intention again to change the tariff laws, which it had been supposed were settled and established for at least a reasonable period by recent legislative action, based upon the report and recommendation of a commission chosen expressly for that purpose, startled and alarmed the public mind. Proclamation was made before the opening of the present session that the old Democratic purposes were to be renewed. The tariff was to be attacked. The incongruous Democratic majority which, to its own astonishment, had been swept into this body by the tidal wave as it rolled across the land was to be marshaled in solid column, if it could be accomplished, and move forward to lower or tear down the barriers against free trade and unlimited foreign importations which the wise and prudent action of previous Congresses had erected.

A tariff designed to protect American industries and to aid in the development of the immense internal resources of the country was declared to be opposed to the best interests of the people and in contravention of the principles of the Constitution. Influential Democratic papers and prominent Democratic leaders, ignoring all the facts of history, strenuously advocated the idea that the only ground on which any tariff could be justified was to furnish a revenue for the Government; and that protection to American labor and American capital, if it could not be avoided, should be merely incidental to the main purpose of raising money by import duties for the public expenditures.

Free trade, or, in other words, the absolutely unlimited and unrestrained importation of goods from abroad, manufactured by the underpaid labor of an overflowing foreign population, which should be permitted to compete with and make war upon the unaided labor and capital of our own citizens, was asserted to be the true principle on which our public policy should be established and was declared to be the ultimate purpose to be attained by the Democratic party. The advocates of these doctrines were compelled, however, to admit that the public necessities for the time being required the maintenance of a tariff, but for revenue only. But "free trade" and "a tariff for revenue only" are practically synonymous terms, and the arguments sustaining each and their effects upon the general prosperity of the country, differing only in degree, are substantially the same. Thus the Democratic party again unfolded its ancient banners and placed itself squarely upon its ancient battle-ground of principles which are opposed to the industries, the labor, and the welfare of the Republic. These declarations, reiterated and reaffirmed in many forms, increased the alarm of the country, which was already suffering from declining values caused by the tariff agitation and discussion of the preceding year. The storm signals were again set. Sails were again shortened. Manufacturing enterprises were contracted. Capital, always sensitive and timid at the first manifestation of disturbance, shrank into its shelter. Wages were reduced, workmen were discharged, and honest labor was still further denied the opportunity of employment.

The bill now before us is the immediate result of the Democratic policy as thus declared, and we are informed by the distinguished chairman of the committee that even this may not be all which is required; that it is but a step forward, and only a promise of what he considers a more complete tariff reform. Although the revision of the tariff made by the last Congress reduced the duty upon imports "in some cases below the point of necessity or wisdom," and in other cases to "the lowest limit compatible with safety," yet the present measure is designed to make a still further average reduction of 20 per cent., and is, as we have been told, but an advance toward carrying out the Democratic policy of eventual free trade and consequent hostility to home industry and American labor. The reasons for recommending its passage, as contained in the report of the committee, and as urged upon this floor by those who have spoken for the bill, are set forth generally in the claims that it will partially relieve the people from unnecessary taxes, that it will be a measure of justice to consumers, and will con-

duce to the general prosperity. I take issue with these gentlemen on the grounds thus presented. Gladly would I urge the passage of any bill which would produce such beneficial results. Wherever I can safely reduce duties, if I can thereby lessen prices to consumers, wherever I can advance the general prosperity, there my voice, my vote, and my best efforts will be most heartily given.

But I regard this measure as fraught with danger and directly opposed to every interest, whether manufacturing, laboring, financial, or agricultural. If it were a question merely of details and specific items between the friends and opponents of this measure, doubtless a substantial agreement could be reached. Imperfections and inconsistencies in the present law unquestionably exist. These, however, are questions of detail and not of principle. A distinguished manufacturer of my own State, a gentleman of culture and comprehensive views, has admirably expressed the moderate sentiment of the country upon this question in saying, "Some judicious reductions and modifications of the present tariff with a view to the proper protection and preservation of capital already invested, to future growth in industrial enterprises, and to furnishing remunerative employment for the greatest number of persons could be fairly made."

I entirely agree with him in his views; but this bill proposes a blind, injudicious, and indiscriminate horizontal reduction. If it becomes a law we may expect another long-continued period of depression in every department of business, with consequent suffering and distress among all those who are compelled to depend upon wages for their daily bread. Duties upon imports are not, in any sense, a tax upon our people from which a lower tariff would relieve them. The direct reverse is true. The greatest portion of the revenue the Government derives from imports is paid by foreign manufacturers, and to that extent is a tax indirectly levied upon foreign nations, which relieves our people of what otherwise they would be compelled to pay. The word "tax" in this connection is a misnomer cunningly devised. Lower the tariff and you make taxation probable; abolish the tariff and you make it a necessity. Enact the present measure and you will be compelled to call for additional internal or direct taxes from the people.

But the claim is made that this bill will reduce duties which have become unnecessary. Is this the fact? In one form or another we must meet the requirements of the Government. It would be cowardly and suicidal to endeavor to avoid it. How do gentlemen know that the present tariff will be too productive for that purpose? The returns for the nine past months of the present fiscal year show a decrease of \$20,505,253 in receipts from the internal revenue. The revenues will be still further depleted by the changes made in the tariff at the last session of Congress. As thus lowered the tariff has been in existence for about ten months. Before one single year has swept by us in its circling course; before the ink is fairly dry upon the statute-book; before the full returns of revenue have been made known, they call upon us to make changes in the law in order to reduce what they describe as "unnecessary" taxation.

Will gentlemen upon the other side seriously claim that a reasonable period has elapsed, or that a fair trial has been given to the tariff in its present form, so that it is possible as yet to tell what permanent revenue it will bring forth? Can any man form a reliable estimate of the results of its operation as a revenue measure? Will it be claimed that the country has had time or opportunity to adapt itself to the provisions of the present law, or that the rate of importations for the past ten months will be the rate for coming years? Do not the vicissitudes of trade and the general condition of the country produce the widest fluctuations in the revenue? Is it not true that the returns for a single year are an unstable and unsafe basis on which to estimate with accuracy the permanent workings of a law affecting such vast and complicated interests and dependent upon so many elements for a true comprehension of its results? Is it a prudent method of legislation to pass laws of such infinite importance upon mere guesswork? Is it just to endanger the business interests of the entire country while groping in the dark as to the facts and figures which should control our legislation? Is it right that the wild frenzy and impatience of the Democratic party to create some issue which it vainly hopes may restore it to power and the possession of the Government should be allowed to imperil every interest for its own selfish purposes?

Such action would be reckless and deserving of the severest censure. No man to-day can say with even a reasonable approach to certainty whether the revenues to be realized from the present tariff will be beyond our most limited requirements. I would not gather into the Treasury a single dollar beyond the necessities of carrying on the Government in an economical manner, of providing for the public debt, the interest thereon, and the pensions and other disbursements rendered necessary by the history of the past twenty-four years. If the streams of revenue gush forth so copiously that waste and extravagance result from their overflowing accumulation, let us apply the proper remedy. Let us turn to the internal taxes which the people pay and make some reduction in them before we weaken or destroy the barriers which protect our labor and our industries against the surging tide of foreign importations, which if unrestrained would sweep upon them as a flood of disaster.

Bear in mind that the war taxes by hundreds of millions yearly have

been already wiped out by the Republican party; that promptly on the ending of hostilities our immense armies were disbanded, our expenditures were cut down, and whenever prudence and safety justified the step, the taxes which came directly from our people were rapidly reduced. That party may still be trusted to guard the public welfare; and until we become certainly assured that under the present tariff our income will be properly adjusted to our needs, it would be unwise to legislate in such a manner as rashly to deplete our revenues and justly to alarm the holders of the national obligations. The credit of the country now stands untarnished. Its finances have been rescued from incompetent control, and guarded by the wise statesmanship of the Republican party for nearly a quarter of a century, its debt has become a sacred obligation. Its bonds are sought for at a premium. The payment of every dollar is based upon the highest faith.

The world believes that a nation which did not hesitate to give its choicest blood for the preservation of its flag will not hesitate to assess itself sufficiently to meet its obligations with promptitude and honor. But the national credit is dependent upon the national laws providing for national revenues, and past experience shows that our credit rises or falls in uniform accordance with those laws. The first bill introduced into the Congress of 1789 was a tariff bill. In 1790, and down to 1812, frequent revisions were thought expedient, and each revision was in the direction of higher tariff rates and increased revenues. The country prospered and its credit grew.

The war tariff of 1812 expired by its own terms in February, 1816. Then came the tariffs of that year, of 1824, and 1828. They were protective tariffs. Under their provisions the revenues were ample, and in 1834 the last dollar of the public debt was paid and the young Republic which had inherited from the old Confederation \$76,000,000 of indebtedness and had passed through two exhausting wars, stood alone among the nations of the world as a country without the burden of a public debt. Protective tariffs had paid its obligations, established and strengthened its credit, and shed upon its people the glad sunlight of universal prosperity. But the laws were changed. Ample revenues from customs, although paid to a great extent by foreign manufacturers, were declared then, as now, to be "unnecessary taxes upon the people."

Seven years of a tariff for revenue only; seven years of such a tariff reduced as is now proposed deprived the country of its revenues and dragged its dishonored credit to the dust. In 1835 there was no public debt. There was a surplus in the Treasury, which, by act of 1836, was distributed among the States. Still, then as now, the politicians yearned to gain a reputation for economy, even at the sacrifice of safety. The compromise tariff of 1833 was passed, under the provisions of which a decreasing, sliding scale of duties was created. The inevitable results followed, and in June, 1841, it became necessary for Congress to assemble in extra session to provide a remedy for the existing suffering. The message of the President to that body set forth an estimated Treasury deficiency at the end of that year of about eleven and a half millions of dollars. From 1837 to 1841 the expenditures exceeded the revenues by more than thirty-one millions, and in order to meet the deficiency it became necessary for the Government to attempt to borrow money to pay its ordinary expenses in a time of profound peace.

Congress in 1841 and 1842 authorized loans and notes to the amount of \$15,000,000, but the "tariff for revenue only" was still in force, and under its operation the credit of the country had sunk so low that it was found impossible to negotiate \$6,000,000 of the obligations of a nation which but a few years before had been without a single dollar of public debt. Efforts to borrow money were made in the markets of this country, and being unsuccessful here were renewed abroad. An agent duly accredited by the Government entered the financial centers of England and the continent, empowered to negotiate a loan of \$5,000,000 or any part thereof, but was compelled to return disappointed and disheartened. In December, 1842, this failure was reported to Congress by President Tyler in a special message, in the course of which he was compelled to say?

Thus the mortifying spectacle has been presented of the inability of this Government to obtain a loan so small as not in the whole to amount to more than one-fourth of its annual income, at a time when the governments of Europe, although involved in debt and with their subjects heavily burdened with taxation, readily obtained loans of any amount at a greatly reduced rate of interest.

The "tariff for revenue only" had accomplished what all tariffs for revenue only must accomplish. It had ruined the credit of the nation. And so it came to pass that in 1842 a high protective tariff was enacted as a necessary measure of relief. The effect was magical. Streams of revenue flowed into the Treasury, and the veins of the national credit were filled with exultant life and vigor.

But the free-traders and revenue-tariff men again gathered themselves together against what they asserted to be "unnecessary taxation." The laws were again radically changed. The principle of protection was eliminated from our statute-books by the tariff which took effect in 1847, and the inevitable result again followed as surely as darkness follows the setting of the sun. Again the revenues were lessened to a point beneath the necessary requirements; again the national credit was brought low; and although the gold fields of the Pacific slope during the next ten years yielded up their treasures, exceeding a billion of dollars in amount, yet this vast sum, added to the other resources of

the country, was insufficient to inspire confidence in men of capital that the Republic would pay its debts. Its loans were negotiated with difficulty. The enormous sum of 12 per cent. was paid in 1860 as interest on the paper of the Government; and in 1861 the Secretary of the Treasury felt compelled to make the astounding suggestion to an American Congress that the States should be requested to pledge as security for a national loan the deposits received by them under the distribution of the surplus in 1836. A "tariff for revenue only" had failed to produce revenue. The authors of a system which pretended to reduce "unnecessary taxes" had imposed a burden of dishonor and disgrace upon the people. The credit of the country had been made a thing of utter derision and contempt.

The war of the rebellion followed. The land was divided into hostile camps and trembled beneath the movements of contending armies. Every energy and every resource of the Republic was subjected to the most unsparring ordeal. The strain was exhaustive and unceasing. The Republican party which had come into the exercise of power to find dismantled fortresses, a dismembered country, an empty Treasury, and a ruined credit, trusting in God and the patriotism of the people, undertook the duty imposed upon it of preserving the life and honor of the Union. Day by day during many months of civil war it was obliged to expend sums which had been sufficient to carry on the Government for years; but notwithstanding this enormous drain, in the face of discouragement, disaster, and difficulty almost insurmountable, it met faithfully the demands necessitated by the appalling situation. Among its first efforts to this end it passed the tariff act of March 2, 1861, and laid the foundation of a true protective policy which, supplemented by successive acts during the next three years, not only enabled the nation to exercise the sacred right of self-preservation but to enter upon a career of unexampled prosperity. I call upon you to bear witness to the effect of this policy upon the credit of the nation. It has stood like a rock against the surges of the ocean; it has aided to secure revenues adequate to the fearful demands upon the Treasury caused by the necessities of a gigantic war; and although billions of dollars were swept into that terrific whirlpool of destruction and a public debt of billions more was necessarily created, it has steadily reduced that debt; it is reducing it every hour, and, although our bonds draw interest at an average annual rate of less than 4 per cent., it has made the promises of the Government better than gold.

If any lesson can be drawn from the history of the past, this truth is certain: Protective tariffs secure the revenues and credit of the nation; revenue tariffs destroy its revenue and credit. We know that we have a public debt of hundreds of millions which must be paid; we know that our annual interest charge is tens of millions; we know that the annual disbursements for pensions to our disabled soldiers and their dependent families and for the ordinary requirements of the Government are tens of millions more; we know that our revenues will be reduced by the abatements made at the last session in the tariff, but we do not know to what extent. We do not know the amounts we can rely upon as the public income under the operation of that law as now existing, and with these certainties as to our requirements and uncertainties as to our resources, remembering the depressing effects of low tariffs upon our public income and credit, remembering that the Republican party has already reduced the war taxes annually by hundreds of millions, and remembering also that the great burden of our tariff revenue is borne abroad and not levied upon our own people, we should violate our duty and be guilty of moral cowardice as guardians of the public welfare, if we permitted ourselves to be stampeded by this wild Democratic onslaught and unduly reduced revenues and incomes which were in ordinary prudence necessary and proper for the public requirements.

I come now to the claim presented in support of this bill: that its passage would be a measure of justice to consumers. Clearly it can not operate as such, unless, as an effect of its provisions, they would be enabled to purchase goods at lower rates than if it were not enacted. The real question, then, presented for discussion at this point is this: Do protective tariffs increase prices to consumers? The supporters of this bill say that they do, and this is the substance of the entire controversy. This is the keystone of the revenue-tariff and free-trade arch. This claim, stated in its various ingenious and deceitful forms and sowed broadcast like seed upon plowed ground, takes hold upon the superficial consideration of men and generates a harvest of error and delusion. To my mind these doctrines are most unfounded and mischievous in their results. The claim is made that for every dollar which is paid into the Treasury from imposts the manufacturers receive from four to six times that sum as a tribute paid by consumers to monopoly. The sophistry which underlies these arguments is this: The free-trader assumes not only that the tariff duty which is imposed upon imported goods is added to their price and paid by the consumer, but that it is also added to the price of the great supplies of similar articles of home manufacture, and that the purchaser pays such added cost thereon. I say emphatically such statements are errors. Reverse them and they are true. I formulate my views upon this point in these three propositions:

First. By far the greater part of the duties imposed upon imported goods are paid by the manufacturers under the necessary concessions

they make to consumers in this country, and therefore do not increase the cost of such imported goods.

Second. They do not add to the price of similar articles manufactured in this country. According to the census returns, our home manufacturers produced in 1880 \$5,369,579,191 of these goods. We exported during the last fiscal year \$111,890,001, thus leaving for consumption in our own markets \$5,257,689,190. Last year our imports of manufactured goods of the same kinds were about \$300,000,000. The figures fluctuate, it is true, in different years, but generally in favor of a relative increase in native commodities; and at the present time they fairly represent the proportions between the home and foreign productions competing in our markets.

Third. Our home manufacturers, who produce, as above shown, 94 per cent. of the entire substance of the consumption of the country, regulate and control the prices for the same. Supply and demand always establish values. The greater quantities govern the rate of disposition of the smaller; and it would be the wildest flight of fiction to assert that the 6 per cent. of foreign goods seeking a sale in our markets in opposition to nearly sixteen times their bulk of native goods of equal merit, also pressing for purchasers, could compel the prices of the latter to conform to their own standard. Consumers would take the cheaper, of which there would be a comparatively unlimited supply. The competition which necessarily exists among home manufacturers with great stocks to dispose of cheapens their prices, and the foreign manufacturer must sell in our markets, if he would sell here at all, at the cheapened prices established by our domestic producers. Without a protective tariff there could be but very little if any home production; without home production the foreign manufacturer could place his goods upon our markets and extort such prices as he saw fit to demand. A protective tariff, therefore, which by home production creates home competition, thereby reduces prices for all consumers to a point lower than would otherwise be established.

These propositions are not simply assumptions without proof. They are sustained by reason, by the recorded testimony of distinguished Americans familiar with the subject, by the admissions of foreign manufacturers, and by the history of prices in this country.

I read an extract bearing on this point from the celebrated report on manufactures made in 1791 by Alexander Hamilton, the first Secretary of the Treasury. As an authority on this question his opinion, expressed after careful study and research, is entitled to sober consideration. He says:

Though it were true that the immediate and certain effect of regulations controlling the competition of foreign with domestic fabrics was an increase of price, it is universally true that the contrary is the ultimate effect with every successful manufacture. When a domestic manufacture has attained to perfection, and has engaged in the prosecution of it a competent number of persons, it invariably becomes cheaper. Being free from the heavy charges which attend the importation of foreign commodities, it can be afforded cheaper, and accordingly seldom or never fails to be sold cheaper, in process of time, than the foreign article for which it is a substitute. The internal competition which takes place soon does away with everything like monopoly, and by degrees reduces the price of the article to the minimum of a reasonable profit on the capital employed. This accords with the reason of the thing and with experience.

I call your attention to a speech of Henry Clay, delivered in the United States Senate February 2, 3, and 6, 1832, in the course of which he said:

And is the fact not indisputable that all essential objects of consumption affected by the tariff are cheaper and better since the act of 1824 than they were for several years prior to that law? I appeal for its truth to common observation and to all practical men. I appeal to the farmer of the country whether he does not purchase on better terms his iron, salt, brown sugar, cotton goods, and woollens for his laboring people? And I ask the cotton-planter if he has not been better and more cheaply supplied with his cotton-bagging?

I plant myself upon this fact of cheapness and superiority as upon impregnable ground. Gentlemen may tax their ingenuity and produce a thousand speculative solutions of the fact, but the fact itself will remain undisturbed. Let us look into some particulars. The total consumption of bar-iron in the United States is supposed to be about 146,000 tons, of which 112,866 tons are made within the country and the residue imported. The number of men employed in the manufacture is estimated at 29,254, and the total number of persons subsisted by it at 146,273. The measure of protection extended to this necessary article was never adequate until the passage of the act of 1828; and what has been the consequence? The annual increase of quantity since that period has been in the ratio of near 25 per cent., and the wholesale price of bar-iron in the Northern cities was, in 1828, \$105 per ton; in 1829, \$100; in 1830, \$90; and in 1831, from \$85 to \$75; constantly diminishing.

The protection given to flannels in 1828 was fully adequate. It has enabled the American manufacturer to obtain complete possession of the American market; and now let us look at the effect. I have before me a statement from a highly respectable mercantile house showing the price of four descriptions of flannel during six years. The average price of them in 1826 was 38½ cents; in 1827, 38; in 1828 (the year of the tariff), 46; in 1829, 36; in 1830 (notwithstanding the advance in the price of wool), 32, and in 1831, 32½. The facts require no comment.

Brown sugar, during ten years, from 1792 to 1802, with a duty of 1½ cents per pound, averaged 14 cents per pound. The same article, during ten years, from 1820 to 1830, with a duty of 3 cents, has averaged only 8 cents per pound. Nails, with a duty of 5 cents per pound, are selling at 6 cents. Window-glass 8 by 10 prior to the tariff of 1824 sold at twelve or thirteen dollars per hundred feet; it now sells for \$3.75.

Senator John Holmes, of Maine, delivered a speech in the United States Senate in 1832, from which I quote:

If any one rule more than another is to be relied on it is this, that as soon as protection begins to operate, and in proportion to its operation, the tax is reflected back from the consumer to the producer. Thus, while the duty has been constantly increasing, the price of the article taxed has been constantly diminishing. The reason is as manifest as the fact is true, the domestic article has

been increasing in quantity. Suppose the foreign manufacturer furnished three-fourths of your consumption; the greater quantity would command the price and this tax would fall on the consumer. But let the domestic product increase one-half, the competition between foreign and domestic producers will be more equalized and the tax will be divided between the producer and the consumer. Let the domestic product be three-fourths, and your own producers govern the market and the foreign producer bears the tax or nearly so. Again, take the article of nails, the duty 5 cents per pound and the nails, duty and all, but 51 cents, when the raw material of which they are made is 41 cents. Cheese, duty 9 cents per pound, and the best cheese may be had for 8 cents.

I read also an extract from a speech of Senator George M. Dallas, of Pennsylvania, in the United States Senate, February 27, 1832:

The effect of our [protective] policy on this essential metal [iron] has been strikingly evinced, first, in augmenting the number of its factories and its quantity; secondly, in reducing the prices of its manufactures. * * * The reduction of the prices was a necessary consequence of the domestic competition created and excited by the policy.

Nehemiah R. Knight, Senator from Rhode Island, said in a speech in the United States Senate in 1832, on Mr. Clay's resolution respecting the tariff:

With all the rhetoric and arithmetic of honorable gentlemen, they will be much troubled to make a plain man understand that when he purchases a yard of cotton cloth for 7 cents he pays a tax of 8 cents into the Treasury of the Union, or a like sum in the form of bounty to the manufacturer. You may show it by figures and prove it by argument; but, sir, he still will doubt and he will be apt to believe it is only a vision of those who assert it.

Hon. John M. Berrien, United States Senator from Georgia, in 1843, in delineating the effect of the protective tariff of 1842, used the following language:

The credit of the Government was prostrate, and has been redeemed. Its stock is again above par. 2. The Treasury was empty; it is now replenished. 3. The commerce and navigation of the country have increased. 4. Its agricultural condition has improved. 5. There has been marked improvement of our great staple (cotton). 6. A reduction in the prices of almost all, if not absolutely of every article of consumption. The tariff of 1842 has been in efficient operation but little more than a year, and these effects have followed.

Daniel Webster, in 1843, addressing a convention at Andover, Mass., said, in speaking of the tariff of 1842:

A tariff does not necessarily increase prices. One year after the present tariff was established many articles embraced in its provisions were considerably lower than they had before been. And I ask any one if there is now any complaint of undue high prices in any article to which the tariff extends?

Hon. Samuel S. Phelps, of Vermont, in the United States Senate, February 16 and 19, 1844, spoke as follows:

The Senator from New Hampshire, assuming that the duty enhances the price of the article to the extent of the impost, and professing to deal in facts, very gravely proceeds to give us a fraction the enormous burden laid upon the people of his State by this most oppressive tariff. He tells us that there are 300,000 people in that State; that the consumption of iron there is equal to an average of twenty-five pounds to each soul; that a duty of 3 cents per pound is equal to 75 cents on each person, and amounts in the aggregate to the sum of \$225,000, being more than four times the whole State tax. These are facts which will not be disputed. But what use does he make of them? Why, he assumes that the cost to the consumer is increased and his constituents taxed to that amount. Without the aid of this assumption, erroneous as it is, his facts are not worth a straw; they furnish no aid to his argument, and lead him to no such conclusion. The Senator is most unfortunate in his illustrations. Will he permit me to substitute for his assumption certain other facts, which I commend to his especial attention? The most common, nay, universal, use of iron in that section of the country is in the form of cut nails, the duty on which, by the act of 1842, is 3 cents per pound; yet the article can be bought in the village where I live for 31 cents per pound. Deducting the 3 cents for the duty the cost of the article would be one-half cent. Does the Senator really imagine that if this odious act were repealed the price would fall to that sum?

In the third annual message of President Fillmore, December 6, 1852, he addresses Congress in these words:

Without repeating the arguments contained in my former messages in favor of discriminating protective duties, I deem it my duty to call your attention to one or two other considerations affecting this subject. The first is the effect of large importations of foreign goods upon our currency. Most of the gold of California, as fast as it is coined, finds its way directly to Europe in payment for goods purchased. In the second place, as our manufacturing establishments are broken down by competition with foreigners, the capital invested in them is lost, thousands of honest and industrious citizens are thrown out of employment, and the farmer to that extent is deprived of a home market for the sale of his surplus produce. In the third place, the destruction of our manufactures leaves the foreigner without competition in our market, and he consequently raises the price of the article sent here for sale, as is now seen in the increased cost of iron imported from England.

Thus, Mr. Chairman, by reference to these statements made in the earnest and important discussions upon the questions arising from the consideration of the tariff and its effects upon the country in former years, we find that the same claims made to-day, that protective duties operate as a burden upon the consumer and increase his prices, were made by the earliest champions of free trade and low tariff and were then promptly and completely answered. The debates relating to this subject covered much broader grounds and exhibited in stronger lights the contrasts between the general prosperity and suffering which ensued as the tariff rose or fell in its protective feature.

I have purposely refrained from citing any authorities except such as bore directly upon the point I am now especially discussing, and if human authorities are entitled to any consideration at all they prove the falseness of the theory that the consumer suffers in the long run from protective tariffs. True, the temporary effect of the exaction of high duties upon an article not produced or cultivated here may be a rise for the time being in its cost, only to be followed, as surely as the ebb-tide follows flood, by reduced prices and still better rates when home production and competition have been established. The plentiful supply rushing forward to fill the market as the demand arises

compels a fall in values and the consumer reaps the benefit. The impost is certainly not added to the cost of domestic commodities; and as regards goods imported from abroad, the foreign mill-owner is compelled to pay the greater part by making concessions in his prices to enable him to trade at all in our markets. On this point I invite your attention to admissions made by foreign manufacturers.

Robert B. Porter, a member of the late Tariff Commission, was told by a prominent manufacturer in Bradford, the center of the worsted industry of England:

The truth is, the higher the foreign tariff the lower we must make our goods, and the less we can afford to pay labor. The least possible reduction in the United States tariff will be a grand thing for Bradford, but how it will affect your industries I can hardly say. We are obliged to sell our goods in France for the same price we did before they enacted their higher tariff, and the Bradford manufacturer is paying that duty, not the French consumers of the goods; I know from practical experience what I am talking about.

This testimony is supplemented by the statement of Col. Dexter A. Hawkins, a gallant soldier in the late war, and now an eminent lawyer of New York city. He was invited to attend a meeting of the hardware trade, at Sheffield, England, and he says:

An eminent manufacturer in addressing the meeting inveighed with great bitterness against the American tariff. He said he had examined the question with great care, and such examination demonstrated that the English manufacturer was paying at least one-half of the tariff on all goods he exported to America; and they must break down our tariff at whatever cost, or it would build up American rivals to the extent at least of supplying entirely our home market; and then England would have to pay the whole tariff or lose the market, and when that point was reached she would have to compete with the American manufacturer in every foreign market, then her own, almost exclusively.

If our tariff duties are not paid to a great extent as I have claimed by the foreign manufacturers instead of by the purchasers of their goods, will gentlemen tell me why those manufacturers expend such efforts to cause reductions of our tariff? On this point listen again to the statement of Colonel Hawkins, who says:

Another English manufacturer a few years ago while lobbying at Washington against our tariff confessed to a free-trade Congressman that the protective-tariff duties in the long run came almost wholly out of the foreign producer; that if they only came out of the domestic consumer the foreign manufacturer would not care a button about our tariff laws.

Mr. Chairman, I do not rely alone upon that evidence of facts which is contained in the utterances of our leading men, nor upon the admissions of foreign manufacturers. I appeal to reason and to history. I call the record to bear witness to the accuracy of my statement that under the protective tariffs of the past and present prices to consumers have been constantly decreasing and that the market prices of our domestic commodities are in many cases even less than duties upon similar imported articles. If this is true it is an unassailable answer to the claim that a tariff which protects and maintains home industries burdens the consumer with higher prices.

The common experience of men whose memory, like mine, runs back for many years—whose eyes have witnessed the marvelous prosperity of the nation and have seen its periods of depression and gloom—will utterly contradict and overthrow the arguments of those who urge the passage of such a bill as this as a measure of justice to consumers. I speak of producers and consumers simply for convenience of illustration, and for no other purpose. It is folly to declare that there are two such classes in this country, parted by a dividing line which neither crosses. It is untrue to say that our people are separated into two great bodies, with diverse and opposing interests, the producers being gathered in one vast, consolidated array and the consumers in another. The relative positions of men change daily. Their interests are inseparably intertwined and dependent upon each other.

The citizen of this country is not a bushwhacker fighting on his own account alone, but he is one of 55,000,000 individuals, whose aggregation forms a powerful Republic with diversified industries but with one general interest and one destiny. Protection to one means protection to all; prosperity or injury to a portion means prosperity or injury to the rest. We are a nation of toilers. We all have products to dispose of. Labor of brain or of brawn is a necessity with every individual. The rule holds good as an average in every branch of industry that a manufactured article represents in value only about 10 per cent. in raw material, while 90 per cent. is labor. Iron ore or coal as it lies hidden in the earth has a value there which is insignificant. But set sturdy brawn and muscle at work upon it, bring it to the surface of the ground and its worth is increased. Smelt the ore, break up and screen the coal, and place it on the market and it becomes yet more valuable. Then transport your coal where it is to be devoted to its final purpose, where it will drive your engines and feed your roaring forges, and its original valuation in the earth bears but an insignificant proportion to the value which is represented by the labor you have bestowed upon it.

Put your iron also in the market, fuse it in the blazing furnaces, turn it into steel, create with it works of utility and art and beauty, magnetize it into the faithful compass, which, pointing ever to the pole, guides the commerce of the world more surely than human intelligence could do through blinding tempests, through sightless nights, across pathless seas—as unerringly as the stars are guided in their unchanging courses through the universe; fashion it into those delicate and untiring springs which with tempered and elastic pressure help to note the days and hours and minutes of mankind, or twist its yielding strands

into massive cables which, when wrought into those grand and magnificent triumphs of human labor and intelligence and suspended in mid air, span great waters and connect vast cities with their touch and bear up toward the skies the travel and traffic of a continent. The unsightly ore, transmuted into beauty by the labor of mankind, has attained a value almost beyond human computation. The raw material was well-nigh worthless, but labor has augmented its value by an untold increase.

In the broad fields of agriculture which the Almighty in His goodness has given to this nation, and which, stretching across a continent in almost unlimited expanse, are watered by His showers and warmed by His sunlight, intelligent labor has its necessary part. Wild and useless are their productions until the hand of man regulates and prunes and cultivates. The rank growth starts up and flourishes and dies away, wasted and worthless, until busy industry stretches forth its arm and with its labor plows and sows, and gathers into golden harvest, so that the products of the farm and the cotton-field may be exchanged for the products of the loom, the anvil, and the furnace. Labor is everywhere necessary to create value as the basis of the interchange of commodities. The farmer on his broad acres produces and consumes; the manufacturer in his mill consumes and produces. All are subject to a common law, and in ultimate results all are aided or injured by the same causes.

The relations of all classes in this country have been uniformly in accordance with these principles. The tariff which has protected the manufacturer and enabled him to build up great industries has in like degree protected those engaged in other pursuits, and made them sharers in a general prosperity. It has increased the purchasing capacity of agricultural productions—has given them a market both stable and accessible, while it has allowed the mill-owner to pay higher wages to his workmen, to reduce his prices, and still make profits upon his enterprise and capital. It is not my purpose to exhaust the list of protected manufactured goods. Tables have been shown by gentlemen upon this floor, and others will be presented for the purposes of comparison and illustration. I shall take but a very few as an example of the whole to prove that every manufactured article deemed a necessary of life has been reduced in price when subjected to the influence of a protective tariff. Will gentlemen on the other side give me the name of a single article whose price has been increased by protection, unless it be tea, or coffee, or some other product which we do not make or cultivate in this country, and which therefore is not the subject of protection?

Take cotton goods for example. In 1817 they ranged in price from 29 to 40 cents per yard. In 1819 the price of the lower grade above mentioned was 21 cents, in 1823 it was 14½ cents, in 1827 it was 13 cents, and in 1831 it was 10½ to 11 cents.

Come down now to 1860, when a tariff for revenue only was in force. Prices for cotton goods, including prints, averaged 9.6 cents per yard; but under the provisions of a protective tariff the same goods averaged in 1883 7.4 cents per yard. The average duty upon those goods under the existing tariff varies from 5 to 7½ cents per yard. And this reduction has taken place notwithstanding the enormous increase of the country in wealth and ability and readiness to pay high prices.

How, then, can it be true, as our opponents assert, that the tariff duty laid by the Government is added to the cost of all manufactured goods sold in our markets? They may argue as they will; they may indulge in all the graces of rhetoric and oratory; but the solid fact confronts them as an impregnable obstacle. Take cutlery, take saws, axes, nails, as another illustration. Their prices have been lowered as the tariff has been raised. In 1824 a duty was imposed upon cut nails of 5 cents per pound and prices were 7 to 8 cents. In 1833 the tariff was reduced, but the price per pound fell below the duty.

By the tariff of 1842 the duty was 3 cents per pound upon cut-nails, and the price was but 3½ cents. In 1861 the price was 3 cents. In 1876 it was 2½ cents, and to-day the price varies but little from 3 to 4 cents. So that under the protection of high tariffs the price of this article of universal use has been brought to a point only about one-half of its value before the tariff was enacted which created home production and competition. Saws and axes show the same reduction. The manufacture of saws in this country commenced about 1840. English saws then cost our American consumers prices ranging from \$15.75 to \$19 per dozen. In 1876 American saws of better make were selling in our markets and in England at \$10.50 per dozen, being a reduction caused by protection of about 50 per cent.

I quote from the American Iron Trade as follows with reference to the prices of axes:

Before axes were made in this country, except by country blacksmiths, English axes cost our farmers and others from \$2 to \$4 each. By the tariff of 1828 a protective duty of 35 per cent. was levied upon imported axes. Under this protection the Collins Company, of Hartford, introduced labor-saving machinery, much of which was invented, patented, and constructed by themselves. In 1836 foreign and home-made axes were selling side by side in the American market at \$15 to \$16 per dozen. Axes were selling in 1838 at \$13 to \$15.25 per dozen; in 1843 at \$11 to \$12; in 1849 at \$8 to \$10; in 1876 the price of the best American axes in the market is \$9.50 per dozen in currency, and the country exports to foreign markets. English writers admit their superior excellence.

The Collins Company makes its own steel, and a letter from the company claims that it is "better than any English steel we can buy, and we have been steel consumers for fifty years. We now only make for our own consumption, and we have no disposition to cheat ourselves."

Take cutlery and farming utensils. Prices have been reduced by the beneficent workings of protection. The country is dotted with manufactories, which produce in plenty these articles so necessary and universal in their use. Five-sixths of the consumption is now supplied by our domestic producers, and quantities are shipped by them to foreign countries, where the excellence of their material and finish reflects honor upon American enterprise and workmanship.

The articles I have chosen for illustrations of the correctness of my position are fairly selected; they are just and accurate representatives of the whole. It would be useless to extend the list. It is the truth that the necessities of life—chemicals, clothing, boots and shoes, blankets, cloths, and all the manifold articles consumed by a generally prosperous and progressive nation—have been made cheaper under the influence of protection.

The men and women of the country who remember the days when they drove from their farms to their village stores to barter their own produce for articles of necessary consumption will bear me witness that under the operation of protective tariffs the purchasing power of their agricultural production has been greatly augmented. You may exert your ingenuity upon them and ply them with arguments, and they will tell you that while they may not be able to explain away the sophistries of your logic or your figures, nevertheless they are paying for the necessities of life less than their fathers paid and are receiving for their own commodities much greater returns.

As bearing upon the foregoing statements and confirming their accuracy, I present for consideration the following table, by which farm products are divided into classes, together with the prices which the farmer could obtain for them in 1816 and in 1882. The figures therein contained gained a widespread publicity throughout the country in the columns of the New York Herald, and I have never seen any attempt made to question their correctness. They are in accordance, I believe, with the general knowledge of all who have any practical familiarity with the subject:

Products.	1816.	1882.
Wheat.....	\$0 25 to \$0 44	\$1 42
Corn.....	12½ to 20	60
Oats.....	15	60
Eggs, per dozen.....	05	15
Barley, per bushel.....	25	80
Butter, per pound.....	05 to 12	40
Cheese, per pound.....	03 to 06	13
Cows, per head.....	16 00 to 20 00	\$20 00 to 100 00
Cattle, per yoke.....	25 00 to 45 00	100 00 to 250 00
Hay, per ton.....	3 00 to 5 00	10 00 to 20 00
Straw, per ton.....	2 00 to 4 00	7 00 to 16 00
Carriage horses, per span.....	150 00 to 200 00	500 00 to 1,200 00
Sheep, per head.....	50 to 75	1 50 to 2 50
Farm labor, per month.....	3 00 to 8 00	12 00 to 25 00

From the foregoing table it will be seen that prices for farm products have increased during the sixty-six years therein referred to to an average of nearly four times their former value.

From the following table, which is taken from the Boston Journal, and which covers the same period, it will be seen that the cost of manufactured articles has been greatly decreased.

Articles.	1816.	1882.
Steel, per pound.....	\$0 17	\$0 10
Sawplate, per pound.....	40	26
Nails, per pound.....	12½	4
Broadcloth, per yard.....	\$16 00	\$4 00
Wool blankets, per pair.....	\$10 00 to 20 00	\$3 00 to 10 00
Cotton cloth, per yard.....	30 to 50	04 to 12
Calico, per yard.....	25 to 75	4 to 16
Salt, per bushel.....	\$1 00 to 4 00	15 to 25

A large proportion of the American people are dependent upon agriculture for the support of themselves and their families. According to the census of 1880 the entire number of persons engaged in agriculture was 7,670,493. If for no other reason than that they form so large a part of our body politic they would be manifestly entitled to the highest consideration in our legislation whereby the general interests of the country are affected. But there are other reasons for such consideration than this. Upon this branch of industry rests primarily the fabric of society, and to the intelligence and elevated condition of our farmers and the diffusion of education among their families, all of which is intimately connected with their general well-being, we must look for the maintenance of the strength and prosperity of our country and its institutions.

Recognizing these facts as strongly as any man can do, I believe that the true interests of our farmers are enhanced by the continuance of protection to home industry as our national policy. The figures to which I have called your attention express more forcibly and compactly than mere words can express them the general benefits secured to the agricultural elements of our country by the operation of this principle. These benefits are, indeed, often interrupted by extrinsic causes. Droughts and pestilence, wars, panics, and financial disturbances come

in to injure them. But that as a general law the increase of domestic productions and the building up of mechanical and manufacturing establishments, with their tens of thousands of workmen, advance the interest of farmers in many ways can not reasonably be questioned.

Not only are they thus benefited, but they also receive direct protection from the imposition by the Government of a duty upon foreign agricultural productions which are sent to this country for a market, principally from Canada. Wool, sugar, corn, peas, potatoes, barley, hay, wheat, rye, oats, butter, cheese, flax, tobacco-leaf, and animals (except for breeding purposes) are subject to import duties. In 1881 these articles paid \$4,419,748 in revenues to the Government. Farmers do not look to farmers for their markets. They must sell their commodities to others. They must find a market either at home or abroad. If they go abroad they must compete in foreign markets with the agricultural productions of other countries, and take the risk of their overflowing harvests and all the other incidents of trade to which they may be subjected. If, on the other hand, they would find their market at their own doors, they must be benefited by all such enactments as will enable them to find buyers there, and buyers who are able to pay.

This is accomplished by protection, which by the establishment of immense factories throughout the country, with their swarms of busy, well-paid laborers, favorably affects the material prosperity of the farmer and brings the agricultural and manufacturing interests into mutually profitable relationship. Their farms, their stock, their production, are greatly increased in value, and they find at their own doors, at lessened cost, the articles necessary for their use in the management of their concerns and in supplying the wants of their families. The farmer buys cheaper in our markets than in any market in the world. And for the purpose of showing you that these results spring directly from the principle of protection, I read from the following tables prepared by Hon. Mr. CHACE, of Rhode Island. The first table shows the average price of farm products and of articles necessary for the use of farmers during five years of free trade ending in 1850 and five years of protection ending in 1880. The second table is based upon the first, and shows the purchasing power of farmers' articles in the markets under protection and free trade, respectively:

Table No. 1.

Articles.	Average price in five years ending in 1850.	Average price in five years ending in 1880.
Wheat, per bushel.....	\$1 22.8	\$1 30.2
Corn, per bushel.....	64.4	52.9
Oats, per bushel.....	42.3	38.72
Butter, per pound.....	15	24.68
Kentucky tobacco, per pound.....	5.82	8.48
Wool, per pound.....	35.58	44.74
Cheese, per pound.....	6.3	9.94
Coal, per ton.....	5 63	3 62.3
Liverpool salt, per sack.....	1 34.8	72.22
Bleached sheeting, per yard.....	14.43	11.78
Prints, per yard.....	10.05	7.95
No. 1 pig-iron, per ton.....	25 26	21 75
Refined bar-iron, per ton.....	76 82	50 82
Railroad iron, per ton.....	58 27	40 15

Table No. 2.

	Salt.	Coal.	Bleached sheeting.	Prints.	Pig-iron.	Bar-iron.	Railroad iron.
	Sacks.	Lbs.	Yards.	Yards.	Lbs.	Lbs.	Lbs.
One bushel of wheat would buy—							
Under free trade.....	.91	422	8.51	12.21	107.3	35.8	47.23
Under protection.....	1.80	719	11.04	16.27	134.00	57.35	72.6
One bushel of corn would buy—							
Under free trade.....	.47	256	4.46	6.4	56.24	18.78	24.76
Under protection.....	.73	328	4.49	6.65	54.59	23.32	29.55
One bushel of oats would buy—							
Under free trade.....	.31	168	2.93	4.20	36.94	12.33	16.26
Under protection.....	.535	240	3.27	4.89	39.87	17.07	21.63
Ten pounds of butter would buy—							
Under free trade.....	1.112	597	10.39	14.92	131	43.74	57.69
Under protection.....	3.417	1,530	20.95	31.04	254	108.82	137.87
Ten pounds of cheese would buy—							
Under free trade.....	.474	250	4.36	6.28	55.02	18.37	24.23
Under protection.....	1.376	619	8.43	12.52	102.36	43.82	50.53
One pound of wool would buy—							
Under free trade.....	.264	141	2.46	3.54	31.06	10.37	13.68
Under protection.....	.661	296	4.05	6.00	49.16	21.64	21.08
Ten pounds of Kentucky tobacco would buy—							
Under free trade.....	.431	231	4.03	5.79	50.82	16.97	22.34
Under protection.....	1.117	524	7.19	10.66	87.33	37.38	47.37

These figures clearly establish the claim I have already made that the purchasing power of farm productions is greatly increased under the principle of protection to all home industries.

I desire now to present but one additional illustration of my views to disprove the statements of those who say that under the operations of protective tariffs agricultural consumers are compelled to bear heavy burdens, and impoverish themselves to support manufacturing monopolists. I call your attention to the official records showing that in 1860 the value of farms in this country was \$6,645,045,007. In 1880, under the high tariff of nearly twenty years, notwithstanding the exhaustion caused by three years of gigantic warfare and its necessary injurious results, their value had increased to \$10,197,096,776. The value of farm implements and machinery in 1860 was in round numbers \$246,000,000, and in 1880, during the era of protection, it was \$406,476,055. The value of live-stock in 1860 was \$1,107,500,000, and in 1884 it had increased to \$2,467,868,924.

This magnificent increase in the material wealth of the farmers of the country occurred during the period of highest protection in all our history, and is a fitting comment upon the statement that agricultural consumers are made poor by the tariff duties which our laws levy upon foreign goods for the purpose of building up home industries, which thereby establish home markets for the products of the soil and the labor of the farmer. I read now from the comprehensive report of the Department of Agriculture, prepared by that able and exact statistician, Mr. J. R. Dodge, under date of February 19, 1884. He says:

The farmer feeds all, but when all are farmers he can only feed himself, which is a necessary operation but not a lucrative business. This would seem to be a self-evident truth, but extensive distrusts fail to appreciate it and cherish the pernicious fancy that markets are unnecessary, or that distant markets thousands of miles away are as good as near ones.

He then goes on to show that commerce, mining, manufactures, and anything bringing population to be fed aid agriculture. He speaks of paupers, rich idlers, professional workers, traders, and those engaged in commercial pursuits as consuming but giving no production in return. He then adds:

Miners, mechanics, and especially artisans and operatives engaged in productive occupations, are vastly more beneficial to agriculture for two reasons: 1. They augment the numbers to be fed and increase agricultural values. 2. They make something themselves which farmers need, and reduce the prices of commodities hitherto brought from a distance at unnecessary cost.

He afterward proceeds to show by tables that in every State there is a difference in the value of lands in favor of manufacturing counties; where there is but little manufacturing there being but a small difference, and where the products of manufactures are of large value land bears a high price. Although these tables have already had a wide circulation throughout the country, yet as they are important and instructive I read them and the comments of Mr. Dodge thereon as a part of my argument. I add also an additional table contained in his report, by which it will be seen that in what he groups as the manufacturing States, with their diversified industries, the annual individual income is \$457, while in the group of agricultural States it is only \$160.

Statement showing higher land values in manufacturing counties.

States.	Manufacturing counties.		Other counties.	
	Farm lands.	Value per acre.	Farm lands.	Value per acre.
	Acres.	Dollars.	Acres.	Dollars.
Massachusetts.....	1,292,876	57 87	2,066,203	34 55
Rhode Island.....	193,544	57 77	321,269	45 76
Connecticut.....	967,946	71 84	1,455,595	34 68
New York.....	4,981,545	62 37	18,799,209	39 65
New Jersey.....	368,675	96 46	2,561,098	60 65
Pennsylvania.....	3,930,549	86 73	15,860,792	40 02
Delaware.....	253,939	73 87	886,306	21 56
Total.....	11,989,074	71 85	41,930,472	40 33
SECOND GROUP.				
Maine.....	2,288,037	22 12	4,264,541	12 14
New Hampshire.....	1,880,602	25 38	1,840,571	15 27
Vermont.....	244,860	30 07	4,537,728	21 81
Ohio.....	3,888,305	67 85	21,140,921	42 46
Michigan.....	1,500,690	40 23	12,306,550	35 65
Indiana.....	1,508,599	49 21	18,912,384	29 66
Illinois.....	4,470,503	43 96	27,203,142	29 89
Total.....	15,881,596	43 54	90,205,837	32 03
THIRD GROUP.				
Wisconsin.....	4,720,777	233 88	10,632,341	18 60
Minnesota.....	1,508,251	26 24	11,894,768	12 96
Iowa.....	3,018,517	32 28	21,734,183	21 62
California.....	2,116,416	36 37	14,477,326	12 78
Total.....	11,363,961	32 90	58,738,618	17 14

Statement showing higher land values in manufacturing counties—Cont'd.

FOURTH GROUP.

States.	Manufacturing counties.		Other counties.	
	Farm lands.	Value per acre.	Farm lands.	Value per acre.
	<i>Acres.</i>	<i>Dollars.</i>	<i>Acres.</i>	<i>Dollars.</i>
Maryland.....	1,904,199	48 94	3,215,632	22 49
Virginia.....	1,624,304	11 96	18,211,481	10 80
North Carolina.....	542,488	6 55	21,821,070	6 06
South Carolina.....	1,471,846	5 70	11,985,767	5 06
Georgia.....	995,971	9 22	25,047,311	4 10
Florida.....	5,759	14 45	3,291,565	6 14
Alabama.....	481,484	6 55	18,373,850	4 13
Louisiana.....	49,075	20 59	8,224,431	7 05
Texas.....	554,512	10 23	35,737,707	4 61
Arkansas.....	173,395	11 87	11,888,152	6 07
Tennessee.....	1,119,004	17 83	19,547,911	9 56
West Virginia.....	244,624	48 87	9,949,155	12 18
Kentucky.....	1,571,585	36 48	19,923,635	12 14
Missouri.....	2,309,339	21 41	25,569,937	12 76
Kansas.....	1,006,965	24 53	20,410,503	10 31
Nebraska.....	495,434	19 09	9,449,392	10 21
Colorado.....	78,317	44 19	1,087,056	19 91
Oregon.....	678,769	19 33	3,535,943	12 38
Utah.....	51,320	37 66	604,204	20 00
Total.....	15,358,390	21 95	207,874,722	8 27

VARIATION BY STATES AND GROUPS.

These States aggregate the value of \$5,336,465,954 in products of manufactures, the grand aggregate in 1880 being \$5,369,579,191 for all the States and Territories of the United States. Now, the eighteen States and one Territory in the group which has the least manufactures produce a value of \$676,427,860, or 12.6 per cent. of the total for the United States, a fraction of 1 per cent. for each State. These may well be considered agricultural States.

The third group includes four States, also essentially agricultural—Wisconsin, Minnesota, Iowa, and California—in which there is a quite general determination not to remain in the category of one-idea communities in industrial development. They have \$391,585,577 in manufacturing production, or 7.3 per cent. of the grand aggregate for the whole country.

The second group is rounding into symmetry in industry and realizing the benefits of such a status in high prices of lands and farm products and rapid increase in wealth and culture. This class includes the States north of the Ohio River—Ohio, Michigan, Indiana, and Illinois—and also Northern New England. These seven States return a production of \$1,247,046,686, which is 23.2 per cent. of the whole. These may be deemed industrial as well as agricultural.

But there are seven other States in which the industries are more equally balanced than any other, which make more than half the industrial production of the United States, worth \$3,021,405,831, or 56.3 of all. These are found in Southern New England and the Middle States, and may properly be grouped together.

They include all manufacturing production except six-tenths of 1 per cent., scattered through two States and nine Territories. The tabulation by States is as follows:

Aggregate value of products of agriculture by States, acres of land in farms, and value of farm lands, by States and groups of States.

FIRST GROUP.

States.	Value of products of manufacture.	Total land in farms.	Value of farm lands.	Value per acre.
	<i>Dollars.</i>	<i>Acres.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Massachusetts.....	631,125,284	3,359,079	146,197,415	43 52
Rhode Island.....	104,163,621	514,813	25,882,079	50 27
Connecticut.....	185,667,211	2,453,541	121,063,910	49 34
New York.....	1,080,696,596	23,780,754	1,056,176,741	44 41
New Jersey.....	254,380,236	2,929,773	190,895,833	65 16
Pennsylvania.....	744,818,445	19,791,941	975,689,410	49 30
Delaware.....	20,514,438	1,090,245	36,789,672	33 74
Total.....	3,021,405,831	53,919,546	2,552,695,060	47 34

SECOND GROUP.

Maine.....	79,829,793	6,552,578	102,357,615	15 62
New Hampshire.....	73,978,028	3,721,173	75,834,389	20 38
Vermont.....	31,354,366	4,882,588	109,346,010	22 40
Ohio.....	348,298,390	24,529,226	1,127,497,353	45 97
Michigan.....	150,715,025	13,807,240	499,103,181	36 15
Indiana.....	148,006,411	20,420,983	635,236,111	31 11
Illinois.....	414,864,673	31,673,645	1,009,594,580	31 87
Total.....	1,247,046,686	105,587,433	3,558,969,239	33 71

THIRD GROUP.

Wisconsin.....	128,255,480	15,353,118	357,709,507	23 30
Minnesota.....	70,065,198	13,403,019	193,724,260	14 45
Iowa.....	71,045,923	24,752,700	567,430,227	22 92
California.....	116,218,973	16,599,742	262,081,282	15 79
Total.....	391,585,577	70,102,579	1,380,915,276	19 70

Aggregate value of products of agriculture by States, &c.—Continued.

FOURTH GROUP.

States.	Value of products of manufacture.	Total land in farms.	Value of farm lands.	Value per acre.
	<i>Dollars.</i>	<i>Acres.</i>	<i>Dollars.</i>	<i>Dollars.</i>
Maryland.....	106,780,563	5,119,831	165,503,341	32 33
Virginia.....	51,780,992	19,835,785	216,028,107	10 89
North Carolina.....	20,095,037	22,363,558	135,793,602	6 07
South Carolina.....	16,738,008	13,457,613	68,677,482	5 10
Georgia.....	36,440,948	26,043,282	111,910,540	4 30
Florida.....	5,546,448	3,297,324	20,291,835	6 15
Alabama.....	13,565,504	18,855,334	78,954,648	4 19
Louisiana.....	24,205,183	8,273,506	58,989,117	7 13
Texas.....	20,719,928	36,292,219	170,468,886	4 70
Arkansas.....	6,756,159	12,061,547	74,249,655	6 16
Tennessee.....	37,074,886	20,666,915	206,749,837	10 00
West Virginia.....	22,867,126	10,193,779	133,147,175	13 06
Kentucky.....	75,483,377	21,495,240	299,298,631	13 92
Missouri.....	165,386,205	27,879,276	375,633,307	13 47
Kansas.....	30,843,777	21,417,468	235,178,936	10 98
Nebraska.....	12,627,336	9,944,826	105,932,541	10 65
Colorado.....	14,260,159	1,165,373	25,109,223	21 55
Oregon.....	10,931,232	4,214,712	56,908,575	13 50
Utah.....	4,324,992	655,524	14,015,178	21 38
Total.....	676,427,860	283,233,112	2,552,840,616	9 01

THE FARMER'S INCOME.

The fact that the group of States where industry is most diversified (those having only 18 per cent. of all workers engaged in agriculture) afford \$457 per annum to each one, while the agricultural States, having 77 per cent. in agriculture, allow an annual income of only \$160, is too significant to be explained away, too convincing for pretense of cavil. It stands as proof of the necessity of symmetry and completeness of the productive system, and as a forceful illustration of the solidarity of the industries.

Upon this branch of the question my argument is ended. If a protective tariff with its duties properly distributed upon imported goods has impoverished one class of our citizens at the expense of another, why do the official figures fail utterly to disclose the fact? If it increases prices to consumers, how happens it that the judgment and opinion of students of the subject have been ever so grossly at fault? If the duties imposed by Government are paid in whole or in great part by the purchaser, and not by the foreign manufacturer when he makes his prices for this country, why should the latter be so strongly convinced that he pays them? And why should he expend so much effort and so much money to break down our tariff system, which would not otherwise injure him or hinder his competing at a profit in our market?

If such duty is added to the price of all similar articles of our domestic manufacture, why is it that the cost of such commodities has been steadily cut down as tariffs have been raised, so that they are delivered to purchasers at prices vastly below the values of former years? And why in many instances are they sold at or even below the figures which represent the duties paid upon such goods? How will it promote the interests of consumers to weaken or destroy the system which, wherever its influence has been felt, has added to the buying power of their own productions, given them markets at their very doors, and augmented their material wealth and general prosperity? The claim that the enactment of a lower tariff law will benefit consumers is a false assumption. Unanswerable facts rise up to testify against the theory. It is contradicted by the reason of the thing, by the history of the past, and by the universal experience of mankind. It is disproved by the present social, industrial, and financial condition of the Republic, which, notwithstanding temporary disasters, halts, and obstacles, has advanced gloriously along the pathway of national strength and greatness, and in dignity, honor, intelligence, and enterprise leads the world.

How then, Mr. Chairman, can the general prosperity be increased by reversing all the steps and methods which have hitherto secured it? Can an army be advanced to the front by ordering a retreat? Can victory be gained by abandoning the field? These questions have been in part already considered in my discussion of this bill. I am not prepared to say that the present tariff even as revised last year is, in all respects, what our interests demand. Nothing human ever yet was perfect. It may be true, as urged in argument, that the duties therein prescribed are not adjusted with entire propriety. It may be that some articles now upon the free-list should be taken off and others placed upon it. It may be that into a law enacted nearly a quarter of a century ago, comprehending details so numerous and so minute and dealing with such vast and fluctuating interests, which has been amended and again amended from time to time, uncertainties and errors have crept.

It may be that in the lapse of years, as interests have changed and new industries have arisen, its provisions have become inadequate, so that they should be readjusted and readapted to the new conditions. But such matters are not matters of principle. Changes should be made if necessary by consultation, comparison, and agreement. There would be no difficulty in this if the desire were manifest. But in such changes the principle should not be yielded. Protection should be kept steadily

in view and insisted on at every point. But this bill proposes no such action. It makes a blind, clean-cut, unreasoning, arbitrary sweep, simply because the Democratic party, disregarding the interests of the country, demands that free trade and low tariff shall be the national policy. Thus the gauntlet is thrown down and we are challenged to a battle on that issue. No fair examination is proposed with a view to removing existing imperfections without sacrificing the principle of protection. It is a free-trade movement, pure and simple, and must be grappled with as such.

Those who assert that free trade is a good thing for the country have ranged themselves upon one side. I stand with those who believe in protection to American industry of every kind, and in the elevation of American labor and American manhood. This bill is a free-trade measure ingeniously and insidiously prepared. It moves toward its objective point by zigzags, angles, and concealed approaches. It is an admirable illustration of the method of indirection. But it is as destructive of the principle of protection and as disastrous in its purposes as though all duties were repealed at once by a single stroke. It professes merely to cut down duties by an equal and uniform percentage, but it does far more than this.

Along the banks of the Mississippi levees have been constructed within which the great river flows in its majestic course from its source to the Gulf. On either side broad plains stretch out in limitless expanse, covered with verdure, with fruitful harvests, and the peaceful habitations of men. Behind those simple barriers, and protected by their existence, civilization flourishes, and the homes of a people imperial in their greatness are made secure. Those artificial restraints are just sufficient to confine the swollen stream within its bounds; but cut them down one-fifth, and over their lowered surface the rushing waters, uncontrolled and sweeping with resistless force, will pass and in a single day overwhelm with disaster and annihilation the accumulations of years. And in like manner this measure, if it passes into law, by its horizontal reduction will remove all restraints upon foreign importations and subject our domestic industries to the danger of destruction.

Does it not strike the minds of gentlemen as strange that if the condition of affairs requires the adoption of such a measure no sound or clamor has reached our ears calling for its enactment? Not a single industry appeared before the committee to request its passage. Not a single petition was presented praying for relief from the operations of the present tariff. Not a solitary appeal for assistance from any agricultural, manufacturing, or financial interest came to the attention of the committee. But certain abstract theorists, representing the Free-Trade Club of New York city, appeared and made their arguments in general opposition to the principle of protection. On the other hand, delegations appeared in opposition to this bill. Laborers, representing the operatives and artisans engaged in the mills and factories of the country, appeared before them. Mr. Williams, an Englishman, who had worked five years in the Dowlas Iron Works in Great Britain, said:

We do not think it is right for you to reduce us to the condition of the workmen of England.

And he appealed to the committee—

As intelligent American citizens and Congressmen not to pass the bill. You can not reduce the tariff without reducing our wages, and the agitation of the subject makes our work unsteady. There are 1,500 men in the works where I am employed. Until this agitation began we had work, on the average, about ten months in the year. In the last year we have had work only four to five months.

Another representative of the laborers said earnestly to the committee:

If free trade is such a grand thing for English workmen, why are our factories filled with them, and why do they tell us they sought homes here to escape the dog's life they led in England?

God forbid that by any act or vote of mine American labor should be degraded. God forbid that American manhood or womanhood or childhood should be reduced to the depths of misery and helpless suffering which exist in England under the operation of free trade, where women are debased, men turned into brutes, and little children never know the joy and innocence of youthful life. There, if the testimony presented to Parliamentary commissions has any truth, men, women, boys, and girls work together in the collieries in an almost naked condition. Women are compelled to go through the dark seams and passages of the Lancashire coal mines on hands and feet and knees, with belts around their waists, fastened by chains between their legs to heavy trucks, crawling over wet pavements and slushy floors with soaking garments, maimed and sore and suffering, harnessed like horses to the loads they drag. Thousands of females, old and young, mothers and daughters, with little children by their side, toil day and night. Nail-workers and rivet-makers, women who are mothers, and daughters young in years, but with that look of premature old age always to be noticed in the faces of child-workers, with weary arms and hopeless faces, fashion molten iron into the form of nails for the benefit of what are called the "froggers."

Sixteen thousand females are engaged in this one occupation alone, day after day, night after night, with no prospect of release until death comes to end their toil. The freshness and the gentleness of childhood are unknown among their offspring; who, ragged, hungry, and ill-fed, lead lives of wretchedness and misery, with no hope before them but a

future of wickedness and vice. Women with perspiration streaming down their faces, with sooty handkerchiefs around their weary heads, half-starved and gaunt and miserable, work at the bellows of the blacksmith forge and hammer upon anvils to keep body and soul together at starvation wages. Their homes are squalid and misery is manifest in every feature.

In the workshops and large manufacturing establishments their situation is but by few degrees improved, for pauper wages, hunger, poverty, and hopelessness tell the story of their daily lives. The wages they receive scarce keep life within their miserable bodies, and human beings made in God's own image are regarded as but little better than the beasts that perish. I have not drawn upon my imagination in this description, for the statements I have made are matters of record and of evidence. One explanation only is possible for this condition of affairs, and that is the low rates of wages which it is possible for manufacturers to pay under the operation of free trade. They are obliged to reduce the prices of their goods in order to obtain a standing in our markets, and they are therefore compelled to reduce the wages of their operatives.

I turn now from this picture of misery and suffering to the condition of American labor. Protection to our industries has advanced the interests of our operatives in every branch of employment. On the farm and in the workshop, in the mines, and in every department of human effort American labor has been elevated and ennobled. Its services are requited by fair and ample remuneration. I need not cite the tables which show the comparative rates of wages which are paid to workmen in this country and abroad; but I appeal with confidence to the knowledge and experience of all men for the verification of my statement that the workmen of America in their intelligence, their condition, their opportunities, and their general surroundings are superior to the workmen of any country in the world. From the factory to yonder chair, from the log-cabin to the Senate Chamber, and from the tow-path to the White House the feet of workmen have already found their unobstructed way.

I for one can not consent to the Democratic policy now sought to be established, which would degrade our working men and working women, deprive them of the comforts of this life and the possibilities of advancement for themselves and their children, debase and convert them into brute creatures, unfit them for the duties of citizens in a Republic where all are free and equal in their rights, and condemn them to lives of hopeless, abject misery. Nor can I consent to a policy which would bring upon this country the evils which have resulted from the revenue tariffs of the past. Go back with me for a moment along the line of our national history. Contrast the general prosperity of the periods when the principles of protection were in force with the suffering and depression when tariffs "for revenue only" were established.

Take the period previous to the protective tariff of 1824. Wages were scarcely worth the name. Sluggishness in all industrial branches was everywhere apparent. The comparatively few mills and factories which then existed had partially shut down. Labor was without employment. Foreign merchandise, unrestrained by the protecting barriers of high-revenue laws, had flooded the markets of the country and ruined our manufacturers by their unchecked competition. Financial embarrassment was everywhere the rule, and the courts and the sheriffs found constant employment. The tariff of 1816, although partially protective in its provisions, was insufficient to repel the flood of merchandise with which foreign traders had determined to destroy our infant industries and control our markets in their own interests.

In this condition of affairs the tariff of 1824 was enacted. Immediately the gloomy condition of affairs was changed. The throbs of vigorous life were felt throughout the great body of the country; the sluggish blood circulated with increased rapidity. Mines were opened. The fires roared in the great furnaces. The factories were busy. Trade was active. Debts were paid. Wages were remunerative. Prosperity such as the country had never before witnessed sat down by the hearthstones of a contented people; and in his annual message of 1832 President Jackson declared that "Our country presents on every side marks of prosperity and happiness never equaled perhaps in any other portion of the world."

The following year the compromise tariff, with its descending scale, was passed, and the general prosperity vanished like the mists of the morning. Money became high and wages low. Public and private revenues everywhere decreased. Foreign goods poured like an inundation upon our markets. Panic, bankruptcy and collapse followed, and suffering and misery were universal. Protection was again demanded and the high tariff of 1842 again wrought an extraordinary revival in trade, production, and general business. In 1846 another reduction followed, and in 1857 the tariff was again cut down, and during those periods financial revulsion followed, the progress and advancement of the country were checked and impeded, bankruptcies took place, revenues declined, and the public credit was prostrated. From that day to the present it is recent history.

Amid the thunders of a civil war which threatened to destroy the institutions of the Republic, and to consume the substance which years of labor had enabled its citizens to gather, with extraordinary expenses such as staggered the minds of men in their appalling magnitude, with

such enormous amounts of property absolutely wiped out of existence that it seemed as though a century of peace could not replace them, with a debt of billions draining its energies, undaunted and undismayed through years of bloodshed the Republic grappled with its enemies, raised the most magnificent armies the world has ever seen, protected and extended the manifold productions of its people, restored its credit, honored its obligations, and at length, victorious and reunited, has developed its resources, increased its wealth, and built up its internal system of home production, so that to-day and for all time to come it can be independent of the world.

I must not be understood as asserting that the principle of protection which has been enforced during this period has alone accomplished these stupendous results; but if the tariffs of 1861 and subsequent years, which gave domestic industries their greatest impulse, had not been enacted, our present public and private prosperity would not exist, even had it been possible to carry the war to a successful issue. They have unquestionably produced billions of revenue, much of which, as I have shown already, has been borne by foreign manufacturers as a necessary condition of their being enabled to place their goods upon our markets; they have inspired and sustained home manufactures to an extent which is amazing in its results; they have prevented the outpouring of our precious metals and developed our internal resources, so that our exports have vastly increased, and will continue to increase if their operations shall be continued; they have, in other words, made our national income greater than our national outgo, and by these processes have increased the national wealth and more than replaced the waste, ravage, and destruction caused by war.

I recognize the fact that during the period to which I am now referring financial revulsions have occurred and every department of national life has felt their depressing influence. I know that even at the present time the general prosperity is not unclouded, and that business is not in as satisfactory a condition as we all would like. But these are not the necessary consequences of protection. Forces outside of tariff laws intervene to produce them. Speculation, contraction in values following upon the intense excitements of the great national struggle, improvidence and extravagance in financial and business management, the unnecessary and reckless agitation of tariff questions, the doubts and uncertainties of legislation affecting great national interests, more ample production than is needed to supply general demands, short crops at home, overflowing harvests abroad, financial difficulties in the money centers of the world—all these causes, with a thousand others at various times and in different degrees, affect our national prosperity. It will not do for gentlemen to argue that such results are caused by protective laws; because to-day in England, the lair of free trade, the only civilized nation in the world which is without protection, overproduction exists, her industries are drooping, her manufactures are depressed, and the cry of helpless, hopeless, pitiable distress from her underpaid, discharged, and suffering operatives and their families goes up unceasingly to Heaven.

Can gentlemen still doubt? Come with me to New England. Come, gentlemen from Illinois, from Kentucky, from Missouri, from Alabama, and from Texas; come from all sections of our common country, and see the prosperity which protection has given to our people. Our soil is sterile when compared with yours; our hills are steep and rugged, but along the streams which sparkle from the summit to the valley you will see great mills and factories in which looms and spindles sing with cheery music, and ponderous machinery accomplishes its work as though endowed with reason and intelligence. You will hear the rushing of the waters as they dash against the wheels on their way to the sea. You will listen to the clangor of the hammers and the throbbing of the engines as they create those wonderful results of human skill which pour forth in an unceasing tide to every portion of the Union, to every quarter of the world, to supply its necessities. You will rejoice at the sight of thrifty farms cultivated by men educated and informed, who not only understand the institutions of the Government under which they live but can discuss its underlying principles with intelligence, and when necessary can fight and calmly die for them. You will meet multitudes of busy workmen well paid, well fed, well clad, living in homes of comfort, engaged in occupations of every kind which promote the prosperity of a great republic. You will find agriculture and manufactures not in antagonism under hostile banners, but in mutual interest and sustaining power. You will find labor of every kind respected and its rights secured. You will find no degradation of workmen, no debasement of manhood or womanhood, no hopeless, joyless childhood. The church, the academy, and district school are near each other. The reading-room and debating club stand with open doors; and from among the sons of poverty and toil blessed with advantages like these comes forth a sinewy strength of mind and body that hews its way to influence and power. That system of legislation which elevates and upholds American labor and American manhood and creates such opportunities for every man commends itself to my judgment and my conscience. It is good for us in New England; it is good for every portion of the Union. God forbid that the attempt to overthrow it should be successful.

Mr. RAY. Mr. Chairman, "Labor is discovered to be the grand conqueror, enriching and building up nations more surely than the proudest battles." If this be true—and true it is—it becomes any nation to

educate, liberalize, ennoble, and protect its labor—labor in its every branch. This is especially true of the United States, for we fight no military battles for glory, renown, or conquest. When we defend our labor, our industries, we defend our people, our institutions of free government; for our laws are made and supported by the suffrages and the patriotism of a free, enlightened, laboring people.

We are enriched by three kinds of property: real estate, personal property, and industry. We are ever ready and willing to defend our lands and our personal property against foreign invasion, and if we would prosper as a people and a nation we must be as ready to defend our industries from foreign invasion. Our welfare and prosperity is measured not by our foreign trade or commerce, but by our productive power and by our self-reliance.

It was the recognition of these principles by our fathers that gave rise to our protective policy. Protection is defense. That nation is truly great which is capable of producing at home all that the people and the nation demand both in times of peace and in times of war.

It always has been and always will be true that the condition of the common laborer, male and female, marks the civilization, the progress, and the power of any country. A happy and a contented people is essential to the perpetuity of any nation. If a nation would long endure as a first-class power, as a self-defending and a self-sustaining power, it must be under a policy that reaches out to and among the masses of the people and guarantees to them the blessing of a good government; the defense by the government of the lives, the liberties, the property, and the industries of the people, all of which are essential to the general happiness.

The United States, still in its infancy, has had its epochs of prosperity and its epochs of adversity. These have been marked more especially by our tariff legislation. At the close of the Revolutionary war the merchant marine of the then thirteen infant seaboard colonies had been swept from the sea by the navy of England. Yet our manufactures had grown at a rate past belief and that excited wonder both at home and abroad. Previous to that war some of our manufactories had been declared nuisances by the British Parliament, and the erection of steel manufactories had been forbidden. In fact, every means had been used by the mother country to suppress our manufacturing enterprise. The impetus given to home manufactures by closed ports during that war was so marked and beneficial that Alexander Hamilton so early as 1791 urged the practicability and duty of protecting and encouraging our manufactures. He enumerated seventeen grand departments which had been developed.

For the seven years following the peace of 1783 we had no protection, and there was no power in the old Confederation for protection and no concurrence among the several States. There came in a perfect inundation of foreign goods, and a member of the first Federal Congress, speaking of this period of free trade, said:

We bought according to the doctrine of modern theorists where we could purchase cheapest, and were soon inundated with foreign commodities. English goods were sold at lower rates in our maritime cities than at Liverpool or London. Our manufacturers were ruined; our merchants, even those who had hoped to enrich themselves by importation, became bankrupt, and all these causes united had such an influence upon agriculture that a general depreciation of real estate followed, and failure became general among the proprietors.

Another writer in describing the distresses and disorders of that time says:

The scarcity of money is so great, and the difficulty of paying debts has been so common, that riots and combinations have been formed in many places, and the operations of civil government have been suspended.

Chief-Justice Marshall, speaking of this crisis generally, says:

On opening their ports an immense quantity of foreign merchandise was introduced into the country, and they were tempted by the sudden cheapness of imported goods and by their own wants, to purchase beyond their capacity for payment.

The consequences he thus describes:

The bonds of men whose competency to pay their debts was unquestionable could not be negotiated but at a discount of 30, 40, and 50 per cent.; real property was scarcely vendible; and sales of any article for ready money could be made only at a ruinous loss.

July 4, 1789, the first tariff act of the first Federal Congress was passed, and it was followed by another August 10, 1790, which largely increased the duties then imposed. The first act, that of 1789, recited as follows:

Whereas it is necessary for the support of the Government, for the discharge of the debts of the United States, and the encouragement and protection of manufactures, that duties be laid on goods, wares, and merchandise imported, &c.

Here the doctrine of protection to American manufactures is distinctly enunciated.

In 1791 Washington wrote:

In my tour I confirmed by observation the accounts which we had all along received of the happy effects of the General Government upon our agriculture, commerce, and industry. The same effects pervade the Middle and Eastern States, with the addition of vast progress in the most useful manufactures.

Indeed, the same story was told from every quarter and every branch of industry was revived and invigorated. It is true that the opening war of 1793 on the continent of Europe, which with slight interruptions continued until 1815, the suspension of specie payment by the Bank of England in 1797, and which continued until about 1817, and our own war with England, all aided largely in one way and another in strengthening and rendering effective our tariff, so that in 1815 our

cotton and woolen manufactures were \$60,000,000 per annum with over 100,000 workmen employed in them.

When these causes ceased to operate in aid of that tariff we were again flooded with foreign importations, until in 1824 we had general distress, as the tariff alone was inadequate to protect American labor and home industry. The result was the higher tariff of 1824, and this, though not perfect, crude and unequal in many respects, proved so beneficial that we immediately entered upon another era of agricultural, commercial, and industrial prosperity. We soon had a surplus in the Treasury, and then, as now, men predicted ruin because of too much money in the national Treasury, and then, as now, "horizontal reductionists" came to the front and argued that all the evils of accumulations in the Treasury would be avoided by a straight cut, a general, uniform "slash." We had "nullification," and the great cry came from the section that lived upon the fruits of slave labor, and refused, or from its social condition was not able, to avail itself of the benefits of a protective tariff. The result was the compromise act of 1833 and the consequent ruin of our American industries, culminating in the general crash of 1837.

During the first three years of the operation of this act of 1833 we imported about \$366,000,000, an average of \$122,000,000 annually, as against an average of \$70,000,000 annually under the act of 1828. We paid out abroad \$52,000,000 annually for foreign articles that we had not before imported. We paid that to foreign labor instead of home labor, and we encouraged extravagance of every kind. In the beginning of 1834 our circulation of bank notes was \$95,000,000; at the close of 1836, \$149,000,000; an increase of \$54,000,000. In the beginning of 1834 our bank loans and discounts were \$324,000,000; at the close of 1836, \$500,000,000; increase, \$176,000,000.

In May, 1837, the banks suspended specie payments all over the country. At the end of 1836 there was in the national Treasury a surplus of \$46,500,000, \$44,500,000 of which came from an increased sale of the public lands; showing that the great increase of imports crippled American manufactures and drove capital and labor to the great West; that we had bought more than we could pay for; that mercantile business had been unduly stimulated. Disaster and ruin followed as a natural and inevitable consequence. When you throw home labor out of employment, when you cripple home industries, when you buy on credit more than you sell or more than you produce, and when you drive home capital to other, far-away fields, as you inevitably must do in this country by a free-trade policy or any tariff scheme short of protection, you bring disaster and ruin to enterprise, agriculture, manufactures, and internal commerce.

There is a taste among Americans for foreign articles. If the lady in society can wear a dress imported from Paris and the gentleman a coat of English cloth and cut they feel that they have more claim to respectability. There is a taste for foreign ways and manners, especially among the wealthy. Even the judges of the New York court of appeals are becoming tinctured with this foreign malaria and they array themselves in silken gowns, *à la* England, which I suppose are of English cut and make. In all our debates I hear the gentleman from New York [Mr. Cox] advocating some measure, an innovation upon American ways and laws, because they have it or something similar in England. Even the American dude is becoming immensely popular because he is the exact counterpart of the English snob.

If we are to have these things, let them be confined to the rich and the opulent; let them be paid for by the capitalists and monopolists; and let the dulle pets be labeled, "Fair result of a free-trade tariff." I think it is the only importation of English manufacture that does not pay a high tariff duty. [Laughter.] The point I would make is this: that this disposition or mania for foreign articles would tend largely to the undue importation of foreign manufactures and the consequent injury if not destruction of American industries.

Now, sir, as a result of the tariff of 1833, and which was in operation until 1842, our American industries were prostrated, our home labor was degraded, our business interests were destroyed, and finally the people rebelled, turned its advocates out of power, repudiated the alien policy, and gave us the protective tariff of 1842. This was modified in 1846 by the representatives of slave labor. Still, as modified, aided by scarcity in Western Europe, famine, the gold fever of 1848-'49, the Crimean war, and other causes, it proved beneficial and the country prospered, the Treasury had a surplus, and the people were happy and contented. Then came the 20 per cent. reduction of 1857, and, as might have been expected, and as was inevitable, we had another panic, another inundation of foreign production. Imports for consumption increased from \$5.42 to \$11.82 per head; the bank circulation and loans were more than doubled, the loans rising from \$312,000,000 to \$634,000,000, and the circulation from \$105,000,000 to \$214,000,000, and a general suspension again followed.

But more, the national debt rose from sixteen and three-fourths to twenty-nine million dollars, and to \$64,000,000 in 1860 under the tariff of 1857. Our national securities were at a discount of 6 to 12 per cent., bearing a high rate of interest. General distress pervaded all classes, and such was the condition of the country, agricultural, commercial, industrial, and financial, that our enemies predicted that the rebellion commenced in 1861 would find but little opposition, and that we could not devise the ways and means to resist it.

But with the rebellion came the Morrill tariff, highly protective, and although confederate cruisers and English piratical crafts under the confederate flag swept our commerce from the ocean; although the bone and sinew of the country was for four years engaged in the work of destruction, both of life and property; although the energies of the people were directed to the protection of the nation's life instead of the production of wealth; although we became a nation of destruction instead of production, still we successfully combated armed rebellion, we fostered American manufactures, developed American industries, and demonstrated beyond all peradventure not only that the American Constitution can protect the American nation, but that the protective tariff can protect home industries and American labor. [Applause.] But more of this further on.

Mr. Chairman, political parties are always seeking to win the good opinions of the people, and the party in the minority is necessarily driven to the expedient of winning recruits from its opponent if it would ever taste the sweets of power and patronage. It is not slow to discover the weak points of its adversary, and may be tempted to hold out delusive arguments and even hide the truth. Then let us study history and the present condition of our people and heed the lessons taught. That there is an honest difference of opinion with the American people on the subject of the tariff must be conceded. This is owing more to the fact that certain States are substantially agricultural while others are mainly engaged in the manufactures, than to any real difference as to the merits of the proposition as now presented. If the United States was an agricultural country without large manufacturing interests and incapable of developing them, free trade would be the true doctrine.

But, sir, we are to take the country and the whole country as it is regardless of State lines, and study to promote the general welfare. So if we were a manufacturing country producing a very large excess of manufactured articles above home consumption the sale abroad of which were necessary to enable the people to purchase their food from abroad, then free trade might be the true doctrine. Take the South and West from the Union and the Eastern and Middle States might not prosper under a protective tariff. No competition could break down their industries, and as they would import only raw materials for manufacturing purposes and food products for consumption a high tariff would add to the cost of productions and prevent them from competing in foreign markets, and so add to the cost of living that the degradation of labor would follow. Take the Eastern and Middle States from the Union and the South and West would prosper in time under protection, but it would be opposed possibly to their immediate present prosperity. But these States would remain at a "stand-still," their territory would ever be sparsely populated, and their cities would cease to grow unless they should create, foster, and protect home manufactures. They would make no progress whatever. To make themselves truly prosperous they would be driven to protection.

In the first case the Eastern and Middle States would be compelled to compete with foreign countries and sell abroad at as low figures as England. And in the second case, having nothing to protect, a protective tariff would exist only in name and could result in nothing, unless the people should engage in manufacturing, except that the people would be putting large sums in the Treasury from their earnings without any return. That is, they would heavily and unduly tax manufactured articles which they would import from foreign markets. Now New England and the Middle States are not compelled to go abroad to foreign nations for their market, for protection compels the American people to support American manufactures. The question is, is this compulsion justifiable and does it result in the general growth and prosperity of the whole country? In other words, are we justified in so legislating that we compel certain parts or classes of our people to pay more for articles manufactured at home than they could be purchased for in foreign markets? It has been said in substance by a fair and honorable member of this House [Mr. CARLISLE] that protection is spoliation; so it would be if the benefits received by those who really pay the cost of protection were not equal to or greater than the cost.

But if we find that the benefits conferred are greater than the burdens imposed, then it is not spoliation, for "an even exchange is no robbery." With the agriculturists the laborers and the workmen, unless we give them a fair and equal return for their increased outlay for manufactured articles, our course is not defensible. To my mind this is a fair, plain, common-sense way of putting the question, and on its true answer must the Republican party stand or fall in the coming Presidential election. To those who advocate the doctrine of "State rights" and deny that we are a nation it seems plain that they should not be compelled by a protective tariff to pay for the prosperity of our manufacturing States; while to those who adhere to the doctrine that we are a nation, and that each part is to contribute to the general prosperity of the whole, it is equally plain that they should so pay, provided the protected States return value received to those who contribute. Men who look at burdens imposed and are blinded to benefits received are not in a condition to intelligently judge the situation.

Such is the status of the disciples of free trade. Teachers of free trade in the main are seeking political power, and it is their mission to plainly portray all the burdens while they studiously conceal the benefits of a protective tariff. Beautiful and attractive theories have been and can be built up to allure the unthinking and the unwary. These theories

have been spread before this House and the country in their most attractive form, and it is sought to be impressed on our minds that as the result of a high tariff we have too much money in the Treasury, that the people are too heavily taxed, that the country is not prosperous, that labor is not well paid, that our people are growing poorer while corporations are swelling with ill-gotten gains. It is said that high tariffs foster monopolies and are inimical to labor.

It will be my pleasure to answer some of these illusory and delusive statements. But I first desire to call attention to the fact that the people of this country in a common-sense way have again and again answered the question at the ballot-box, and they are now ready and anxious to repeat the verdict of 1890. Aristotle said:

The crowd makes better judgments than any individual whatsoever. It is in the main incorruptible. Like a large sheet of water, the multitude is less liable to sinister influences than the few, for when the individual is influenced by passion or any similar impulse his judgment must be distorted, while it is hard for all collectively to be led by passion or to err.

The people of this country look to practical results more than to fine-spun theories, and it will be difficult indeed to make them believe that high tariffs are detrimental to our prosperity when they see that with them the rate of interest paid by our Government has been reduced from 12 to 2½ and 3 per cent.; that our country has been carried safely through an intestine strife that cost us billions of dollars; that our debt has been reduced at a rate never before known in the history of the world; that a large area has been added to our territory; that magnificent public buildings have been erected; that large bounties and pensions have been paid to our soldiers, their widows and orphans; that magnificent railroad and other enterprises have been successfully carried on; that new States are constantly added to the Union; when they see our population increasing at a rate that staggers figures; our arts, sciences, and inventions making rapid strides and challenging the respect and admiration of the world, our farmers and mechanics prosperous and happy, and our labor better paid than in any country on the face of the earth, while our liberties remain intact and churches and schools multiply and spread abroad their beneficent influence. They see and realize withal that we have no slave labor, and that labor owns capital and keeps a bank account, owns farms and village lots, and bank, railroad, and mining stocks, and that the son of the poorest mechanic or farmer stands an equal chance with the millionaire to occupy the Senatorial, gubernatorial, and Presidential chairs. In the full enjoyment of all these blessings *in presenti*, it will be hard indeed for any political party to induce the people to try dangerous experiments for the sake of imaginary benefits *in futuro*.

1. Do we protect American labor and home industry?
2. Do we give value received to the consumer who pays a higher price than he would if we did not impose high protective tariffs?
3. Do we degrade or do we exalt American labor?
4. Do we encourage and promote American inventive skill and do we develop American genius?
5. Do we add to the general wealth, intelligence, and prosperity of the people of this country?

First. When we remove the protective tariff—that is, the tariff that is added for the purpose of so increasing the cost of foreign manufactures as to keep them out of the American market or compel them to be sold here at a price at which we can produce at a profit—we necessarily compel our manufacturers to produce at a less price, and they must necessarily reduce the price paid laborers and reduce the price paid for material and machinery or else stop business, “shut up shop.” If the price of labor is reduced the laborer must reduce the cost of living—that is, cut down all of his expenses. If he do this he must be able either to purchase food, clothing, and his little luxuries at a correspondingly low figure, or he must wear poorer clothing, eat poorer food, and enjoy less of the benefits of the schools, churches, and all the comforts of life. If we compel him to do the last, we degrade him; if the first, we necessarily compel our farmers to produce and sell their cotton, wool, corn, wheat, &c., at a less figure, and therefore they must be enabled to purchase lands and food and clothing at a less price. When all is done the free-trader says there has been a corresponding reduction all round and no harm is done.

Let us see. We have opened up foreign competition and flooded our country with foreign productions; we have opened a market where every dollar that is paid to the foreign producers is lost to home production and American labor, for when paid to foreign labor it is the richer and American labor the poorer. We have reduced the revenues of the Government, and our internal improvements, public buildings, river and harbor improvements, our pensions, &c., must stop. We have lost much and have gained nothing. But you say it will stimulate commerce, our carrying trade; that our products, our manufactures will go abroad and find a market. Not at all. Our products, as grain, &c., that foreign countries require now go abroad. Our superior manufactures now go abroad. Our equal or inferior manufactures will never cross the water to compete with the same thing abroad. Therefore we must make up our deficient revenue by a direct tax or else cut down the expenses and stop all improvements.

But there is another and a complete answer to all this. The world demands about so much of any article. Europe (especially England) has an excess of labor. When foreign countries export largely to this country at cheap prices we can no longer keep up our manufactures and

employ our laborers in manufacturing, for their productions of like kind will no longer be consumed in the home market, and foreign markets will be overstocked by their own home productions. As a direct and necessary result our laborers and mechanics would be driven to agricultural pursuits, and there would be a large excess of agricultural products and the price thereof would be largely reduced for the benefit of the rich and the opulent; the farmer would be impoverished, and soon, as in England, the lands would pass to the hands of the wealthy and we should become a nation of tenant farmers. England now is, and since 1845 has been, a free-trade country. Her mechanics, laborers, and farmers are reduced to a condition of servility, poverty, squalor, and misery. That enterprise, skill, and genius which have been and are so characteristic of the American laborer do not exist in England. As a proof of what I say I desire to quote from *Work and Wages*, by Thorold Rogers, an advocate of free trade and an enemy of protective tariffs. He says:

The mass of English workmen are far better off now than they were two generations ago, though population has greatly increased. But relatively speaking the workman of to-day is not so well off as he was in the fifteenth century, when the population was not one-tenth of what it is now.

This is a confession that as a result of three hundred years of progress and advance in religion, civilization, and education, the condition of the English laborer has been degraded and impoverished. What a commentary on the condition of English labor, and what a warning to us not to listen to the sophistries of those free-traders who ape the English theorists. This confession is pointed when we find the same author giving the wages of an agricultural laborer in the thirteenth century (and it was relatively the same in the fifteenth) at £2 11s. 8d. per year, while he figures up the living expenses of that same laborer at £3 per year, allowing £2 7s. 9d. for the coarsest kind of food and 12s. 3d. for clothing, home-spun russet cloth, hempen or linen shirting, and one pair of rude boots worth 2s.

I have read in novels of the haggard, ever-hungry, hollow-eyed laborer of England who every night went to his hut or hovel to meet his careworn, anxious, overburdened wife, and his puny ill-fed children crying for bread, of which he had none to give; but I never expected to see even the shadowy portrait of the reality disfiguring the pages of an English author who advocates free trade for the United States. The truth is, Mr. Chairman, that, having no market at home, the English people and their sympathisers here are using their best endeavors to induce us to impoverish our own labor for the benefit of the British Empire.

Mr. ADAMS, of New York. Let me ask the gentleman why it is that England under the free-trade policy pays her laborers better than France or Germany with their protective tariffs?

Mr. RAY, of New York. The gentleman assumes something that is not true.

Mr. ADAMS, of New York. Will you answer me?

Mr. RAY, of New York. You might as well ask me why the moon was made of green cheese. [Laughter.]

Mr. ADAMS, of New York. I suppose I might.

Mr. RAY, of New York. You assume something that is not true, and therefore I can not tell you why. When you ask me why England under free trade pays her laborers better than France and Germany under protection, I say it is not true that she does, and therefore I can not give you any reason for a fact that does not exist. I assert here, and I assert the truth, that the French and German laborers are better paid to-day, better educated, and in a better situation morally, socially, and pecuniarily than the laboring men of England.

Why, sir, take even Belgium, with a larger population to the square mile than any other country in Europe, and compare it with England, and behold the condition and situation of the laboring men in the two countries. In England under free trade the land is owned by a few lords, who are turning hundreds and thousands of acres of soil which should be tilled for the production of food for a starving people into parks for the benefit and pleasure of her nobility, whereas when you go across to Belgium you will find, counting five to a family, that every family owns real estate and has a spot they can call home, and a little allotment of soil which, properly cultivated, keeps starvation from their doors. [Applause.]

As Rogers thus confesses that this English laborer thus paid, fed, and clothed was relatively better off than the English laborer of to-day, we may safely conclude that English free-trade labor is somewhat degraded and impoverished, and well may the American laborer hesitate to support that political party that would ingraft upon our system the theories which, put in practice in England, have thus impoverished and degraded labor. But we need not resort to this comparison of this free-trade author's confessions to prove that free trade or non-protective tariffs impoverish and degrade labor, for he proceeds to give us somewhat in detail the condition of the mechanics and artisans in the large cities of England. He says:

The large cities and towns of England contain a vast population which lives, one hardly knows how, on mean and precarious wages, in dismal and unwholesome dens. Some of this poverty is merely miserable, some of it is vicious, some is criminal. * * * Now, among them is the greatest manufacturing town in the world. Naturally its inhabitants are engaged in an infinite variety of occupations.

Now, if any one supposes that the American laborer desires to be

thrown into competition with this squalid pauper labor of England he mistakes the spirit of the workingman of this country. And if any one supposes that the farmers desire that such a condition of things should exist in our great cities they miscalculate. The producers of farm products, corn, wheat, butter, cheese, cotton, rice, sugar, &c., fully realize that the market for their products is not with the farmer, but with the mechanics and tradesmen and manufacturers in the towns and cities; that to enable these men to purchase they must find employment at remunerative wages, and that they may receive these wages they are willing to pay well for their products and keep them from resorting to the tillage of the soil to eke out a living. The farmers know that every worker in wood and iron and brass and every miner is a consumer of their productions, and that if they would have increased consumption they must have more consumers, not more producers.

Second. It will also be considered that a home market is better than the foreign, and that when we encourage and build up a factory, even on a vacant plain, a village immediately springs up around it. Men and women and children are employed; the merchant finds a market and a demand for his varied merchandise; horses and mules are in demand; mechanics find employment in building and in a variety of ways; the railroad is constructed to bring in the supply and take away the products. It becomes a busy mart of trade and commerce. The surrounding farms are doubled in value, as is their produce, and in place of desert fields we soon find fruitful orchards and productive gardens and ever busy markets. In every country on the earth and in every State in this Union the greater the manufacturing interests the greater the value of farming lands and of agricultural products. Taking the United States by counties or by States, singly or in groups, the figures demonstrate the truth of my statement. I select a few.

In Alabama, two counties produced in manufactures \$2,785,685. She has in those counties 481,484 acres in farms, worth \$3,152,779, or \$6.55 per acre. The remaining sixty-four counties manufacture \$10,779,819, or \$168,434 each, have 18,373,850 acres in farms, worth \$4.13 per acre. In Georgia seven manufacturing counties manufacture \$19,331,604, have 995,971 acres of farming lands, worth \$9,181,254, or \$9.22 per acre. Her remaining one hundred and thirty counties manufacture \$17,109,344, or \$131,610 each, have 25,047,311 acres in farm lands, worth \$102,729,286, or \$4.10 per acre. In Louisiana her two manufacturing counties manufacture \$20,456,396, have 49,075 acres in farm lands, worth \$1,010,663, or \$20.59 per acre. Her remaining fifty-six counties manufacture \$3,748,787, or \$66,942 each, have 8,224,431 acres of land in farms, worth \$57,978,454, or \$7.05 per acre.

The same thing is true in an equal or more marked degree in every State south of Mason and Dixon's line. But, says some one, this is no proof; the South never had any extended manufactures, and her soil is worn out and impoverished by slave labor. Then let us go to the West and the Pacific Slope. In Ohio twelve manufacturing counties manufacture \$249,632,186; they have 3,388,305 acres of farm lands, worth \$229,903,034, or \$67.85 per acre. Her remaining seventy-six counties manufacture \$98,666,204, or \$1,298,239 each, have 21,140,921 acres of farm lands, worth \$897,594,319, or \$42.46 per acre. In Michigan six manufacturing counties manufacture \$74,928,516, have 1,500,690 in farms, worth \$60,373,468, or \$40.23 per acre. Her remaining seventy-two counties manufacture \$75,786,509, or \$1,052,590 each, and have 12,306,550 acres in farm lands, worth \$438,729,713, or \$35.65 per acre. In Illinois ten manufacturing counties manufacture \$340,527,740, and have 4,470,503 acres in farms, worth \$196,518,392, or \$43.96 per acre. Her remaining ninety-two counties manufacture \$74,336,933, or \$808,010 each, have 27,203,142 acres in farms, worth \$813,076,188, or \$29.89 cents per acre. In California six manufacturing counties manufacture \$96,217,320, have 2,116,416 acres in farms, worth \$76,972,137, or \$36.37 per acre. Her remaining forty-six counties manufacture \$20,001,653, or \$434,817 each, and have 14,477,326 acres in farms, worth \$185,079,145, or \$12.78 per acre. And yet California has been pictured as the farmer's paradise.

The other Western and Pacific States show the same relative values. But we are told that these are comparatively new States, and that some sections are sparsely populated, and that improvements have not been made on the farms remote from villages. Let us turn to the Eastern and the Middle States. In Massachusetts her four manufacturing counties manufacture \$453,360,766, have 1,292,876 acres of land in farms, worth \$74,819,191, or \$57.87 per acre. Her ten remaining counties manufacture \$177,774,518, or \$17,777,451 each, and have 2,066,203 acres in farms, worth \$71,378,224, or \$34.55 per acre. In Connecticut her three manufacturing counties manufacture \$122,572,296, have 967,946 acres in farms, worth \$69,537,859, or \$71.84 per acre. Her remaining five counties manufacture \$63,124,915, or \$12,624,983 each, have 1,485,595 acres in farms, worth \$51,525,951, or \$34.68 per acre. In New Jersey her six manufacturing counties manufacture \$208,670,151, have 368,675 acres of land in farms worth \$35,562,438, or \$96.46 per acre, and her remaining fifteen counties manufacture \$45,710,085, or \$3,047,338 each, and have 2,561,098 acres of land in farms worth \$155,333,395, or \$60.65 per acre. In New York the thirteen manufacturing counties manufacture \$896,651,665, have 4,981,545 acres in farms worth \$310,699,132, or \$62.37 per acre. The remaining forty-seven counties manufacture \$184,044,931, or \$3,915,849 each, and have 18,799,209 acres in farms worth \$745,477,609, or \$39.65 per acre.

Now, sir, these figures plainly show that in States and counties where we have large manufacturing establishments the value of the farms are largely increased, and it is a notorious fact that in many of the counties in some of these States showing the highest value of farm lands the soil is naturally poor, rocky, and unproductive.

In Rhode Island, Massachusetts, and Connecticut manufactures have so stimulated and aided agriculture that farmers by tillage, care, and industry reap rich harvests and large profits from lands that in the West or South would lie waste. Now, sir, another important fact of great interest to the farmers must not be lost sight of in this connection. In those States where industry is most diversified, those having the largest and most productive manufactures, the annual income to each farmer is \$457, while the States having small manufacturing industries yield to the farmer an income of only \$160 per annum to each. Thus it appears that cheap lands are not most productive to the farmer, and if it be said that they require larger expense for tillage, that labor is higher priced, it is plain that the laborer shares in the blessings the manufacturing industries give to the agriculturists.

It is sometimes argued that a cheap farm involves a small interest account, and that therefore the cheap-farm State is to be preferred. But it can not be said that the purchase of a farm in such a locality is preferable for such a reason, when the figures show that the net income is \$457 in the high-priced States, as against \$160 in the others, saying nothing of the ready markets, the educational and other advantages that always abound in a manufacturing county or State, and all of which are scarce and difficult of access in the purely agricultural States or counties. The following table shows in four groups the value of the manufactures of each State, the land in farms, the value of farm lands, and in each State and in each group or class of States the average value of such farm lands per acre:

FIRST GROUP.				
States.	Value of products of manufacture.	Total land in farms.	Value of farm lands.	Value per acre.
	Dollars.	Acres.	Dollars.	Dollars.
Massachusetts.....	631,125,284	3,359,079	146,197,415	43 52
Rhode Island.....	104,163,621	514,813	25,882,079	50 27
Connecticut.....	185,697,211	2,453,541	121,063,910	49 34
New York.....	1,080,696,596	23,780,754	1,056,176,741	44 41
New Jersey.....	254,380,236	2,929,773	190,895,833	65 16
Pennsylvania.....	744,818,445	19,791,341	975,689,410	49 30
Delaware.....	20,514,438	1,090,245	36,789,672	33 74
Total.....	3,021,405,831	53,919,546	2,552,695,060	47 34
SECOND GROUP.				
Maine.....	79,829,793	6,552,578	102,357,615	15 62
New Hampshire.....	73,978,028	3,721,173	75,834,389	20 38
Vermont.....	31,354,366	4,882,588	109,346,010	22 40
Ohio.....	348,298,390	24,529,226	1,127,497,353	45 97
Michigan.....	150,715,025	13,807,240	499,103,181	36 15
Indiana.....	148,006,411	20,420,983	635,236,111	31 11
Illinois.....	414,864,673	31,673,645	1,009,594,580	31 87
Total.....	1,247,046,686	105,587,433	2,558,969,239	33 71
THIRD GROUP.				
Wisconsin.....	5128,255,480	15,353,118	357,709,507	23 30
Minnesota.....	76,065,198	13,403,019	193,724,266	14 45
Iowa.....	71,045,926	24,752,700	567,430,227	22 92
California.....	116,218,973	16,593,742	262,051,282	15 79
Total.....	391,585,577	70,102,579	1,380,915,276	19 70
FOURTH GROUP.				
Maryland.....	106,780,563	5,119,831	165,503,341	32 33
Virginia.....	51,780,992	19,835,785	216,028,107	10 89
North Carolina.....	20,095,037	22,363,558	135,793,602	6 07
South Carolina.....	16,738,008	13,457,613	68,677,482	5 10
Georgia.....	36,440,948	26,043,282	111,910,540	4 30
Florida.....	5,546,448	3,297,324	20,291,837	6 15
Alabama.....	13,565,504	18,855,334	78,954,648	4 19
Louisiana.....	24,205,183	8,273,506	58,989,117	7 13
Texas.....	20,719,928	36,292,219	170,468,886	4 70
Arkansas.....	6,756,159	12,061,547	74,249,655	6 16
Tennessee.....	37,074,886	20,666,915	206,749,837	10 00
West Virginia.....	22,867,126	10,193,779	133,147,175	13 06
Kentucky.....	75,483,377	21,495,240	299,298,631	13 92
Missouri.....	165,386,205	27,879,276	375,633,307	13 47
Kansas.....	30,843,777	21,417,468	235,178,936	10 98
Nebraska.....	12,627,336	9,944,826	105,932,541	10 65
Colorado.....	14,260,159	1,165,373	25,109,223	21 55
Oregon.....	10,931,232	4,214,712	56,908,575	13 50
Utah.....	4,324,992	655,524	14,015,178	21 38
Total.....	676,427,860	283,233,112	2,552,840,616	9 01

Now, sir, in the first of these groups of States, 18 per cent. of all workers are engaged in agriculture; in the second group, 42 per cent.; in the third group, 58 per cent.; and in the fourth group, 77 per cent.

Now, sir, look at the average annual income of each of these agricultural laborers in the respective groups. In the first group, which has the most manufactures, the average annual income to each is \$457; in the

second, standing next in value and extent of manufactures, the average annual income to each is \$394; in the third, standing next in manufacturing industries, the average annual income to each is \$261; and in the fourth group, standing out distinctively as agricultural, and where the land is richest and natural agricultural advantages greatest, but manufactures are rarest, the average annual income to each agricultural laborer is but \$160.

Now, sir, taking the same groups of States, we find the average rate of wages to farm laborers in the first group to be, per month, \$24.14; second group to be, per month, \$23.51; third group to be, per month, \$19.51; fourth group to be, per month, \$13.67. We also find, and the facts and figures demonstrate, that, living in the same style, the cost of food and clothing and farm implements and household furniture is greatest where farms and labor are cheapest and agriculturists most numerous. It will not be forgotten that in these figures I include not only hired farm laborers, but the farmers themselves. And what adds to the strength of my argument is the important fact that in the agricultural States the roads are poorest, cities and villages remote, and railroad facilities wanting. Therefore the surplus products of the farmer are carted to far-away markets at great cost and delay, and even there they find slow and low markets.

If we look to the question of illiteracy we shall find, not that the workers in factories are the best educated, for a large element of foreign population is drawn to them, but that, taking the States as a whole, the people of the States with the diversified industries are the better educated, and that the fourth class or group of States named contains the great mass of the illiterate of the United States, excluding the colored population. If we look to railroads we find in the first group 18,781 miles; in the second, 31,980 miles; in the third, 16,339 miles; and, in the fourth, 45,312 miles; showing that in proportion to area the manufacturing States largely, very largely, excel in the length and number of their railroad lines, and which, it is conceded, in safety, convenience, and equipment, are greatly superior. They contain nearly all the canals and set afloat most of the river and coast commerce. These figures show, as affecting the interests of the farmers and agricultural laborers, that the presence of large manufacturing interests have the following effects:

First. They largely increase the value of farms and of farm products.

Second. They prevent undue competition among farm laborers.

Third. They largely increase the incomes of the farmers and the wages of the farm laborers.

Fourth. They lessen the cost of clothing, of farm implements, and of household goods.

Fifth. They build up railroad lines, facilitate intercourse, make home markets for farm products, and render distant markets of easy access.

Lastly. The manufacturing States foster the schools, contain the great majority of colleges and academies, and extend education. They also contain more churches in proportion to the population. Let us group these States so as to show the labor engaged in manufactures and the wages paid them per annum:

FIRST GROUP.

States.	Number of establishments.	Hands employed.	Wages paid.	Engaged in agriculture.
Massachusetts.....	14,352	352,255	\$128,315,362	64,973
Rhode Island.....	2,205	62,878	21,355,619	10,945
Connecticut.....	4,488	112,915	43,501,518	44,026
New York.....	42,739	531,473	198,634,029	377,460
New Jersey.....	7,128	126,038	46,083,045	59,214
Pennsylvania.....	31,225	387,112	134,055,304	301,112
Delaware.....	746	12,638	4,267,349	17,849
Total.....	102,883	1,585,309	576,212,226	875,579

SECOND GROUP.

States.	Number of establishments.	Hands employed.	Wages paid.	Engaged in agriculture.
Maine.....	4,481	52,949	13,621,538	82,130
New Hampshire.....	3,181	48,831	14,814,793	44,490
Vermont.....	2,874	17,540	5,164,479	55,251
Ohio.....	20,699	183,609	62,103,800	397,495
Michigan.....	8,873	77,591	25,318,682	240,319
Indiana.....	11,198	69,508	21,960,888	331,240
Illinois.....	14,549	144,727	57,429,085	436,371
Total.....	65,855	594,755	200,413,265	1,587,296

THIRD GROUP.

States.	Number of establishments.	Hands employed.	Wages paid.	Engaged in agriculture.
Wisconsin.....	7,674	57,109	18,814,917	195,901
Minnesota.....	3,493	21,212	8,613,194	131,535
Iowa.....	6,921	28,372	9,725,962	303,537
California.....	5,885	43,799	21,070,555	79,396
Total.....	23,973	150,492	58,224,658	710,389

FOURTH GROUP.

States.	Number of establishments.	Hands employed.	Wages paid.	Engaged in agriculture.
Maryland.....	6,787	74,942	18,904,065	90,927
Virginia.....	5,710	40,184	7,425,261	254,099
North Carolina.....	3,802	18,109	2,740,768	360,937
South Carolina.....	2,078	22,128	2,836,289	294,602
Georgia.....	3,593	24,875	5,252,952	432,204
Florida.....	426	5,504	1,270,875	58,731
Alabama.....	2,070	10,019	2,500,504	380,630
Louisiana.....	1,553	12,167	4,358,841	205,306
Texas.....	2,996	12,159	3,343,087	352,317
Arkansas.....	1,202	4,556	925,358	216,655
Tennessee.....	4,326	22,445	5,254,775	294,153
West Virginia.....	2,375	14,351	4,313,565	107,578
Kentucky.....	5,328	37,391	11,657,844	320,571
Missouri.....	8,592	63,995	24,309,716	355,297
Kansas.....	2,803	12,064	3,999,599	206,080
Nebraska.....	1,403	4,793	1,743,311	90,507
Colorado.....	599	5,074	2,314,427	13,539
Oregon.....	1,075	3,424	1,636,566	27,091
Utah.....	640	2,495	858,863	14,550
Total.....	57,358	390,675	106,647,066	4,082,774

From these figures we are enabled to see at a glance why it is that the farmer and the farm laborer are better paid and far more prosperous in the manufacturing than in the agricultural States, why it is that farming lands are more valuable, even when less productive and of a poorer quality.

In the first group the farmer is called upon to feed in a home market, 1,585,309 artisans, who receive on the average, including women and children, \$363 annually.

In the second group they feed 594,755, who receive on the average \$337 annually.

In the third group they feed 150,492, who receive on the average \$336 annually.

In the fourth group they feed only 390,675, who receive on the average \$272 annually.

It is also worthy of mention that large cities and villages always contain a large population of wealthy persons who live on the interest of their money, doing nothing, producing nothing, but consuming more than any other class. There also the merchants, professional men, and other consuming classes congregate.

Now, sir, I desire, as briefly as I may, to compare the condition of the American agriculturists, farmers, and farm laborers with those of England. The following table shows the total of the people in England employed in labor in the various occupations. In 1881 the population of England (including Wales) was 25,974,439; total workers in all classes of employment, 11,187,564. The table shows the years 1861, 1871, and 1881.

Table showing total number employed in labor in England.

Classes.	1881.	Per cent. of all.	1871.	Per cent. of all.	1861.	Per cent. of all.	Rate of increase—	
							In 10 years.	In 20 years.
Professional.....	647,075	5.8	547,362	5.2	481,957	5.0	18.2	34.2
Domestic.....	1,803,810	16.1	1,633,514	15.4	1,367,782	14.2	10.4	31.9
Agricultural.....	1,383,184	12.4	1,657,138	15.6	2,010,454	20.8	15.9	31.1
Commercial.....	980,128	8.7	815,424	7.7	613,710	6.4	20.1	57.2
Industrial.....	6,373,367	57.0	5,940,028	56.1	5,184,201	53.7	7.3	22.9
Total.....	11,187,564		10,593,466		9,658,104			

a Decrease.

It appears, therefore, that 1,383,184 of her people are engaged in agriculture (1881). In 1861, 2,010,454 were employed in agriculture, showing a decrease of 31.2 per cent. in twenty years. Why this large, in fact immense, decrease in such a country as England, enjoying during the whole period the full fruition of absolute free trade, if free trade would benefit the agricultural classes? She can not begin to supply her home consumption, and imports largely. In 1881 she imported 12,633,555, -300 pounds of flour and grain. Her principal imports of food for consumption in 1881 were—

Corn and flour.....	\$293,329,621 76
Sugar.....	110,353,104 70
Tea.....	55,976,578 36
Bacon and hams (pounds).....	462,748,400 00
Eggs (number).....	756,719,160 00
Fish (pounds).....	153,021,900 00
Butter, &c., (pounds).....	216,971,700 00
Beef (pounds).....	106,859,900 00
Preserved meat (pounds).....	56,053,100 00
Sheep and lambs (number).....	1,124,391 00

Therefore we should expect her to increase her agricultural workers and bend every energy to home production for home consumption. Her area (England and Wales) is 58,186 square miles or 37,239,351 acres.

But we find that the farmers are decreasing year by year. In 1882 162,992 Englishmen left their homes, mostly for the United States. Of her territory, excluding bog, mountain, and water land, she has 26,202,230 acres of agricultural lands, devoted to—

	Acres.
Corn crops.....	6,919,320
Green crops.....	2,664,522
Clover and grass.....	2,546,272
Flax.....	5,097
Hops.....	65,619
Bare fallow, &c.....	734,534
Woods.....	1,466,088
Permanent pasture.....	11,800,728

And while her people are suffering for the necessities of life, she is constantly increasing what is returned as pasture land, but what is in fact turned into vast pleasure and hunting grounds for the nobility.

In England and Wales, out of a population of 25,974,439 (London suggestively excluded, for there the proportion is more than quadrupled), only 972,836 persons own real estate, and of these 703,289 (72.3 per cent.) own less than an acre each, and only about one in every twenty owns any land whatever. Of the 269,547 who own above an acre, but few, very few, own more than two to five acres, and these parcels are not held by farmers, but by gentlemen and professional men. The lands are owned in large tracts by the lords, who lease them in small parcels to such as can manage to pay, at enormous rents, \$15 and upward per acre.

The farmer who rents a farm of one hundred acres pays \$1,500 rent for it, and as in prices they are compelled to compete with corn, wheat, rye, oats, potatoes, &c., imported duty free from India, Australia, Russia, and the United States for the benefit of the manufacturing and the non-laboring classes, we see at once that no farmer can live and pay the high rent. England is compelled to import food for home consumption at cheap prices, else the industrial classes must receive higher wages. As increased wages would add to the cost of her manufactures, she could no longer compete with France, Belgium, Germany, and the United States, who under protection not only protect manufacturers but agriculture.

By three centuries of protection England built up the greatest manufacturing system in the world, and now, when 87.6 per cent. of her entire population is engaged in non-agricultural employments, and with her land held by a few owners who charge therefor exorbitant rents, she has left the farmer and the farm laborer to his fate, reduced as he is to that hopeless condition described by Rogers:

An artisan may rise to be a master, a mechanic to be an engineer, a factory operative to be a capitalist. But no English agricultural laborer, in his most sanguine dreams, has the vista of occupying, still less of possessing, land. He can not rise in his calling. He can not cherish any ambition, and he is in consequence dull and brutish, reckless and supine. We owe the fact that the great English nation is tenant-at-will to a few thousand land-owners to that device of evil times, a strict settlement. * * * It may be that the mischief which this practice has induced is too widespread for remedial measures. But no Englishman who has the courage to forecast the destinies of his country can doubt that its greatest danger lies in the present alienation of its people from the soil and in the future exodus of a disinherited peasantry. This condition is the result of her forty years of free trade.

Another result of this policy is that the professional, industrial, and non-laboring classes purchase provisions of all kinds at prices measured by the foreign supply, and not by home production or home demand.

The following table shows the area of France, Germany, and England, respectively, with their population and the number in each country engaged in agriculture:

Country.	Area.	Population.	Engaged in agriculture.
France.....	204,177	37,672,048	18,249,202
Germany.....	212,083	45,234,061	18,838,583
England.....	58,186	25,974,439	1,383,184

France, which is self-supporting in agricultural productions, maintains an equilibrium between manufactures (which she protects by a tariff) and agriculture. She has less than four times the acres, something more than a third more population, one-half of which is engaged in agriculture, eighty-nine to the square mile. Germany employs two-fifths of her entire people in agriculture, or eighty-eight to the square mile, having a little larger area and quite a little larger population than France.

Mr. ADAMS, of New York. Allow me to interrupt the gentleman again. I asked the gentleman a direct question, and he answered me I might as well ask why the moon was made of green cheese. In order that he may understand hereafter what is the difference of wages in England, Germany, and France—

Mr. RAY, of New York. Now, let the gentleman quiet his nerves. I will simply say—

Mr. ADAMS, of New York. Permit me.

Mr. RAY, of New York. I have given the subject most careful study, and I have figures prepared with great care.

Mr. ADAMS, of New York. So have I, and here they are.

Mr. RAY, of New York. If the gentleman will take the trouble to read my remarks in the RECORD he will be enlightened, and never again

in a public place ask so foolish a question as why it is the laborers of England are better paid than the laborers of France and Germany. [Laughter and applause.] You start on a wrong basis; you are, no doubt, honest in your impressions, but you are wrong in your facts and wrong in your conclusions. [Applause.]

The gentleman makes no distinction between better-paid labor and a higher price paid in money for the same labor. That labor receives the highest price which for the same service receives the most money. That labor is the better paid which with the price received is able to procure the most food, the most clothing, the most shelter, the most education, the most liberty, and the most happiness. It is quite true as a rule that England pays a higher price in money for the same labor than France or Germany, but it is not true that her labor is better paid, for with a day's wages the German and Frenchman can purchase nearly double the necessities of a happy existence the Englishman can with the same money.

Even little Belgium, with an area of 11,373 square miles, a population of 5,520,009, the most densely populated country of Europe, 485 to the square mile, employs half of her population in productive labor, and engages 800,000, or 70 to the square mile, in agricultural productions. Her lands are owned by 1,181,177 freehold proprietors, an increase of 266,240, or 29 per cent., in thirty-four years. Allowing five persons to a family, every family owns land. The result is that with this dense population on a small territory, with one-seventh in woodland, she imports \$69,900,000 worth of food, and exports \$25,708,000 worth, showing that within \$8 for each individual she is self-feeding. Her exports embrace the products of thirteen large and several small industries. As in all Catholic countries, there is a large per cent. of illiteracy, but with this diversity of industries her people are intelligent, industrious, prosperous, and happy.

I have no time to picture the condition of the people of Russia and Turkey, where industrial pursuits are not encouraged nor developed, but suffice it to say it is most deplorable.

England, with an area of 58,186 square miles, more than one-fourth that of France or of Germany, and with a much denser population, requiring a much greater effort for agricultural products, employs but one-twentieth of her people in agriculture, or twenty-three to the square mile. When we consider the low, debased, plodding, hopeless condition of her farming community as depicted by her own writers, can we have a more forcible argument that a protective tariff protects not only industries but the farm laborers? The true rule for every country is to so foster and protect a diversity of interests that importations shall consist only of those articles which in the nature of things can not be produced at home. The true lines of imports and exports run north and south, not east and west. The United States may well go south for her tropical productions, but upon herself she can safely depend for all other products essential to the prosperity and happiness of man or of nations.

Now let us compare American and British wages, selecting from all grades:

Occupations.	England.	United States.
FARM LABOR.		
Laborers, per month.....	\$13 60 to \$17 00	\$16 00 to \$28 00
COTTON INDUSTRIES.		
Men, per week:		
Strippers.....	5 40	6 21
Grinders.....	5 16	8 42
Overlookers.....	9 24 to 12 00	17 80
Mule-spinners.....	7 20 to 8 40	10 09
Engine-drivers.....	5 04 to 12 00	17 75
Firemen and laborers.....	3 84 to 5 04	8 33
Women, per week:		
Throstle-spinners.....	3 61	4 38
WOOLEN INDUSTRIES.		
Men, per week:		
Wool-sorters.....	5 76 to 6 24	9 43
Scourers.....	5 28 to 5 76	8 84
Dyers.....	5 28	7 81
Pattern-weavers.....	6 00 to 7 20	8 53
Weavers.....	6 00 to 7 25	8 45
Mechanics.....	6 48 to 8 40	13 43
Laborers.....	4 80	8 53
Women, per week:		
Burlers.....	2 64	5 13
IRON INDUSTRIES.		
Men, per week:		
Pattern-makers.....	7 92	13 10
Iron-molders.....	8 40	16 10
Brass molders.....	8 40	15 75
Smiths.....	8 16	15 75
Strikers.....	5 04	8 64
Fitters.....	7 08	12 82
Stokers.....	6 12	8 89
Bricklayers.....	7 20	16 50
Laborers.....	4 32	8 11

Schoenoff (advocate of free trade) himself says:

In the iron industries American wages average fully 75 per cent. more than English wages.

BOOT AND SHOE INDUSTRIES.

Occupations.	England.	United States.
Sewing-machinists, men.....	\$7 20	\$15 40
Sewing-machinists, women.....	3 80	7 81
Cutters.....	5 04	14 91
Clickers.....	6 48	14 91
Riveters.....	6 00	11 31
Machine operatives.....	6 72	11 31
Finishers.....	7 20	12 18

Now, turning our attention to the cost of living in the two countries we find that in the matter of clothing there is not over 10 per cent. in favor of the consumer of the lower grades, such as the farmers and laboring men are compelled to and do wear. We place the good, substantial clothing in the market as cheaply as does England.

When we look to the cost of provisions, the necessities of life, we find that the American can live better and cheaper with the same money.

Cost of articles.	England.	United States.
Fresh beef, per pound.....	\$0 22	\$0 12 to \$0 16
Corned beef, per pound.....	\$0 18 to 20	8 to 12
Beans, per quart.....	9	7 to 10
Bread, per pound.....	3½ to 4½	4 to 4½
Butter, per pound.....	29 to 38	25 to 32
Codfish, per pound.....	6 to 8	6 to 7
Coffee, per pound.....	28 to 50	20 to 30
Eggs, per dozen.....	14 to 30	15 to 30
Flour, per pound.....	3½ to 4½	3 to 4
Lard, per pound.....	12 to 18	10 to 12
Milk, per quart.....	5 to 9	8 to 10
Mutton, per pound.....	16 to 17	9 to 10
Oatmeal, per pound.....	3½ to 4½	4 to 5
Pork, fresh, per pound.....	10 to 16	8 to 10
Pork, salted, per pound.....	10 to 16	8 to 10
Pork, bacon, per pound.....	12 to 16	8 to 10
Pork, sausage, per pound.....	18	8 to 10
Potatoes, per bushel.....	68 to 2 00	75 to 1 50
Rice, per pound.....	3½ to 8	8 to 10
Soap, per pound.....	5½ to 10	6 to 7
Sugar, per pound.....	5½ to 10	8 to 10
Tea, per pound.....	40 to 88	50 to 60

It will be seen that beef, both fresh and corned, butter, coffee, flour, lard, mutton, pork in all shapes, and sausage cost much more in England than in the United States; while bread, codfish, potatoes, sugar, and tea cost about the same. Meat of all kinds and coffee are luxuries only enjoyed by the English workingmen in their most sanguine dreams. Figure for yourself the cost of supporting an English workingman's family, adding the cost of coal and his exorbitant house-rent, and compare it with the wages received, and you readily see that the best paid live upon starvation wages, and you see that illiteracy, not education, is compulsory in England. And when you see, as hereafter demonstrated, that even England can not compete with the United States in the finer grade of manufactures, you readily perceive that well-paid, intelligent, skilled labor is what adds most to a nation's wealth and prosperity. In England when her people become too old to longer work their home is the almshouse.

Schoenoff, while advocating free trade for the United States, is compelled to admit that our cotton operatives receive upward of 15 per cent. more wages than the English; our woolen operatives 30 per cent. more; that wages in the iron industries are fully 75 per cent. higher, and that in the boot and shoe factories our laborers receive double the English wages. This author further says:

Undoubtedly the inequalities in the wages of English and American operatives are more than equalized by the greater efficiency of the latter and their longer time of labor.

The longer time of labor at the longest is four hours in a week, but as a rule no longer, and we quite agree that there is much "greater efficiency" with the American operative. In truth, such is the "greater efficiency" of American labor that (as that author confesses) "Wamsutta 4-4 muslin is retailed in London at 6d., and has no equal in English brands of like superior quality and price. British manufacturers are not a little exercised at this. Wamsutta (American) muslin is now a well-established brand in the English home market." He also admits—

American goods, stoves, ranges, hardware of all kinds, tools, machine-needles, machinery of all sorts find a ready sale in Germany over and above all the transportation charges and the tariff rates which Germany feels compelled to exact so as to protect her cheap labor against American high-cost labor, with its graceful, solid, and at the same time low-priced productions of superior value and finish. German makers are imitating American stamps on their own fabrics—close imitations of ours, but of inferior quality—so as to palm them off for American goods, the best certificate they can give of American skill and genius. Our exports in these higher branches are equaling those of Germany and France, although the materials of which they are composed are subjected to tariff rates ranging from 45 to 75 per cent.

And I shall show further on that we supply England with agricultural implements and clocks.

The same author says:

It is not by reducing wages that America is making her conquests, but by her superior organization, greater efficiency of labor, consequent upon the higher standard of living ruling in the country. High-priced labor means better food and better living, and these supply the American workman with that energy and nerve power for which he is so justly celebrated. High-priced labor countries are everywhere beating "pauper-labor" countries.

All this but proves what I have already asserted, that a protective tariff has elevated and educated our labor, and given it that very "nerve power" and superiority both in muscle and brain for which it is so justly celebrated. Then, sir, as this bill seeks to remove none of the inequalities of the present tariff, but simply by a horizontal reduction takes away all protection for home industry and American labor and seeks to let in a flood of foreign productions, let us justly stamp and denounce it as a bill to degrade and impoverish American labor and ruin home industries, for it will have no other effect.

Mr. ADAMS, of New York. Will you permit me to read a single paragraph for you on this subject from Schoenhoff?

Mr. RAY, of New York. I will permit you to read a sentence, but not for me. You can read it for your own enlightenment.

Mr. ADAMS, of New York. I think the gentleman himself wants enlightenment on this subject.

Mr. RAY, of New York. I think from the question of the gentleman that he himself needs enlightenment.

I am thoroughly satisfied that if the gentlemen upon the other side of the House who are constantly advocating a policy of free trade, which is nothing more nor less than a policy opposed to the interest of every American citizen and every American toiler and advocated in the direct interest of England, would investigate the facts and inform themselves of the real conditions of labor they would, before this discussion closes, abandon their free-trade theory and idea.

Mr. ADAMS, of New York. You deny me the right to read the sentence?

Mr. RAY, of New York. And I would like to ask the gentleman if the laborers of England are so much better off, why it is that in the last twenty years the agricultural laborers and farmers of England and Wales have lessened in number 31 per cent.? That is true. And where have they gone? Nearly 90 per cent. of these men who have abandoned the farms, who were tilling the soil in England and Wales under a free-trade policy, have come to the United States, and here under our protective policy, under our protection to American labor, which welcomes every true immigrant who comes to make a permanent home and enjoy the blessings of our institutions, they have found prosperity and plenty. They have found that in a few years they can own a little cottage and a little garden or a little farm, and bid defiance to all the world; because within the safety of this cottage, and within the bounds of this little spot of earth which they call their own and claim as their heritage, they are protected not only in person and property but in their industry and their labor. [Applause.]

Go with me from Boston to Providence, down to Hartford, on to New York, over to Philadelphia, up the Hudson, on to Utica, down to Birmingham, and wander over the rough mountains of Pennsylvania. Visit the cities of Pittsburgh, Buffalo, Cleveland, Minneapolis, Saint Louis, the mines of Colorado, the Pacific slope, and mark the growth and development of the last twenty years; go to the West, and even to some of the valleys and hill-sides of the sunny South, and watch the growth of small towns that as by magic become great cities, and then tell me whether or not a protective tariff builds up American industries and benefits labor and adds to the value of farms, and tell me whether or not these large manufactories pay back to the farmers every dollar paid for increased cost of manufactures with 100 per cent. interest.

The South raises her own cotton and can dig from her mountains her own iron; she can raise her own food from a prolific soil; she has the labor and can educate skilled mechanics. If she will avail herself of the benefits of protection and remember that the North is her twin brother and true friend, and that Europe cares nothing for her prosperity but only for her cotton and would pay only in her own products and not in cash were it not for protection, in a little time her population will double, her wealth multiply ten, ay, a hundred-fold; the iron horse will travel every valley and clamber up every hill-side, the hum of busy factories will be heard on every stream, and she will be the garden and factory of the world. Her soil and climate and mineral resources are all that can be asked. If she "will but use the means that the God of Nature hath placed within her power" all these things are not only possible but inevitable. No man has a right to contrast the present condition of the South with that of the North and intimate that her condition is in any way the result of high tariffs.

Successful manufactures depend on free, skilled, educated labor. This is the kind of labor that develops mechanical and inventive genius. Intelligence is ever seeking to relieve the hardships of manual labor. Ignorance is ever willing to plod on in the old ways with the old tools and with the old results. The present condition of the South is owing to her slave labor prior to the war and the ignorance of her labor since. But she is beginning to see better days; the sun of her prosperity is rising, and the year 1900, if you will protect and encourage manufact-

ures, will see her in the forefront of the manufacturing world. She has the natural advantages; let her improve them and the future is her own. But I am told that such results are impossible, for the reason that the South and West must necessarily remain agricultural in their pursuits, else manufactures would be overcrowded.

So New York remains largely agricultural, and yet she is the greatest manufacturing State in the Union. The true rule is to properly divide and apportion the industries. Population is rapidly increasing, and with it the demand for manufactures. For this increase let factories be erected in new localities. Equalize and diversify industries and you equalize labor and do away with the evils of a dense population, while you bring new colonies to the sparsely settled country. Instead of sending our cotton to Europe to be manufactured let us do the work at home, and if the fabric is not wanted here, then sell it abroad and bring back the cash, or such necessities and luxuries as in the nature of things we can not produce at home. Wealth is the product of labor. The tree grows; the iron and lead and gold and silver and coal lie buried in the earth as raw material. Labor brings it forth for the use of man, and the moment the hand of labor touches these things they cease to be raw material.

True they may go on from process to process, the hand of labor giving them new forms and shapes and uses, but it is labor at every step that adds to the beauty, the usefulness, the value. Then away with the thought of placing on the free-list any material in any shape or form that American labor can produce with profit from our forests, our soil, or our mountain caverns. Whenever you import a single article in any form that has been touched by the hand of man (if it be one we can produce at home), you are paying money to foreign labor that should go to foster and encourage home industry. Be it a ton of coal, an ounce of lead, a pound of iron, or whatever it be in form and name, the foreign article of the same quality should cost more in our markets than the same thing can be placed by its side for here if American industry can produce the article at a profit.

This is protection to the poorest laborer, and it is what lifts him above the starved and groveling wreck that pines in the mud hovel of England and Germany. I would protect the lowest as well as the highest class of laborers, and I would effect my purpose in this way. As long as laboring men hold the ballot they should hold it intelligently and so use it as to protect their industry, thereby protecting themselves. They can do this in no other way but by keeping out of our markets the product of foreign labor. Every dollar paid to American instead of foreign labor is added to the nation's wealth. And every dollar (save that paid as interest on the public debt held abroad) paid in duties by the importer, while it comes next from the consumer, goes next to the American laborer or else is added to our wealth. It remains in the United States and swells the aggregate of our nation's wealth instead of filling the coffers of the Old World. By this protective policy in the articles of agricultural implements alone we have not only supplied our home market but we have sold abroad during the year ending June 30, 1883, \$3,883,919, namely:

Articles.	Number.	Value.
Fanning-mills.....	140	\$2,499
Horse-powers.....	136	36,651
Mowers and reapers.....	13,798	1,492,926
Plows and cultivators.....	39,627	374,477
All others.....		1,977,366
Total.....		3,883,919

Now, this exportation is not due to the fact that we can manufacture these articles cheaper than it can be done abroad, but to the fact that we make a better article. It is because our mechanical labor is the more skilled, the better educated. American labor has been protected and inventive skill developed. Foreign manufacturers have imitated, but they can not equal in quality, and therefore they can not compete. The skilled mechanic and the great inventors do not sit in a palace but swing the hammer in the workshop. This inventive genius has also been developed to that degree that our machinery is superior to that of any country, and greater speed and greater productiveness is assured in many of our mills and factories. We also exported during the same fiscal year:

Articles.	Number.	Value.
Steam-engines, locomotives.....	219	\$2,219,081
Steam-engines, stationary.....	136	191,208
Boilers for steam-engines.....		226,977
Machinery (not elsewhere specified).....		6,223,029
Total.....		8,860,295

These facts show that our mechanical labor has been so educated under protection that we not only compete successfully with but outsell

England in the better classes of machinery. Of these mowers and reapers exported we sent to different countries as follows:

Countries.	Number.	Value.
England.....	3,797	\$339,181
Scotland.....	125	11,400
British possessions in America.....	1,688	231,870
British possessions in Australasia.....	2,105	242,081
Total in England and her colonies.....	7,715	\$824,032
France.....	2,547	197,836
Germany.....	1,043	97,761

The balance was sent to other countries.

During the same time we exported in clocks and parts of clocks \$1,316,086, of which we sent to England and her colonies \$861,861.

Agricultural products exported during the year ended June 30, 1883.

Animals, living.....	\$10,789,268
Provisions (not including bread or breadstuffs).....	107,888,287
Rice.....	8,679
Bread and breadstuffs.....	208,040,850
Cotton manufactured.....	247,828,721
Fruits.....	3,005,942
Hay.....	261,614
Hides and skins.....	1,220,158
Hops.....	5,616,370
Lard oil.....	353,184
Neat's-foot oil.....	64,405
Cotton-seed oil.....	216,779
Seeds.....	4,420,413
Sugar, molasses, &c.....	3,415,538
Tallow.....	3,248,749
Total.....	95,378,957

The following table presents the important exports of agricultural and other productions upon which labor has been expended so that a new form and nature is given to the product:

Ashes, pot and pearl.....	\$44,367
Bark for tanning.....	87,528
Beer, ale, and porter.....	490,442
Bones and bone dust.....	59,103
Brooms and brushes.....	172,234
Candles, tallow and other.....	218,910
Cotton manufactures.....	12,851,145
Drugs, &c.....	3,306,195
Hats, caps, &c.....	206,932
Hemp, &c.....	800,011
Leather, and manufactures of.....	7,923,662
Oil-cake.....	6,061,679
Oils, minerals, &c.....	44,913,079
Soaps.....	684,126
Spirits, distilled.....	1,882,883
Spirits turpentine.....	4,366,229
Starch.....	325,575
Vessels.....	169,209
Vinegar, wax, wearing apparel, and wine.....	874,466
Wood, and manufactures of.....	26,793,708
Wool, and manufactures of.....	388,328
Tobacco.....	22,095,229
Total.....	134,915,056

Agricultural implements.....	3,883,919
Bells, &c., and billiard tables.....	70,601
Brass, and manufactures of.....	287,847
Carriages, &c.....	1,607,502
Cars.....	1,900,903
Clocks, and parts of.....	1,316,086
Combs.....	18,247
Copper, and manufactures of.....	2,348,004
Gas-fixtures, &c.....	749,505
Cordage, rope, &c.....	46,751
Glass and glassware.....	998,857
Iron, and manufactures of (not elsewhere specified).....	16,092,353
Steel, and manufactures of (not elsewhere specified).....	3,072,968
Mathematical, &c., instruments.....	632,246
Ordnance stores, including cannon.....	1,376,611
Jewelry, &c.....	422,854
Plated ware, &c.....	444,603
Printing presses and type.....	267,375
Sewing-machines, and parts of.....	3,061,634
Watches, and parts of.....	163,645
Total.....	38,762,511

Agricultural (given).....	595,378,957
Agricultural, mixed with labor and other material (given).....	134,915,056
Iron manufactures (given).....	38,762,511
Exports of domestic products and manufactures not included in tables.....	35,167,108

Total exports of domestic merchandise..... 804,223,632

Sir, these lists of exports demonstrate that we have the most diversified industries of any nation of ancient or modern times. This fact is the sure indication of our national wealth, intelligence, and enterprise. Our people are able to cope with every adversity, supply every necessity, and meet and overcome every exigency. Grand in our accomplishments, we are formidable in our self-reliance and innate power. [Applause.]

Now, sir, nations must have revenues from some source, and the United States, for the payment of the interest on the public debt, the large pension-list, constantly increasing, and the other expenses of the

Government, requires very large revenues. The questions that interest the people are: first, are we deriving our revenues from the proper source; second, are our revenue and tariff laws so adjusted as to bear lightly on the people while industry and labor are protected; and third, is there unjust and unnecessary taxation?

I am willing to confess that I am not one of those who profess to believe that a large public debt is a national blessing. I am in favor of applying every dollar of surplus in the Treasury to the payment of the public debt. At the same time I am a friend to our national banking system. It is the best the world has ever seen. But I think that when our bonds are paid the banks can furnish other security to the Government for a bank circulation. I am quite sure that when capitalists can no longer put their money in Government bonds they will seek and find other paying investments in developing and sustaining industries that will benefit and improve the people. Sir, I would not reduce the public debt too fast, nor by taxation that is oppressive to the people; neither would I perpetuate it in the interest of national banks or capitalists.

The tax on distilled spirits should never be reduced, except on alcohol, &c., for mechanical and medicinal purposes, and for uses in the arts and sciences. The time may come when the tax on tobacco can be removed, and I am not prepared to say that cheap tobacco for laboring men is not a necessary luxury. We have placed tea and coffee on the free-list, while England imposes on them a heavy tax, depriving all classes of her laborers of these healthful beverages and driving them to the use of beer and porter in their place and thus planting the seeds of drunkenness and pauperism. We have also put anthracite coal on the free-list. Whatever internal taxes we impose for the support of the General Government are levied in such a way that they are paid indirectly by the consumer. It is now entirely optional with the American citizen (except the consumer of alcohol for mechanical and medicinal purposes) whether or not he will pay a single penny of internal tax. Let him abandon the use of tobacco and whisky and he will rid himself of this self-imposed tax. I would largely reduce the duty on sugar and many other articles, and many more I would place on the free-list. Raw silk, which we can not produce to advantage, is on the free-list, and the American silk industries are making rapid progress. By a heavy duty on manufactured silk we have built up that industry at home, so that, excluding China and Japan, there are but two countries whose silk manufactures exceed our own, namely, France and Germany.

In Germany and France what are commonly called raw materials are on the free-list, but we can not see that it benefits their industries or their people. England is exhibited as the paradise of the non-protectionist. We have already seen the condition of her people. France and Germany do not protect manufactures as we do; yet their people are far better off than the English. It will pay us to stop a moment and inquire how England, France, and Germany support their governments. England levies a duty on tea and coffee and many other things, amounting to \$95,000,000 annually; excise tax, \$135,000,000; stamp tax, \$60,000,000; land tax, \$5,000,000; house duty, \$8,500,000; income tax, &c., \$50,000,000; post-office and telegraph, \$5,100,000; crown lands, interest, &c., \$3,500,000; miscellaneous, \$20,000,000.

Now, sir, what would the people of this country say to the restoration of the old war stamp tax and income tax? And how would they relish the payment of a second land and house tax for the support of the General Government? They bore the annual visit of the deputy internal-revenue collector requiring sworn returns of their receipts and expenditures and they paid the stamp tax because they were patriotic and desired that the war should be successfully prosecuted, and for no other reason. In my judgment the intelligence of this people will repudiate your proposed return to this English system, where the notes, checks, drafts, deeds, and wills are taxed and stamped, and the land is doubly taxed, once for local and again for general purposes. Germany has the customs duties, excise and stamp tax, post-office, telegraph, and railroad revenues, a contribution by the states, and extraordinary taxes. France has all but the railroad, extraordinary, and house duty. The United States has customs, excise, post-office revenue, proceeds of public-land sales, and a bank tax. Our excise duties are certainly just and equitable; the postal charges are light and gladly borne, and will be further reduced, even to the extent of carrying newspapers free; the public lands are not a burden upon but a blessing to the people; and the tax on the national banks is not a burden.

The free-list can be extended and many of the customs duties reduced in the interest of the people. These reductions the Republican party is ready, willing, and anxious to make. But we are met on the very threshold of tariff reform by our free-trade Democratic non-protectionist reformers with a cry, not for a reduction of taxes in the interest of the people of this country, but for a reduction in the interest of England, the pauper labor of Europe, and for the abolition of all protective duties, which are denounced as "the rotten remnants" of a spoliation system. Thus with a false alarm and under false pretenses is the majority of this House disturbing the business interests of this country. From every section of this land comes an appeal from every protected interest—and every true interest of this people is protected—asking that the tariff be let alone. And the people raise this cry not because the majority of this House proposes necessary good, but because it proposes unnecessary evil.

Now, sir, I would remove every unnecessary tax, but I would protect every manufacturing and agricultural industry. We place a protective duty on the products of every section for the common good of all. We protect the lumbering interests, while we place on the free-list all timber not the product of our native woods; yet it is becoming a serious question whether we shall not invite the importation of lumber as a protection to the American forests. On the whole, I am of the opinion that the remedy is in tree-planting. Our free-trade brethren cry "spoliation," and we prove that there is no spoliation, but great benefits. They cry out that the duty is added to the cost and paid by the consumer, and that it is wrung from the unwilling by force of law, and that the consumer pays to the manufacturer and his employes this greater price for their enrichment. They appeal to the farmer for his vote as one of the despoiled. But if this theory be true let us see what the protective system does for the farmer and how he is enriched in turn at the expense of the consumer of his product.

The following table shows the protection given to the farmers on twelve articles or products:

Table showing the increased price received by the farmers of the United States in their products by reason of the protective duty thereon.

Article.	Produced.	Exported.	Duty.	Increase. a
Barley.....	43,997,495	433,005	\$0 10	43,300
Indian corn.....	1,754,591,676	40,586,825	10	4,038,682
Oats.....	407,858,999	461,496	10	46,149
Rye.....	19,831,595	2,170,026	10	217,002
Wheat.....	459,483,137	106,385,828	20	21,277,165
Butter.....	500,000,000	12,348,641	4	4,053,945
Cheese.....	243,000,000	99,220,467	4	3,968,818
Hay.....	35,150,711	613,309	2 00	23,618
Rice.....	110,131,373	2 1/2	c 2,250,000
Potatoes.....	169,458,539	439,443	15	65,716
Hops.....	26,546,378	7,817,228	8	c 2,123,710
Wool.....	155,681,751	d 3	e 4,670,452
Add increased price to purchasers in the home markets				30,241,557
Increased price paid the farmers by reason of protection				160,000,000
				199,241,557

a Increased price received by the farmer on that exported.

b Ton.

c Figured on product not consumed by the producer.

d Average.

As the duty imposed on these articles when imported (and all are imported now) adds so much to the cost, we may safely assume that the duty enables the farmer to realize that much more for every pound or bushel he sells both for exportation and home consumption, and we see, taking up the argument of the free-trader, that the farmer is enriched \$39,241,557 on these products exported and \$160,000,000 (estimated) on the quantity sold in the home markets, for he is not compelled to compete at home with barley, corn, oats, rye, wheat, hops, &c., imported from Canada, India, and Russia duty free. In the article of hops alone, taking the free-trader's argument for the farmer and against the manufacturer, we find that the American farmer is protected \$1,730,314, and in my own district they are benefited \$334,516 by the duty on hops. How much fallacy there may be in the argument I am not to point out, but there is none if our "horizontal reductionists" are correct in their theories, and certainly as to all articles where other countries would otherwise flood our markets there is no fallacy whatever.

Sir, I heard a gentleman say the other day in this debate that "from 1850 to 1860 our national wealth increased at 12.60 per cent. per annum" and that "from 1860 to 1880 our national wealth increased at 6.30 per cent. per annum." He would have us infer that high tariffs are inimical to national prosperity, as the tariff of the first-named period was a part of the time but semi-protective, if of itself protective at all, while after 1857 it was far below protection. As I have stated, up to 1856 it was made protective by famine and short crops, war, and general distress in Europe.

Sir, does the gentleman remember that in 1860 the securities of this country were sold at a discount of from 6 to 12 per cent. in the money markets of Europe? Has he forgotten that we were then borrowing money to defray the current expenses of the Government? Does he not know that we now have a large surplus in the Treasury, and revenues above all expenses, including pensions and the interest on the public debt, and that our securities, bearing a low rate of interest, are selling in the markets of Europe at a premium ranging from 3 to 23 per cent.? Is it possible he does not know that in 1860 the farm laborer was receiving but \$9 to \$13 per month, while now he is receiving from \$18 to \$26 per month? Does he not remember that then we had millions of slaves who were counted as part of the nation's wealth, and that every birth of a slave child was counted as an addition of \$50 to \$100 to the nation's wealth? Does he not remember that in 1861 was commenced that terrible struggle of suffering and tears and blood which was inaugurated to perpetuate slave labor, State rights, and free trade?

Is it possible that it has escaped his attention that for the four succeeding years we destroyed billions of property annually and sent 5,000,000 wealth-producers to the battle-field, where they turned wealth-

destroyers, about 300,000 of whom never returned to the fields of labor? Why does he include in his figures those years of destruction, when property was turned to powder and burned to smoke; turned into war-vessels and sunk beneath the waves; turned into cannon and musket balls and scattered to the winds through the quivering flesh of humanity and sunk in a sea of blood and tears; when more wealth was destroyed in four years than we had produced in the preceding ten or could produce in the ten succeeding? Why does he not tell us that in 1863 the emancipation proclamation struck out of existence forever, as property, millions of slaves, so that they and their descendants shall sing forever of the days of a protective Government supported by a protective tariff? [Applause.] Sir, I would conceal nothing, and I would but speak the whole truth.

Sir, if the gentleman had been more exact he would have stated that from 1850 to 1860 our national wealth increased at 8.5 per cent. per annum, excluding slaves, and that since 1860, including the cost of war, it has increased at 15 per cent. per annum. During the past twenty years we have recovered from the paralysis produced by war; our debased currency has been redeemed dollar for dollar and without hardship upon the people; the nation's wealth has been restored and increased at a rate the most sanguine never dreamed of. The tariff has been once readjusted and reduced, and all burdensome internal taxes removed.

Sir, great stress has been laid upon the fact that the British Empire is the greatest ship-owning nation on the face of the earth. How can she be otherwise? Her shipping is as essential to her existence and prosperity as the great river and railroad lines of the United States are to ours. About one-sixth of the entire human race, scattered over about one-sixth of the globe, is under British rule. In Europe she has the colonies of Gibraltar and Malta; in Asia, thousands of miles over the oceans, Hindostan, Burmah, Ceylon, Hong-Kong, Cyprus, Aden, Singapore; in Africa, also thousands of miles across the sea, Cape Colony, Sierra Leone, Gold Coast, Natal, St. Helena, Mauritius; in America, three thousand miles over the water, Dominion of Canada, Newfoundland, British Honduras, Jamaica, Trinidad, Barbados, the Bahamas, the Bermudas, British Guiana, Falkland Islands; in Oceanica, half way around the globe, Australia, Tasmania, New Zealand. Taking this territory as one whole, and allowing her the intervening oceans, her merchant marine is simply the means of her internal communication and absolutely essential to her interstate commerce, so to speak.

If, like the United States, the British Empire were one solid area of territory, her shipping would dwindle to one-tenth its present volume because no longer necessary. As her necessities have built up within her domain the greatest shipping system, so have our necessities built up within our national boundaries the greatest railroad lines and the greatest river and canal systems of the world. If England can build the best and cheapest ships, we can build the best and cheapest engines and railroad equipment. As well might the United States tear up her railroad lines and fill up her rivers and canals as for England to attempt to preserve her territory and exist without her immense shipping. Free trade among the States and free trade between England and her numerous colonies are but one and the same thing.

Free trade is always an aid to commerce, but in no wise is it the parent of the immense merchant marine of England. Her ships are the arteries and the veins through which flow the life-blood of that great country. Nor is it any wonder that her ships monopolize the carrying trade of the world. Having the ships *en voyage* passing in front of the open doors of every country on the face of the globe, it would be surprising indeed if they should not take in cargoes whenever and wherever they can find them. Her ships pay because she must have them for her own intercourse and internal commerce. American ships are few in number because we have no pressing need for more. Our railroads, canals, and great river craft are to us what an immense number of ships are to England.

"Necessity is the mother of invention," and also of construction. England from necessity has gone to the front in ship-building, and for the same reason we went to the front in railroad enterprise. If it were possible to connect all parts of the British Empire with railroad lines, one-half her ships would rot at the wharves. When we were a seaboard nation and relied upon a foreign trade for prosperity, when we imported our manufactured articles and paid for them in exports, we naturally had a large number of ships. As we require less and less from abroad, and as we consume more and more of our home productions, our shipping interests, except for coast traffic, will naturally decline. As we more and more reach that condition foreign ships will trade less and less at our ports. I should state in this connection that there are 114,412 miles of railroad in the United States, with about \$7,000,000,000 capital invested, earning about \$770,256,762 and paying in working expenses about \$500,000,000 annually, as against 18,514 miles in England and Ireland and 111,399 miles in all of Europe. These railroads give employment to 12,331 clerks and book-keepers, 236,058 employes, 2,069 officials, 4,708 car-makers, and thousands of machinists, manufacturing engines and machinery to supply them, who are not in the employ of the companies.

Sir, agriculture, commerce, and manufactures may exist in a country, and still the nation be weak and impotent. It is intelligent labor that gives permanent power to nations. There must be diversity of

industries in order to bring into use the varied powers and capabilities of the people, but these can not exist where ignorance prevails. At one period Spain was ruler of land and sea; her possessions were the half of the known world and encircled the globe. Her navies robbed and despoiled the commerce of the world. Her rich mines were worked by slaves. The crushed and broken Moors were her only skilled artisans and agriculturists; her brave, adventurous, war-like people hesitated neither at rapine, robbery, nor murder, and they practiced all under the guise of extending the Holy Church and spreading the holy Christian faith. If a person read the Bible and believed other than as the Church said he should believe, they burned him if he did not recant and killed him in a less cruel way if he did. To have dared to think for himself brought him death, immediate death, in any event. No atonement he could make did aught but lessen the cruel tortures of its form.

The conquered Moors and their slaves tilled the soil and manufactured what they could. Spaniards robbed commerce and other lands for the balance. Finally they drove out the Moors, and as they were carried across the waters of the Mediterranean the Spanish crews rose on the exiled ones, murdered the men, violated the women, and threw the children overboard. The few who were landed were left to the murderous mercy of the barbarous Bedouins. These exiled ones were the tillers of her soil and her expert artificers, and these industries were killed at a blow. There were none to fill their places. Intellect was repressed. To obtain knowledge was a crime, to be ignorant a virtue. The decay of Spain followed. She had cast out her home industry, and the surrounding nations soon became able to repress her sea robberies. One by one her colonies rose in rebellion and threw off the yoke of oppression or were conquered or purchased by other countries. And yet the able and eloquent gentleman from Texas [Mr. MILLS] holds her up as worthy of imitation. She is presented as a free-trade argument. Her commerce is said to have been the source of her prosperity; its destruction the cause of her ruin and decay.

Sir, the ignorance and degradation of her people, of her labor, the destruction of her industries, were the causes of her ruin, hastened by the debauchery of her nobility and the brutality of her priesthood. Spain never had an honest commerce. Sir, her whole history demonstrates that the perpetuity of a nation rests upon the basis of honest, intelligent, educated labor and the protection of home industry.

The gentleman from Ohio [Mr. HURD] in his zeal and eloquence said, and the free-trade Democracy of this House applauded to the echo, that he believed in the absolute right of every man to purchase goods wherever he can get them cheapest, whether it be in Mexico, Canada, France, or England, and that every man should have the same right to hire labor wherever he can get it cheapest, whether it be the Mexican, Italian, or Englishman. Sir, if there is any practice that the people of this country have repudiated it is the importation of cheap foreign labor.

When the monopolists of this country endeavor to crowd out intelligent American labor because it demands high wages, and to replace it with Italian, German, French, or any other imported labor because it can be hired cheaply, the act will be prevented by the ballot and the enactment of a protective law if possible. If this does not succeed, it may be that our streets will flow with blood and that all the horrors of the French revolution will be re-enacted in our land. The great masses of our industrious and intelligent people will never consent to the establishment of a moneyed aristocracy on this continent. They will ever contend against all measures that tend to concentrate political power, the ownership of property, or the control of labor in a few hands. [Applause.]

Sir, the development of the wheat-producing power of India is not the result in any sense of American protection. England will develop every industry she can in her own colonies. It is true that in the world's progress we find that we must compete with the world.

India's producing power demonstrates that home markets are the best and the most reliable, and it warns us to bend every energy to the development and enlargement of a home market for our every production.

This we can not do by letting in the cheap manufactures of English, German, French, and Belgian labor as a bid for their patronage in the agricultural market. Rapidly enough, too rapidly, are our public lands being taken up by the foreign immigrant. When we open our ports to foreign manufactures and raise the price of corn and wheat, if it should have that effect temporarily, it would swell the tide of immigration, depopulate our Eastern towns, destroy home markets, and increase the surplus of agricultural products. In a few years at the longest the farmer would be the meanest and poorest paid of the American citizens. The public lands, the heritage of the American, would be gone, and with their occupation by a foreign people will have disappeared our magnificent manufactures, and the grand enterprise and public spirit of America will have decayed.

And now, sir, in concluding these crude and imperfect remarks, allow me to say that it is with supreme confidence in the justice and necessity of a protective tariff that I submit this controversy to the judgment of this House, ready and anxious to appeal to an intelligent, sturdy, working people if occasion demand. We are a peculiar people, peculiarly situated. In addition to our native population we are made up of men from every clime, taught in every school of political science,

and reared under every form of government. And yet with remarkable unanimity again and again have our citizens, resting from toil beneath the wide-spread branches of the tree of liberty, pronounced in favor of protection to American labor and home industries. With it they have builded themselves homes on their little plots of ground purchased with the savings of honest, well-paid toil. With it they have educated their children and watched them in a career of prosperity, usefulness, and honor. With it they have seen the plains spanned with iron bands, the caverns of the mountains explored, and their rich treasures of coal, iron, silver, and gold brought forth to enrich labor and add to the glory of the nation. With it they have seen the arts and sciences making rapid progress and the inventive skill and genius of man developed to a most high degree. With it they have seen this country rise in the scale of nations and take rank with the first powers of the earth. [Applause.] Without it they would tremble for her future and herald its abandonment as an indication of approaching decay. Under our present policy they enjoy prosperity and feel the inspiration of assured success. They will abandon it for no experiment, nor under bright skies, with fair breezes, an open sea, and an experienced crew will they be tempted to surrender the guidance of the ship of state to a free-trade pilot, whose avowed object is to guide her course among the rocks and shoals of an unknown sea. [Continued applause.]

Mr. ADAMS, of New York. Mr. Chairman, I desire a moment only in order to put on the records of this House some facts that may go down side by side with the fictions which have been uttered here this evening by the gentleman from New York. I desire to read from the work entitled "Wages and trade," by Mr. Schoenhof, of New York, one of the largest woolen manufacturers of this country, and the statistics which he gives are compiled from French and English sources, and also the official statistics of our consuls abroad furnished to this Government. On page 8 of his work he uses this language:

It will be seen from the table that England pays more than any of its two principal continental competitors, Germany and France. The industrial development of all other nations, excepting Belgium and Switzerland perhaps, is far behind either. I take Germany and France, therefore, as examples. English wages are fully 50 per cent. above those of Germany, and on the average at least 30 per cent. above those of France. Besides, the English working week is one of fifty-six hours, while that of Germany is from sixty-six to seventy-two (often seventy-eight) hours, and that of France of seventy-two hours. Yet they all guard themselves by protective tariffs, not against their weaker rivals, but against the very country which pays the highest wages and has the shortest hours.

Now, for the benefit of the distinguished gentleman from New York, let me put on the records of this House also the indelible fact that England's exports of cottons alone in 1881 amounted to the large sum of \$380,000,000, while this great American nation of ours, with its 55,000,000 of free people and its protective tariff system, exported only \$13,000,000 altogether, making \$367,000,000 for England in excess of the United States. And in her woolen goods and yarns let me also give the statistics of her exports. England of these articles exported \$103,000,000, while the United States exported four hundred thousand dollars' worth only. To the shame of our people be it said that we exported only that amount in comparison.

I think, Mr. Chairman, the figures that I have read will convince the gentleman that probably the moon may even be made of green cheese; and that the members of this side of the House who have read something about this question need to be answered in a different manner when they ask a financial, a practical, or historical question. [Applause.]

Mr. MORRISON. I move that the committee do now rise. The motion was agreed to.

The committee accordingly rose; and Mr. MATSON having taken the chair as Speaker *pro tempore*, Mr. HALSELL reported that the Committee of the Whole House on the state of the Union having had under consideration the tariff bill, had come to no resolution thereon.

And then, on motion of Mr. MORRISON (at 9 o'clock and 50 minutes p. m.), the House adjourned.

PETITIONS, ETC.

The following petitions and papers were laid on the Clerk's desk, under the rule, and referred as follows:

By Mr. CANDLER: Petition of citizens of White County, Georgia, for national aid to education—to the Committee on Education.

By Mr. CANNON: Memorial of the Grand Army of the Republic, Ridge Farm, Ill., for amendment to the pension laws—to the Committee on Invalid Pensions.

By Mr. COOK: Petition of members of the James P. Milligan Post, No. 257, Grand Army of the Republic, Department of Iowa, in relation to pensions, bounty, &c.—to the Select Committee on Payment of Pensions, Bounty, and Back Pay.

Also, petition of T. J. McNabb and 86 others, relative to the building of a double-track railway from New York to San Francisco, &c.—to the Committee on Pacific Railroads.

By Mr. CULLEN: Petition of Charles A. Bradish, A. Smalley Wilkinson, and 28 others, members of F. M. Lane Post, Grand Army of the Republic, Ransom, Ill., relative to pensions, &c.—to the Select Committee on Payment of Pensions, Bounty, and Back Pay.

By Mr. CURTIN: The petition of Elizabeth Latshaw, relative to pensions—to the Committee on Invalid Pensions.

By Mr. DUNCAN: Petition of Post No. 99, Grand Army of the Republic, of Hanover, Pa., to grant pensions to all soldiers and sailors who served sixty days in the late war—to the same committee.

By Mr. ELLIS: Papers relating to the claim of Mrs. Daniel Fairex—to the Committee on War Claims.

By Mr. FIEDLER: Petition of Charles Heise, William J. Reeves, and about 500 others, wage-workers of Newark, N. J., relative to the Chinese restriction act—to the Committee on Foreign Affairs.

By Mr. FINERTY: Petition from officers of the United States Army, Fort Snelling, Minn., asking for the passage of H. R. 3117 and 3118—to the Committee on Military Affairs.

By Mr. GLASCOCK: Concurrent resolution of the Legislature of California, relative to the establishment of experimental stations in connection with the agricultural college—to the Committee on Agriculture.

By Mr. HARMER: Memorial of officers stationed at Cantonment Uncompahgre, Colo., favoring the passage of H. R. 2613—to the Committee on Military Affairs.

By Mr. HART: Papers relating to the pension claim of Capt. H. S. Sayres—to the Committee on Invalid Pensions.

By Mr. HUNT: Memorial of the Louisiana Educational Society—to the Committee on Education.

By Mr. MORRILL: Petition of Kennedy Post, No. 292, Grand Army of the Republic, Department of Kansas, asking for a pension for all soldiers of the late war—to the Committee on Invalid Pensions.

By Mr. SHELLEY: Petition of citizens of Selma, Ala., for the passage of the Blair educational bill—to the Committee on Education.

By Mr. T. G. SKINNER: Petition of J. B. Watson and others, for educational aid—to the same committee.

By Mr. SPRINGER: Memorial of citizens of Illinois, asking the granting of a pension to Eliza A. Moses, widow of Capt. John C. Moses—to the Committee on Pensions.

By Mr. WOOD: Petition of citizens of Logansport, Ind., asking for a pension for Thomas Regan—to the Committee on Invalid Pensions.

By Mr. YORK: Petition of citizens of Davie County, North Carolina, asking aid for school purposes—to the Committee on Education.

SENATE.

THURSDAY, May 1, 1884.

Prayer by the Chaplain, Rev. E. D. HUNTLEY, D. D.

NAMING A PRESIDING OFFICER.

Mr. ALLISON called the Senate to order, and the Secretary read the following letter:

VICE-PRESIDENT'S CHAMBER, Washington, May 1, 1884.

To the Senate:

Pursuant to the rules I hereby name and designate Hon. WILLIAM B. ALLISON, a Senator from the State of Iowa, to perform the duties of the Chair in my absence this day.

GEORGE F. EDMUNDS,
President *pro tempore*.

Thereupon Mr. ALLISON took the chair as Presiding Officer for to-day.

THE JOURNAL.

The Journal of yesterday's proceedings was read and approved.

HOUSE BILLS REFERRED.

The following joint resolutions received yesterday from the House of Representatives were severally read twice by their titles, and referred to the Committee on Military Affairs:

Joint resolution (H. Res. 179) authorizing the President of the United States to appoint from the sergeants of the Signal Corps two second lieutenants; and

Joint resolution (H. Res. 209) granting the use of cannon, tents, and muskets to ex-Union soldiers for reunion purposes.

EXECUTIVE COMMUNICATIONS.

The PRESIDING OFFICER (Mr. ALLISON in the chair) laid before the Senate a communication from the Secretary of War, transmitting a report of Maj. Gen. Winfield S. Hancock concerning the estimate for extra-duty pay due the enlisted men at Headquarters, Division of the Atlantic; which was referred to the Committee on Appropriations, and ordered to be printed.

DOCUMENTS FOR SENATE LIBRARY.

The PRESIDING OFFICER laid before the Senate the following communication; which was read, and referred to the Committee on the Library:

UNITED STATES SENATE LIBRARY,
Washington, April 30, 1884.

DEAR SIR: I desire to call your attention to the fact that the Senate Library does not possess a single copy of either of the first four volumes of the Compilation of the Official Records of the War of the Rebellion, now publishing by order of Congress.

These volumes were distributed through the folding-room of the Senate, and for some cause no provision was made for a supply of them to this library. There