There is exempt from the operation of this act all the profits realized or accrued on the purchase or sales of stocks or bonds that have been held and owned in good faith by the same person or corporation for a continuous period of six months or more prior to such sale. It is the duty of every person and corporation, within ten days after a profit is realized or has accrued on any purchase or sale of stocks or bonds subject to taxation under this act, either for present or for future delivery, to report the same under oath to the collector of internal revenue of the district in which the purchase or sale is made, stating the date of such purchase or sale, the amount thereof, the description of the stocks or bonds so purchased or sold, and the name and residence of the person or corporation with whom such dealings of purchase or sale were had, and the amount of the profit realized on such transactions, each separately; and the Secretary of the Treasury is authorized to make all needful regulations for the assessment and collection of the taxes imposed by this act.

Any person, and the agents or officers of any corporation, who shall omit or refuse to make due report and return of any profits realized or accrued on the purchase or sale of bonds or stocks that are taxable under this act, according to law and the regulations prescribed by the Secretary of the Treasury, is guilty of a misdemeanor, and shall be punished by any court having jurisdiction of such offenses by a fine not exceeding $500 and by imprisonment for a term not less than thirty days nor exceeding one year, at the discretion of the court.

Mr. ALLISON. Mr. President——

Mr. ALLEN. With the consent of the Senator from Iowa, I rise for the purpose of receiving recognition, that I may proceed with some remarks Monday morning.

The PRESIDING OFFICER. The Senator from Nebraska will be recognized as entitled to the floor.

Mr. ALLISON. I move that the Senate adjourn.

The motion was agreed to; and (at 4 o'clock and 30 minutes p. m.) the Senate adjourned until Monday, June 14, 1897, at 12 o'clock meridian.

SENATE.

MONDAY, *June 14, 1897.*

The Senate met at 12 o'clock m.

Prayer by Rev. L. B. WILSON, D. D., of the city of Washington.

The Journal of the proceedings of Saturday last was read and approved.

PETITIONS AND MEMORIALS.

The VICE-PRESIDENT presented memorials of the Oswego Lumbermen's Exchange, of Oswego; of E. W. Rathbun & Co., wholesale lumber dealers, of Oswego, and of C. W. Mott, of Oneida, all in the State of New York, remonstrating against the imposition of the proposed duty of $2 per thousand feet upon lumber; which were ordered to lie on the table.

Mr. PLATT of New York presented sundry memorials of citizens of New York City, Geneva, Albany, Waterville, Rochester, Yonkers, Callicoon, Northbranch, and Brooklyn, all in the State of New York, remonstrating against the proposed increase of the tax on beer; which were ordered to lie on the table.

Mr. MORRILL presented a petition of sundry citizens of Pownal, Vt., and a petition of sundry citizens of Saxtons River, Vt., praying for the early passage of the pending tariff bill; which were ordered to lie on the table.

Mr. PASCO presented a petition of the Chamber of Commerce of Fernandina, Fla., praying that an appropriation be made for the purpose of keeping the entrance of Cumberland Sound open to commerce; which was referred to the Committee on Commerce.

Mr. PRITCHARD presented a petition of sundry citizens of Burlington, N. C., and a petition of sundry citizens of Concord, N. C., praying for the passage, at the earliest possible date, of such protective-tariff legislation as will adequately secure American industrial products against the competition of foreign labor; which were ordered to lie on the table.

Mr. HANSBROUGH presented a petition of sundry citizens of Milton, N. Dak., praying for the early passage of the pending tariff bill; which was ordered to lie on the table.

Mr. HOAR presented a memorial of 61 citizens of Massachusetts engaged in the manufacture of shoes, remonstrating against any increase in the present rate of duty on tanned skins for morocco or a duty on raw goatskins; which was ordered to lie on the table.

He also presented a petition of 196 business men of Lowell, Mass., and a petition of 36 citizens of North Adams and Briggsville, Mass., praying for the early passage of the pending tariff bill; which were ordered to lie on the table.

He also presented a petition of the Woman's Christian Temperance Union of Bristol County, Mass., praying for the enactment of legislation prohibiting the reproduction of pugilistic encounters by means of the kinetoscope; which was ordered to lie on the table.

Mr. TURPIE presented a petition of sundry citizens of New Albany, Ind., praying for the speedy enactment of a protective-tariff law; which was ordered to lie on the table.

Mr. HAWLEY presented the petition of T. E. Hopkins and 36 other citizens of Danielson, Conn., and the petition of T. M. Ross and sundry other citizens of Tolland County, Conn., praying for the early passage of the pending tariff bill; which were ordered to lie on the table.

Mr. SPOONER presented petitions of Dorton Mihills and 103 other citizens of Evansville, of Benjamin P. Hill and 31 other citizens of Bayfield, of D. S. Conger and 44 other citizens of Prairie du Sac, of C. C. Pratt and 11 other citizens of Deerfield, of Frank B. Bacon and 106 other citizens of Sparta, of E. T. Buxton and 30 other citizens of Superior, and of John B. Stickney and 103 other citizens of Mazomanie, all in the State of Wisconsin, praying for the early passage of the pending tariff bill; which were ordered to lie on the table.

SALE OF ALCOHOLIC LIQUORS IN SOUTH CAROLINA.

Mr. TILLMAN. From the Committee on Interstate Commerce I submit a report giving the judicial decisions on the regulation of commerce between the several States and with foreign countries in reference to the South Carolina liquor law. I move that the report be printed for the information of the Senate, to accompany the bill (S. 224) to limit the effect of the regulation of commerce between the several States and with foreign countries in certain cases.

The motion was agreed to.

BILLS INTRODUCED.

Mr. PETTIGREW introduced a bill (S. 2138) to give the consent of Congress to a compact entered into between the States of South Dakota and Nebraska respecting the boundary between said States; which was read twice by its title, and referred to the Committee on the Judiciary.

Mr. ALLEN introduced a bill (S. 2139) granting a pension to Richard Barnes, of Madison County, Nebr.; which was read twice by its title, and, with the accompanying papers, referred to the Committee on Pensions.

Mr. DANIEL (by request) introduced the following bills; which were severally read twice by their titles, and referred to the Committee on Claims:

A bill (S. 2140) for the relief of the legal representatives of Paul McNeel, deceased, of Pocahontas County, W. Va.;

A bill (S. 2141) for the relief of W. E. Judkins, executor of Lewis McKenzie; and

A bill (S. 2142) for the relief of Alexander Stoddart, of New York.

AMENDMENT TO THE TARIFF BILL.

Mr. PRITCHARD submitted an amendment intended to be proposed by him to the bill (H. R. 379) to provide revenue for the Government and to encourage the industries of the United States; which was referred to the Committee on Finance, and ordered to be printed.

ENROLLED BILL SIGNED.

A message from the House of Representatives, by Mr. W. J. BROWNING, its Chief Clerk, announced that the Speaker of the House had signed the enrolled joint resolution (S. R. 64) relating to the payment of salaries in the consular service; and it was thereupon signed by the Vice-President.

THE TARIFF BILL.

The VICE-PRESIDENT. The morning business appears to be closed.

Mr. ALLISON. I move that the Senate proceed to the consideration of House bill 379.

There being no objection, the Senate, as in Committee of the Whole, resumed the consideration of the bill (H. R. 379) to provide revenue for the Government and to encourage the industries of the United States.

The VICE-PRESIDENT. The pending question is upon the amendment of the Senator from Kentucky [Mr. LINDSAY], upon which the Senator from Nebraska [Mr. ALLEN] has the floor.

Mr. ALLISON. If the Senator from Nebraska will yield to me for a moment, I ask that beginning on Wednesday morning the sessions of the Senate shall commence at 11 instead of 12 o'clock, as now.

Mr. VEST. All right.

Mr. ALLISON. I think it would facilitate the business if we should adopt that course.

Mr. VEST. That is with the understanding, of course, that we shall adjourn at 5 o'clock.

Mr. ALLISON. I think perhaps it would not be wise to make such an order as to the hour of adjournment. I have no doubt that we will all feel like adjourning about 5 o'clock, or, at any rate, like passing from the consideration of this bill to other business that may be necessary—executive business, and so on. I assure Senators that they will have no trouble as to the hour of adjournment if this order is agreed to.

Mr. VEST. That is all right. I want to be entirely frank about it. It is the late sessions that count against those of us who are working on the bill. I do not mind meeting at 11 o'clock in the morning, but to stay here after 5 is more than those of us who are past middle life want to bear.

Mr. ALLISON. Under our methods of business, as the Senator

very well knows, it may not always be convenient to adjourn at a particular time.

Mr. VEST. I mean, to let the tariff bill go over.

Mr. ALLISON. Unless there is some special reason, perhaps that can be arranged.

Mr. VEST. I do not mind executive sessions after 5.

Mr. ALLISON. I hope there will be no agreement as to the hour of adjournment. I think there will be no difficulty in arranging that to suit Senators on both sides.

Mr. VEST. Very well.

Mr. ALLISON. I ask unanimous consent, therefore, that, beginning Wednesday morning, the hour of meeting shall be 11 instead of 12 o'clock until otherwise ordered.

The VICE-PRESIDENT. The Senate has heard the request of the Senator from Iowa asking unanimous consent that, beginning on Wednesday, the hour of meeting of the Senate shall be 11 o'clock in the morning instead of 12 o'clock, as heretofore.

Mr. ALLISON. Until otherwise ordered.

The VICE-PRESIDENT. Until otherwise ordered. The Chair hears no objection to the request. No objection being entered, that will be the order. Beginning Wednesday morning, the Senate will meet at 11 o'clock. The Senator from Nebraska will proceed.

Mr. ALLEN. Mr. President, during the very interesting remarks of the senior Senator from Kentucky [Mr. LINDSAY] on Saturday last the following colloquial discussion took place:

Mr. ALLEN. Then I should like to ask the Senator from Missouri what is to prevent the Government of the United States from resorting to the common-law writ of quo warranto, bringing this trust into court and dissolving its existence regardless of any statute?

Mr. VEST. I have no doubt it could be done if we could get at the proof in the case, if the State corporation was operating in restraint of trade under the Edmunds law.

Mr. ALLEN. It does not make any difference about it being a State corporation.

Mr. VEST. But the question was, Did it operate in restraint of trade among the States?

Mr. HOAR. You can not issue a quo warranto against a State corporation.

Mr. VEST. I do not know that you can issue that particular writ of quo warranto, but the proceedings to which I refer were instituted under the Edmunds law.

Mr. ALLEN. Does the Senator from Massachusetts pretend to say that the charter of a State corporation can not be dissolved, or, at least, that it can not be prevented from doing business when it monopolizes interstate trade and results in a monopoly?

Mr. HOAR. If my honorable friend the Senator from Nebraska will pardon me, in all good nature, I do not pretend anything in the Senate. I am asked to state my view of a law question and whether I pretend so and so.

Mr. ALLEN. I did not mean to offend the Senator.

Mr. HOAR. It is not a very agreeable kind of a question.

Mr. ALLEN. I simply wanted to give it as my opinion (and it is the opinion of only one man, and not quite so good or right as that of the Senator from Massachusetts) that there is no question about the power of this Government to dissolve such a corporation, regardless of the fact where it gets its charter. Whenever it leaves the State in which it is incorporated and engages in the transaction of business which is international commerce and interstate commerce, the nation has control.

Mr. LINDSAY. Mr. President——

Mr. HOAR. Will the Senator pardon me for a sentence?

Mr. LINDSAY. Certainly.

Mr. HOAR. I supposed the law to be that the writ of quo warranto is a writ to dissolve a corporation which by illegal conduct has forfeited its power to exist, and that it is a writ addressed to it to come and show cause by what warrant it continues to act as a corporation. I suppose that can only be done, under our system of jurisprudence, in the courts of the sovereign that created the corporation, which is the State in the case of a State corporation. I do not concede that that is a proper writ or remedy to prevent a corporation from doing an unlawful thing.

Undoubtedly the courts of the United States may by proper process enjoin a State corporation, as they could an individual, against violating a United States law in cases where such an injunction is the proper and fitting proceeding, but that would not be by instituting an action of quo warranto, and it would not be in any case, as I suppose, within the powers of the United States courts to dissolve a State corporation.

Mr. ALLEN. Mr. President——

Mr. LINDSAY. I can not yield further.

Mr. ALLEN. Very well.

At this point I was cut short from answering the Senator from Massachusetts [Mr. HOAR] by the refusal of the Senator from Kentucky to permit further interruption, and I embrace the first opportunity to reply briefly to him on this point.

Quo warranto is the proper common-law writ by which to inquire into and determine the right of persons to exercise corporate functions or franchises, and the remedy is limited only by the facts and circumstances of each particular case as it presents itself, for it is doubtful if in illustrative jurisprudence two cases can be found presenting exactly the same or substantially a similar state of facts. The English law of quo warranto descended to us as an inheritance, and it came in all its fullness and efficiency, and not so crippled and hedged about by unreasonable and unnecessary restrictions as to make it barren of results when properly set in motion. I can not bring myself to agree with the Senator from Massachusetts, much as I am inclined to do so, for, as I look at the question, there can be little, if any, doubt of the jurisdiction of the Federal courts to oust a corporation in so far as it engages in interstate or international commerce if it does not possess lawful authority to do so.

If Havemeyer and his associates went to New Jersey to procure a charter as a mere shield from consequences of a business conducted elsewhere, and not to conduct business there, the act was fraudulent, the charter was void, and the Federal court would, in a proper case, have jurisdiction to so adjudge it. It must be remembered that under the liberal practice obtaining in the United States the court, in a case of quo warranto, is not confined to entering a judgment of ouster merely, but it has authority to enter as a part of its judgment a perpetual injunction restraining the corporation from the exercise of functions it does not lawfully possess. In addition to quo warranto, a bill in chancery may be filed to restrain the corporation from carrying on a business not contemplated by its charter, and I take it for granted that it is elementary that a corporation deriving its chartered powers from the legislature of New Jersey or any other State does not possess the right to engage in interstate or international commerce, and that the State granting the charter has no power to confer that authority.

A State possesses power to charter a corporation to transact business within its territorial limits only. It can not extend beyond State boundaries and it must of necessity be confined to carrying on a lawful business within the State and to State commerce, and incidentally to such interstate and international commerce as may by the sufferance of Congress be transacted within the State. It has no authority, however, by virtue of its corporate existence to pass beyond the boundaries of the State of its origin and domicile and engage in a commerce over which, by the Constitution, Congress has original and exclusive jurisdiction.

The common-law remedy of quo warranto not only authorizes the court to inquire by what warrant or authority the corporation transacts business, but to inquire into and determine whether a particular branch of business comes within its chartered privileges or not, and if it does not to oust it from the transaction of such business and restrain it from engaging therein again.

The Constitution declares—

That Congress shall have power to regulate commerce with foreign nations and among the several States and with the Indian tribes.

These powers are very comprehensive and embrace not alone a direct regulation by act of Congress of how and when such commerce may be conducted, but the means, and as an incident the Congress may declare that no commerce shall be carried on through the instrumentality or agency of corporations. It may confine such commerce to individuals, or copartnerships, or, in fact, impose any other restriction on it that may be deemed politic and wise.

The grant is to regulate commerce with the foreign nations. This does not mean with foreign nations as distinct political entities, but with the people of foreign nations, and therefore it embraces within its legitimate scope complete authority to regulate the interchange of traffic between the people of the United States and the people of a foreign nation, and there follows impliedly from this the incidental power to determine the class of vessels in which commerce may be carried, and, in fact, the right to regulate commerce carries with it the right to suspend or prohibit it if necessary for the time being and for the general welfare, and it is declared that Congress shall have power to regulate commerce "among the several States." In the first case the word "with" is used, while in the latter "among" is employed. Perhaps there is no significance in this change of expression in speaking of the two classes of commerce, and yet it must be noted in passing that a change was made. This does not mean among the several States as political entities, for at the time the Constitution was adopted there was no commerce among the several States as such, or practically none, and therefore it must be held to refer to the people of the several States.

And here, too, is implied the authority to prohibit the interchange of commercial relations between the people of the several States if for any purpose it shall be deemed wise and proper for Congress to do so. And there is further implied the right to choose the means of regulating and the instrumentalities thereof, and therefore I assume it is elementary that if Congress shall declare that no commerce among the several States shall be carried on through the instrumentality of a corporation, the law would be constitutional and would be enforced not only in the Federal courts, but in the State courts as well, for it is primarily the duty of the State courts to enforce an act of Congress when its jurisdiction is properly invoked in the ordinary course of litigation. It would be strange, then, if, Congress possessing this power, broad and comprehensive as it is, we should find ourselves without a remedy to enforce an act of regulation. It was an axiom at the common law that for every right there was a remedy, and that axiom came to us from the English law, and we may therefore properly declare that where there is a right in the sovereignty of the United States there is a remedy for its enforcement.

Let us suppose that the Havemeyers, residing in New York, went across the line into New Jersey and procured a charter from the legislature of that State, without having a domicile there, and by virtue of that charter established an office in the city of New York

and created a monopoly in the sugar business. If the chief purpose in obtaining the charter was to enable them to transact business as a corporation in New York and engage in interstate and international commerce, the New Jersey charter would not afford them protection from the Federal courts in New York, or any other district or circuit where their business may be conducted. The moment they ceased to transact a purely local or State business within the State of New Jersey and engaged in interstate and international commerce beyond the territorial lines of that State, that moment they placed themselves in a position where they were subject to the jurisdiction of the United States courts, and it would be somewhat singular if they could engage in a business 99 per cent of which is interstate and international in its character and the courts of the United States would have no jurisdiction to control them or adjudge their business unlawful, if unlawful, or conducted unlawfully, or oust them in so far as their business might be a monopoly and in violation of the common or statute law.

I assume, for the purpose of this argument, that at the common law a monopoly was in violation of law, and was subject to control of the courts, and its agents might be indicted and punished and its existence dissolved and the corporation restrained by injunction from carrying it on in the future.

It is admitted on all hands that no sugar schedule can be framed by any party from which the sugar trust will not derive pecuniary benefit. I am well satisfied from my own observation and experience as a member of the investigating committee of 1894 that this is true. Then why waste time on this schedule? If there is a real desire and an honest purpose to destroy this gigantic monopoly that is eating out the substance of the people, why not employ the courts to dissolve it, or at least to oust it from the exercise of this particular function? We should begin at the proper place and employ the proper remedy and deprive it of a monopoly of one of the staple necessities of life.

As long as we higgle on schedules, the sugar trust will laugh at us in derision and mock our impotency and continue to fatten on unlawful exactions from the people. It will only fear the Government when we shall invoke the aid of the courts and deprive it of existence outside of its lawful situs.

It has been suggested that the courts can not be relied on to control this monopoly; that the judges are surrounded by influences that will prevent them from determining the question as they should. If this be true, then the Government in its judicial branch is a failure and the people are without a remedy. I have confidence, however, in the courts of the United States to believe that when their jurisdiction is properly invoked they will not hesitate to deal justly by the people and dissolve this gigantic monopoly.

There is another subject to which I desire to direct attention for a moment. We have a treaty relation with the Hawaiian Islands by which Hawaiian sugars are admitted into the United States free of duty. There come to the United States annually at least 225,000 tons under that treaty which do not pay a cent of revenue into the Treasury. I think I am entirely safe in asserting that the United States loses from six to six and a half million dollars annually in consequence of the treaty.

The time has come, in my judgment, when this treaty ought to be revoked. I am not prepared to say that it ought never to have been made. Its making antedates by several years my advent into public life, and I am not prepared to say that circumstances did not exist at the time which warranted the Government in entering into a treaty with the then King of Hawaii.

But, Mr. President, the people derive no benefit from the provision of the Hawaiian treaty which admits sugar free of duty. The investigation in 1894 by the special committee apointed by this body developed the fact that the American Sugar Refining Company, at the head of which stands Henry O. Havemeyer and the king of the sugar trust of the Hawaiian Islands, Claus Spreckels, were in partnership in Hawaiian sugars; that they owned jointly the Western Refining Factory, located at San Francisco, Cal., and that an agreement existed between them by which all the section of our country lying west of the Missouri River was turned over to Spreckels to supply with sugars, and the portion of the United States lying east of the Missouri was devoted exclusively to the forays of the American sugar trust. And I think the fact is that only about 7 per cent of the sugar trust's sugars go west of the Missouri River.

Mr. President, we receive no benefit from this treaty relation. Sugars raised upon many of the islands in the Atlantic and Pacific oceans are shipped to Honolulu, there repacked and marked Hawaiian sugars, and brought into this country under the language of that treaty, but really in violation of its spirit and purpose.

Why, then, should the people be deprived of deriving revenue to the amount of between $6,000,000 and $7,000,000 a year from these imported sugars? There is no competition between Hawaiian sugars and sugars manufactured or refined by the American sugar trust. The moment those sugars come to the United States that moment they are owned and controlled by this combination between Havemeyer and Spreckels, and there is immediately stifled that natural and legitimate competition which under proper regulations would exist.

The sugar trust takes these sugars in its control and fixes the price to the American consumer, entirely regardless of the fact that they are admitted free of duty. Those sugars would be no higher to the consumers if they paid this tax of between $6,000,000 and $7,000,000 annually. And how many years will elapse until the 225,000 tons of sugar admitted annually free of duty as Hawaiian sugars will grow into 450,000 tons or 500,000 tons, when the Government will be deprived of revenue to the amount of from $12,000,000 to $14,000,000 a year?

Mr. President, we can not build up the American sugar industry or develop it in the slightest degree if this treaty is permitted to remain intact. It has been demonstrated that beet sugar, for instance, up to this time, can not be produced and sold in the market for less than about 4 cents a pound, while under the operation of the Hawaiian treaty Hawaiian sugars can come to the United States and be sold to the consumer for less than 3 cents a pound and a reasonable profit be made on them. How can it be expected, if that treaty is permitted to remain, that domestic sugar can contest in the markets of the United States with the product of the Polynesians and the low class of labor found on the islands of the Pacific Ocean?

Mr. President, so far as I am concerned, as one member of this body, and in my judgment, so far as the Populist party is represented in this Chamber, there is but one course to pursue, and that is to cast our votes at all times and under all circumstances to cancel the treaty between the United States and the Hawaiian Islands, and by that means give some impetus, if impetus can be given in that way, to the development of the American sugar industry. Not only that, sir, but we can not afford to cast our votes to throw away $6,500,000 of revenue annually and give it to the American sugar trust that is now eating out the life and paralyzing the energies of the American people. It will be one step at least in the direction of impairing the efficiency of that trust.

Mr. President, I have, in the four years I have been here, witnessed the singular spectacle of a play on the part of Congress with the American Sugar Refining Company. In 1894, when the Wilson bill was before this body and was being considered, Senators on the other side of the Chamber held up their hands in holy horror that the Democratic party and the Populists should be bold enough to give the sugar trust some advantage under the sugar schedule of that bill. That act reduced the benefits that were then being derived under the McKinley law by the sugar trust. It did not wipe out entirely the profits they were making, it is true; for, sir, I conceive it impossible for Congress, in the form of a sugar schedule, to deprive this gigantic corporation of some profit.

Now, Mr. President, in 1897, when this bill is pending before this branch of Congress, our Democratic friends hold up their hands in horror that the American sugar trust should receive some benefit from it, and yet all, Democrats, Republicans, and Populists agree that it is impossible to frame and pass through Congress a sugar schedule that will not result in benefit to the trust. Sir, if we are honest with the American people, if this reform Administration that was heralded as the advance agent of prosperity seven or eight months ago intends to do anything for the relief of the American people in this respect, why not invoke the courts of the country to dissolve and oust this corporation, in so far as it assumes to exercise functions that control interstate and international commerce?

Mr. President, he would be a bold man indeed, and a reckless lawyer, who would assert that this corporation or any other could pass beyond the territorial limits of the State in which it was organized and created and engage in a purely interstate and international commerce without jurisdiction upon the part of the Federal courts to oust it of unlawful exercise of that power, especially when it has become a monopoly and inimical to the general welfare. We may talk of schedules high and schedules low, we may undertake to make the American people believe that we are in favor of checking this gigantic monster, we may deceive a portion of the people; but this monopoly will never stand in fear of Congress or any other branch of this Government, it will never cease to fatten and grow rich out of the American people, until the plenary jurisdiction of our courts is invoked for its dissolution and restraint.

The PRESIDING OFFICER (Mr. CHANDLER in the chair). The question is on the adoption of the amendment proposed by the Senator from Kentucky [Mr. LINDSAY]. Is the Senate ready for the question?

Mr. PETTIGREW. Mr. President, I do not care to address myself to the pending amendment, but I wish to submit some remarks in regard to the amendment which I offered on the 25th of May, providing that all articles the subject of a trust shall be admitted free of duty.

Mr. President, our civilization is founded upon the theory of evolution, upon the doctrine of the survival of the fittest, upon

the law of competition, and is opposed to socialism. We say, as far as is consistent with the existence of protection under the law, Let man, untrammeled and unrestrained, work out his destiny. The result of this theory in the past was feudalism, or the supremacy of brute strength and physical courage, and its resulting paternalism. But feudalism, by the operation of the law of competition and evolution, destroyed itself by the subjugation of the weaker by the stronger and the creation of monarchical forms of government in its place.

To-day, under the operation of this law of competition, we are drifting toward socialism on the one side and plutocracy on the other. It is for us to say whether we will stop the march of events in their course, and make this again a government of the the people, by the people, and for the people, or allow the present to crystallize and thus continue to be what we now are—a government of the trusts, by the trusts, and for the trusts—a plutocracy of artificial persons, sustained by bribery. In the past all plutocracies have been of natural persons, with something of conscience and human sympathy in their composition, and they have kept discontent in check by force and bribery, by a paid police, and by a standing army. But as our plutocracy is of the worst form, without heart and conscience, being an artificial person, it is fitting and well that it should be forced—if its existence shall be perpetuated—to rely upon the one means of sustaining its existence—that of loathsome bribery.

We have abandoned as a people the doctrine so oft repeated and so much believed, that competition is the life of trade, and have adopted the doctrine that competition is killing, resulting in the organization of trusts and combinations to restrict production, to maintain or increase prices, until to-day there are but few articles manufactured in the United States that are not the subject of a trust. There is a trust to control coffee, coal, sugar, lead, oil, glass, all kinds of hardware, steel, chemicals, and crockery. Thus the fundamental principle of our civilization is overturned, and those who can not combine—the farmer and individual proprietor and toilers of the land—are at the mercy of those who do combine.

TARIFF AND THE TRUSTS.

When the Republican party came into being as the advocate of protection to American industry by the means of a tariff, it wisely based its advocacy of the doctrine of protection upon the theory on which our civilization rests—competition, and declared that the building of American factories to supply the protected article would create competition and thus lower the price of the article to the consumer. In every campaign we have told the people the story of nails—how they were 6 cents per pound, and we put a duty on them of 2 cents per pound, and American genius and energy produced the machinery, and competition reduced the price, and nails sold for 1 cent per pound, and the Republican doctrine of protection was triumphantly vindicated.

Last year the nail trust was organized, and the price of nails rose from 1 cent a pound to 3¼ cents a pound, and thus the Republican theory of protection was completely overthrown. The same story can be told of almost every manufactured article in this bill. How to remedy this defect so as to justify a tariff for protection in the future is the problem which every Republican is called upon to solve. The two questions are so intimately connected that they must go together. No tariff bill can be defended that does not protect the people against trusts. If the Republican party undertakes it, you will go down in defeat at the next election.

Mr. President, I offer my amendment in good faith as a protectionist. If it is not adopted, the theory of protection falls to the ground. If it is adopted, you can defend this bill before the people of the United States.

The amendment provides—

That all articles on the dutiable list mentioned in this act shall be admitted free of duty if said articles or articles of a like character of domestic production are manufactured or their sale controlled or the price affected by a trust or combination to increase the cost of said articles to purchasers by preventing competition or otherwise. Every contract, combination in the form of a trust, or association or corporation whose effect is to restrict the quantity of production or increase the price of any article, or any conspiracy in restraint of trade, shall be deemed a trust within the provisions of this act.

Any citizen of the United States may file a petition, verified by oath or affirmation, in any district court of the United States where the defendant has an office or place of business or may reside, alleging the existence of a trust as herein defined, and that articles or products subject to duty under this act, or articles or products of like character of domestic production, are manufactured, or their sale controlled, or the price affected by said trust; whereupon a summons shall be immediately issued from said court directing the defendant to appear and answer said petition, the case to be governed as to time and manner of service, the pleadings and all proceedings had therein, as is now provided by law in civil causes instituted in the district courts of the United States.

If any citizen of the United States shall file with any district attorney for said district the petition herein set forth, it shall be the duty of said attorney to institute proceedings forthwith in the district court for said district in the name of the United States for the purpose of determining the issues made by said petition, like proceedings to be had in such case as hereinbefore prescribed.

The summons to the defendant or defendants herein required shall be served upon the president or chief officer, if a corporation, or upon all the members, if an association or partnership, and the Secretary of the Treasury shall also be notified of the existence and nature of the suit.

All cases instituted as herein provided shall be advanced upon the docket of the court so as to have precedence of trial over all civil causes thereon, and an appeal may be taken from the decision of the district court to the circuit court of the United States for the district, under the same rules as are prescribed for like appeals in other civil cases, but the judgment of the circuit court shall be final.

If the decision of the court shall be that the allegations of the petitions are true, an order directing the customs officers of the United Statets to thereafter permit the importation of such article or articles free of duty shall at once issue: *Provided*, That where a duty is levied upon raw material or any article that is improved by any process after being imported, the duty on the raw material or unrefined or unimproved article shall be collected, and a like amount of duty upon the refined or improved article as provided by this act; but the differential or additional duty shall not be collected if the improved or refined product is found to be the subject of a trust, as hereinbefore set forth: *Provided*, That at any time after judgment the Secretary of the Treasury, upon written grounds, or any party to the proceedings upon petition, verified by oath or affirmation, may move the court to set aside or suspend the enforcement of such judgment. If upon hearing it shall be adjudged that the trust has ceased to exist, it shall be the duty of the Secretary of the Treasury to withdraw or cancel his orders to the customs officers, and such officers shall immediately resume the collection of the duties imposed by this act. The parties to the original proceeding who do not join in the motion shall have reasonable notice thereof, and the motion shall be advanced and have precedence of trial over all civil causes. Appeals may be taken as in the original proceeding to the circuit court, but the judgment of that court upon the motion shall be final.

But you urge that if this amendment is adopted it will defeat the object of passing a tariff bill, as no revenue will be derived therefrom. If this is true, then surely we are in the hands of the trusts. But I contend that this tariff bill is so framed that the articles which are the subject of a trust are not the articles from which much revenue is derived, the evident purpose of the framer of the bill being to give the American market to the trusts and raise the revenue from other articles.

Is it not more reasonable to suppose that the trusts will dissolve rather than share the rich American market with foreigners? For if the trusts do not disband, and thus allow the various manufacturers to compete with one another, the operation of the amendment I offer will be to compel them to compete with the foreign manufacturer. Is it not sure to follow that, rather than open our doors to the free competition of the world, the trusts will cease to exist?

It is urged, however, that but part of the manufacturers may be in the trust, and that this amendment punishes the innocent with the guilty; but there can be no innocent persons, for the amendment provides that in order to be a trust the effect must be to restrict the quantity of production or increase the price of the article. Thus those not in the combination are the recipients of the benefits, and the willing recipients, or they would have prevented the rise in price resulting from the trust. If the trust ceases to exist as to any article, the Secretary of the Treasury may commence proceedings to have that fact declared by the court, and the duty again collected.

TRUSTS RESULT FROM DECLINING PRICES.

The rapid growth of trusts in the United States began with the demonetization of silver, and the formation of trusts was the means adopted by some of the most far-seeing and shrewdest men having control and direction of capital invested in manufacturing and transportation to avert losses to themselves by reason of falling prices, which lead to overproduction and underconsumption. They realized that the first effect of a decline in prices is to stimulate production, because the producers hope to make up the difference in price by larger sales at a less expense. They also foresaw what the average producer fails to see, that when the decline of prices is general the purchasing power is less in the whole community, and therefore an increased production can find no market at any price, so that there exists at the same time an overproduction of things which are most needed and an underconsumption of these very things, because of the inability to purchase them.

The organizers of the trusts did not go into the causes of the falling prices. In most cases they knew nothing about the natural effects of throwing the entire burden upon one metal constituting the basis of the money of the world, which had formerly rested upon both gold and silver. So they made the common error of mistaking effect for cause, and attributed the decline in prices to overproduction. Therefore they combined and formed trusts to restrict production and keep up prices.

But the sole argument which the advocates of the gold standard have offered to appease the producer of farm products for the lower prices which he must take for the results of his labor, and to the workingman for the enforced acceptance of lower wages, has been the increased purchasing power of what they call "honest money," whereby $1 now will buy as much of most articles of general consumption as $2 would have done twenty years ago.

The effect of the successful operations of trusts is to compel higher prices to be paid for the finished product, or for transportation, while they do not check the decline in the value of raw material nor in the rates of wages, nor do their managers wish to do so.

I do not desire to be understood as charging that the trusts are able to withstand the general fall of prices. The ability of the consumer to pay fixes the limit beyond which prices can not be forced, and that is the only limit upon the powers of a trust to

regulate prices when the combination of domestic producers is so perfect as to defy competition at home and the tariff duty upon the imported articles excludes the competition in our markets of foreign producers.

Therefore the people of the United States are robbed by the trusts of the only advantage, if it can be called an advantage, which the advocates of the gold standard offer as a reason for the perpetuation of that standard.

Certainly, Mr. President, no consistent advocate of the gold standard can refuse to give his vote in support of a measure like my amendment, which is intended to destroy the monopolies held by the trusts in order to let the people get the advantage, through competition, unhampered by tariff duties, of the lower prices for all that they must purchase, which would naturally follow the maintenance of the "existing gold standard."

I insist that so long as the gold standard prevails the legislation of this Congress ought to be such as to give to the people who are the consumers of manufactured articles, who pay the freight on the railroads, all the advantage which would naturally come to them through the legislation of this and other countries which increased the purchasing power of gold, and that this Congress ought not to permit the passage of any tariff legislation for the protection of American manufacturers without taking good care that no benefit whatever shall accrue to trusts from such legislation, whether the trusts are now in existence or may be organized in the future.

OBJECTION TO TRUSTS FOUNDED ON REASON.

Mr. President, the objections to trusts are not fanciful, neither are they prompted by animosity to wealth or wealthy men. They rest upon public principles which are inherent and fundamental to our civilization. At common law bonds and contracts in restraint of trade are void.

In the time of Henry V the judge declared, when such a contract was presented and proven before him, that if the guilty party were present he should go to prison. In 1811 Judge Sedgwick said that bonds to restrain trade in general are bad, as prejudicial to trade and honest industry. (8 Mass., 283). The common law from the first forbade agreements to restrict the freedom of trade, and has been universal in its application and in accordance with the spirit of our institutions.

The supreme court of Pennsylvania, as early as 1832, in declaring the illegality of an agreement between five coal-mining companies to fix the amount of each one's product, to bring the price and sales under the control of the combination (Judge Agnew) said such a combination is more than a contract; it is an offense, and that where the public is subject to the power of confederates a combination is criminal. (68 Pa. State, 173.)

In New York, where the owners of canal boats had combined to divide profits and control rates, the court held such a combination to be illegal and void. (5 Denio, 434; 4 Denio, 349.) The principle of the common law was laid down in England four hundred and sixty years ago that—

> A monopoly has three incidents mischievous to the public: 1, the rise of the price; 2, the commodity will not be as good; 3, the impoverishing of poor artificers and all those not parties to the combination.

It has been remarked frequently in my presence during the last few days that there were no trusts; that corporations existed, but that no trusts existed. Under my amendment, in which I undertake to define trusts, any combination to limit production or increase prices is a trust, and therefore subject to the penalties prescribed in the amendment. But I think, perhaps, Mr. President, it is well to give the history of some of these combinations of capital, some of these corporations which control prices and limit production, in order that we may best determine whether such combinations actually exist.

SUGAR TRUST.

Prior to August, 1887, there was life and free competition in all branches of the sugar trade. The producers of raw sugars all over the world sought in the ports of the United States a market in which numerous strong buyers were always ready to take their offerings at a price varying with the supply and demand. The duty collected by the United States upon imported sugar was specific, so many cents per pound, according to the color and saccharine contents of the goods. The seller knew what the duty was, and that it could not be changed by any collusion with the buyer in regard to the price. The buyer knew what the sugar was worth for his purposes, and how to refine it for the home consumption or to sell it for use unrefined, as the case might be.

There was the same healthy competition among the sugar refiners as among the producers and importers of raw sugar. This was manifested by constant efforts to improve the product and to lessen the cost of refining by the introduction of better processes.

The distribution of the raw and refined sugar to the consumer through the usual trade channels from the importers and the refiner by way of the jobber, the wholesale grocer, and the retail grocer to the family was also untrammeled. Each bought where he could purchase to the best advantage and sold upon terms agreed upon between him and the buyer, and not dictated by any third party.

In short, Mr. President, the sugar business was subject to the laws of trade as understood and expounded by the best school of political economists.

But in 1887 the enormous profits amassed by the Standard Oil Trust suggested to a few of the leading refiners the possibility of controlling the sugar trade in the same way. It was then claimed for the first time that the individual refineries through competition were unable to make sufficient money to continue in business.

This seems a little strange in view of the fact that most of the refiners who had the misfortune to die or had retired from business before that time are known to have left or still possess many millions. These millions, however, no doubt seemed insignificant in comparison to the potentialities of wealth offered by the adoption of trust methods.

So the sugar trust was formed in the fall of 1887 by a combination on the plan of the oil trust, between a number of corporations, some of which were formed out of existing unincorporated firms for the express purpose of entering the trust, which was called the Sugar Refineries Company.

The firms or corporations that composed it at that time were:

1. The Brooklyn Sugar Refining Company, New York.
2. The Decastro & Donner Sugar Refining Company, New York.
3. The Dick & Meyer Company, New York.
4. The Havemeyer Sugar Refining Company, New York.
5. The Havemeyer & Elder Sugar Refining Company, New York.
6. The F. O. Matthiessen & Wiechers Sugar Refining Company, New York.
7. The Moller, Sierck & Co. Sugar Refinery, New York.
8. The North River Sugar Refinery, New York.
9. The Fulton Sugar Refining Company, New York.
10. The Knickerbocker Refining Company, New York.
11. The Havemeyer, Eastwick & Co. Sugar Refining Company, New York.
12. The Bay State Sugar Refinery, Boston.
13. The Boston Sugar Refinery, Boston.
14. The Continental Sugar Refinery, Boston.
15. The Standard Sugar Refinery, Boston.
16. The De Forrest Sugar Refinery, Portland, Me.
17. The Planters' Sugar Refinery, New Orleans.
18. The Louisiana Sugar Refinery, New Orleans.
19. The Belcher's Sugar Refinery, St. Louis.
20. The American Sugar Refinery, San Francisco.

And a year or two later,

21. The Baltimore Sugar Refining Company, Baltimore,

was absorbed.

One of the first acts of the new trust was to close up the North River Sugar Refinery. This led to an action by the attorney-general of New York in behalf of the people for the forfeiture of the charter of the company, at the end of which the court of appeals declared the trust illegal, and the charter of the North River Company was forfeited. The trust was thereby compelled to abandon its organization and reorganize under the laws of New Jersey as the American Sugar Refining Company, a single corporation, in which were combined all the parties to the original trust.

What the value or the valuation was of the properties and plants which were thus united under one management it is impossible to say, but it did exceed $10,000,000. The capitalization of the whole was $50,000,000, which thus contained $40,000,000 of stock for which no consideration was paid. This was divided into common and preferred stock, one-half of each. The common stock was to pay quarterly dividends, which have never been less than 3 per cent, or 12 per cent per annum. The preferred shares are guaranteed to pay 7 per cent per annum, and this interest or dividend must be paid before the common shares are entitled to any distribution of the profits.

The properties which have since been acquired by the trust are the Spreckels Sugar Refining Company, the Franklin Refining Company, and the E. C. Knight & Co. Sugar Refinery, of Philadelphia, and the California Sugar Refinery, of San Francisco.

Another refinery, built about a year ago at Camden, N. J., was bought up and never opened. It was rumored that the trust had bought the property. These new properties cost the trust $10,895,000 in stock.

The capital was now raised to $75,000,000, also one-half common and one-half preferred shares. The common has never paid less than 12 per cent per annum, and on one occasion—I believe it was in 1893—an extra dividend of 10 per cent was distributed. The preferred have always paid the guaranteed 7 per cent, besides the interest on ten millions of bonds.

All the above refineries are now owned by the trust, at least I know of none having been disposed of. One has been turned into

a coffee-roasting establishment, to run in competition to the Arbuckle Bros., who have begun the building of a sugar refinery. Quite a number have been kept closed since the trust was formed. Those now in operation are:

At Philadelphia, the Franklin Sugar Refining Company, the E. C. Knight & Co. Refinery, and the Spreckels Sugar Refining Company have been combined.

At New York, the Havemeyers & Elder Sugar Refining Company and the Brooklyn Sugar Refining Company have been combined; and the F. O. Matthiessen & Wiechers Sugar Refinery and the Havemeyer Sugar Refining Company have been combined, and if needed, the Decastro & Donner Sugar Refinery is opened.

At Boston, the Standard Sugar Refinery and the Boston Sugar Refinery have been combined.

At San Francisco, the American Sugar Refinery and the California Sugar Refinery.

Further, one or both refineries at New Orleans part of the year. All the rest are closed.

The average product of the trust refineries is 30,000 barrels per day. Allowing 300 working days in the year, this would mean that they are melting up something like 1,400,000 tons of raw sugar per annum, or, say, 70 per cent of the total consumption of 2,000,000 tons. The remainder of 600,000 tons is used by the independent refiners, including part of the Louisiana cane crop which is consumed without refining, and the refineries using beet sugar, etc., grown in this country.

There are now only four independent refineries in operation, and two are now being built at Brooklyn, one by Messrs. Arbuckle Bros, the other by Mr. Claus Doscher, who was formerly connected with the Brooklyn Sugar Refining Company. The four independent refineries now in operation are the following: The Mollenhauer Sugar Refinery and the National Sugar Refinery, New York; the Revere Sugar Refinery (Nash, Spaulding & Co., owners), Boston, and the W. I. McCahan Sugar Refinery, Philadelphia. Their combined product, I believe, is about 450,000 tons per annum.

The trust takes about 80 per cent of the Louisiana crop, mostly for the New Orleans refineries, and in order to get the sugars cheap they generally reduce their own prices all round as soon as the crop comes to market.

The Hawaiian sugars are bought under contracts with the producers, who are thereby enabled to absorb a good proportion of the duty saved. The terms have varied, but I think the present arrangement is that the trust pay the New York value of centrifugals 96 degrees test on day of arrival of any cargo at San Francisco or any other United States port, less one-fourth cent per pound.

Mr. President, in this connection there is certainly a very interesting state of affairs. It appears that the sugar trust has bought the Hawaiian sugar, paying for it at the New York price, less one-fourth of a cent a pound; in other words, the duty which would have been levied upon Hawaiian sugar has been divided between the producers and the sugar trust. The contract between the Hawaiian sugar producers and the sugar trust expires within a few weeks, and the trust is trying to force the producers to give them a larger share of the duty. They are not satisfied with one-fourth of a cent a pound, which amounted last year to $1,200,000, but they want more of the plunder.

It is very significant in this connection, Mr. President, that the committee of this body struck out the House provision continuing the Hawaiian treaty. It looks as though the intended purpose was to help the sugar trust and compel a greater division of the spoils. We can judge whether this is so or not when the committee bring in their provision to reinstate the treaty, and we can clearly, it seems to me, reasoning from cause to effect, see that the job has been consummated and that the producers have surrendered. It seems to me the Republican party is serving a curious purpose when it permits itself to be used in this manner.

It is said the trust is opposed to the continuation of the remission of duties to the Hawaiian sugar planters, and that has been used as an argument why the treaty should be continued. Mr. President, from the very moment the trust succeeds in getting the planters to divide the great bonus we give them by remitting duties, we shall find the sugar trust as ardent and as patriotic as the most enthusiastic jingoist from Massachusetts in favor of continuing the treaty.

A portion of the beet sugar produced in California as well as in Nebraska and other Western States is refined on the spot and goes into consumption. The rest is absorbed in the trust refineries, mostly in San Francisco.

I was a little surprised the other day to hear the Senator from Massachusetts [Mr. HOAR] urge as a reason why the duty should be increased upon refined sugar that it would stimulate the production of sugar in this country. It seemed to me to sound like the same old argument which has been used to carry through almost every scheme to enrich a few people at the expense of the many.

Beet sugar is refined by the factories which produce it. The sugar does not go to the refinery at all. All the sugar is ready for market when it leaves the mill. Therefore, to stimulate the production of beet sugar in this country means the destruction of the refiners now operating; it means the absolute destruction of their property. The day that beet sugar supplies the American market the property of the refiners, whose refineries are located all along the coast, will be absolutely worthless. That will happen when the American farmer produces beets enough to supply the American market.

Therefore the trust is interested in anything and everything which will prevent the growth of the beet-sugar industry in this country. How a duty in the special interest of a lot of gamblers in New York can be construed into stimulating the beet-sugar industry of this country is beyond the range of my imagination. Neither will that argument be of any value to obtain for the Republican party the votes of the people of the West. They are going to know the facts in regard to this bill; they are going to know whether what we charged in the last campaign was true or not, that the Republican party has ceased to stand for anything but the gold standard and the trusts.

As a rule, we have always received about 80 per cent of the Cuban crops each year, which yielded a total of 1,000,000 tons and over, but, owing to the insurrection, only about 200,000 to 250,000 tons have been made during the last two years. For 1896 our sources of supply have been as follows:

	Tons.
Cuba	251,522
Puerto Rico	29,841
St. Croix	3,571
Trinidad	23,449
Haiti and Santo Domingo	48,899
British West Indies	84,527
Demerara	66,973
Surinam	5,951
Europe	*523,232
Egypt	41,703
Java	312,592
Mauritius	18,181
Philippine Islands	61,382
Sandwich Islands	†46,185
Brazil	68,519
Argentine Republic	12,867
Total four Atlantic ports (New York, Philadelphia, Boston, and Baltimore)	1,599,484
Total Pacific ports (San Francisco), nearly all from Sandwich Islands	†157,981
Total imports of foreign, including Hawaiian	1,757,465

The 2,000,000 tons of sugar now used in the United States per year are drawn from the following sources:

About 1,550,000 tons come from foreign countries.
About 200,000 tons come from Hawaiian Islands.
About 250,000 tons are produced in this country—in Louisiana and Texas from cane, say about 200,000 tons; the remainder, 50,000 tons, from beet, maple, and sorghum.

Say 2,000,000 tons.

I wish to call attention to this fact, Mr. President, that all the Hawaiian sugar was not received at the port of San Francisco. On the contrary, 49,000 tons of Hawaiian sugar went to the port of New York and were admitted there free of duty, the same as that which was admitted at San Francisco.

Two million tons, Mr. President, are 4,480,000,000 pounds. Estimating the population of the United States at 76,250,000, the average annual consumption of each individual—man, woman, and child, of all races—is 62 pounds, and 70 per cent of this, or 43 pounds, is supplied by the trust.

Practically the entire sugar trade of the United States is subject to the dictatorship of the trust. The independent refiners follow the trust quotations and place their product in the same way. In buying raw sugars they are believed to have an understanding. At any rate, no signs of competition are visible. There are enough buyers disgruntled with the trust to keep up the independent refiners, and the latter are glad to be let alone by the trust so long as the trust is graciously disposed, as at present, to let them live upon the crumbs which fall from its table.

HOW THE SUGAR TRUST CONDUCTS BUSINESS.

Let us consider the manner in which the business of the sugar trust is conducted. From the date of its organization in 1887, including as it did all the leading refineries, the trust controlled the sugar trade of the United States. Recognizing this fact, the Wholesale Grocers' Association of New York requested to be informed by daily quotations from the trust of the price of sugar, and otherwise how to manage their business. The trust complied and began at once to issue daily quotations of the price at which all grades of sugar manufactured by it should be sold by the wholesale grocers and jobbers, the profit of these to depend upon certain discounts and drawbacks allowed by the trust, but only paid

* Nearly all beet. † Duty free.

at the end of three months upon the affidavit of the wholesale grocers and jobbers that the trust prices had been strictly adhered to.

At first, before the grocery merchants generally had become accustomed to submit to trust methods, the trust used to inflict severe punishment upon those who did not comply with its rules by refusing to supply them with goods, and it still continues to remind the trade of its power by occasionally summoning a merchant to its office to answer to the charge of selling below the established quotations. There was a time, also, when it was not possible for a merchant who handled the product of any of the independent refiners to obtain sugar from the trust, but it is said to be more lenient in this respect now.

About a year ago, in order to avoid the charge of discrimination in sales, the trust determined not to sell their goods to anyone. They then established a system of factors, to whom all sugar for the trade is consigned to be sold for account of the trust, upon a commission of three-sixteenths of a cent per pound, to be paid upon affidavit at the end of three months from the date of each consignment that the trust prices as established daily have been adhered to in selling. There are also certain commissions allowed upon like terms. By this system of factors the managers of the trust also secure themselves against loss. If a wholesale dealer in groceries, sugars, teas, and coffees who is a factor of the trust fails, the sugar trust takes possession of the sugar which he has on hand, and also receives from the assignee of the failing dealer all collections for sugar sold by him.

One exception is made by the sugar trust to the policy of making no sales to anyone, and that is in favor of manufacturers, such as bakers, confectioners, packers and preservers of fruit, etc. Sales of sugar are made to such persons upon an agreement that the sugar is not to be sold except in the form of confections, candy, cake, pies, preserves, etc. It is a fact that a manufacturer of candy or a canner of fruit must sign a written agreement that he will not buy sugar of anyone but the trust, and that he will not sell or dispose of the sugar except in a manufactured form in connection with his own product, and if he will not sign such an agreement, then the trust will furnish him no sugar whatever.

A factor or manufacturer who did not comply with the agreement as to prices and sales would be refused further consignments or supplies, and would thus be compelled to go out of business. Agents of the trust are continually on the watch to detect apparent violations of the agreement, and merchants and manufacturers are subject to frequent annoyance growing out of false and malicious reports of the trust spies.

The trust does not now attempt to control the retail trade, which can only purchase from the factor. Having made sure that the retail grocer pays the trust price for his goods, he may sell sugar to the consumer at any price he pleases.

The methods of the sugar trust can be best illustrated by the evidence taken before the Lexow committee in New York last winter. I shall not read this testimony, but I ask to have it inserted in my remarks. I will say, however, that Francis H. Krenning, of St. Louis, a wholesale grocer, refused to sign the agreement which the trust presented to him, and thereupon they refused to sell him sugar upon any terms. He then applied to the four independent refiners of this country to secure sugar for his customers.

They also refused to sell him a single pound of sugar under any circumstances, showing that after all the trust reaches every refinery in this country, and that the combination is absolute and complete. He was therefore compelled to import sugar. But he says that if the duty on refined sugar is increased above the present rate under the Wilson Act, he will be compelled to cease importing; that it will be impossible to do it, and he will be forced out of the sugar trade, in fact.

DEFIED THE SUGAR TRUST.

Francis H. Krenning, a St. Louis wholesale grocer, gave some clear-cut testimony in regard to the methods of the sugar trust in controlling middlemen and the absence of any real competition by the so-called "independent" sugar refineries. Mr. Krenning said that, desiring to maintain his independence, he refused to sign the latest sugar factors' agreement, and was promptly turned adrift by the trust, which charged him more for sugar than even the retailers were required to pay.

He tried to get sugar from the brokers of the "competing" refineries, and they flatly refused to sell him a pound. Nevertheless, he has managed to get along and make money by buying sugar of the small independent refineries in Louisiana during the season and by importing Dutch sugar at other times. The trust has not yet succeeded in closing him up, though it has placed spies upon him and attempted to cut off his source of supply. Mr. Krenning expects to be able to keep on fighting unless the tariff on refined sugar is raised, in which case he would have to go out of business or agree to the trust's conditions.

His testimony, which was substantiated by telegrams from the trust and from the "independent" refiners, was so telling that Senator McCarren could not let it pass unchallenged. The witness proved more than a match for him. He told him that Dutch sugar could be imported because the Dutch refiners were satisfied with a small margin of profit. He demonstrated that sugar labor was paid the same here as in Holland, and when Senator McCarren tried to disprove by him the theory that wholesale grocers can not exist without the consent of the trust, he answered him by pointing out that he was only one out of 18,000, or the exception which proved the rule.

The first witness in the afternoon was Francis H. Krenning, of St. Louis. Senator Lexow lost no time in getting down to business.

Q. Have you as a jobber had transactions with the American Sugar Refining Company?

A. Yes, sir.

Q. Did you accept the factors' plan of agreement?

A. No, sir.

Q. Is this the system of factors' agreement adopted in St. Louis [handing the witness a document]?

A. Yes, sir.

"What happened when you did not accept the agreement?" asked Senator Lexow.

"The American Sugar Refining Company notified its St. Louis broker that we were to pay 9 points more for sugar. We also lost the rebate, which made a total difference of 36 points, or $1.30 a barrel."

ATTEMPT TO CRUSH KRENNING.

Mr. Krenning here produced a copy of a telegram which he said the American Sugar Refining Company sent the St. Louis broker on November 22, 1895. It was as follows:

"Have no consignment of sugars to offer Krenning. Will sell Krenning at $4.75, direct shipment."

"What price would that be, including freight?"

"It would give the factor $1.75 per barrel advantage over us."

Mr. Krenning also said that subsequent to this the Mollenhauer Sugar Company and the Howell National Sugar Company, both "independent," had declined to sell his firm sugar. He identified the copy of a telegram which his firm had received from the Howell Company. It was as follows:

"Howell declines to sell Krenning under any terms."

"What is the effect of the factors' agreement?"

"You can not do business without the factors' agreement."

"Are jobbers having the factors' agreement allowed to sell to you, not having the factors' agreement?"

"No, sir."

Mr. Krenning said that because of his refusal to sign the agreement his firm had experienced considerable difficulty in securing any sugar at all.

Q. Do you know whether an attempt has been made to exclude the Louisiana planters' sugar from competition?

A. Yes, sir; they attempted to exclude the Louisiana planters' sugar the same as the imported sugar.

Q. Are the factors allowed to sell the Louisiana sugar?

A. In 1896 they were prohibited from selling it, but in 1897 they were allowed to sell it under certain restrictions.

Q. (Senator MCCARREN.) Why did you refuse to become a factor?

A. Because the factor system stifled competition, and that is not right.

Mr. Krenning said that the American Sugar Refining Company, during the grinding season, in which the sugar crop of the country is being produced, lowered the price of sugar in St. Louis by one-fourth of a cent a pound below the price at which it is sold in the East, and that immediately after the grinding season caused the price of its product to be increased in St. Louis.

Q. (Senator MCCARREN.) Can you explain to the committee why foreign refineries sell at a lesser price than the American Sugar Refining Company?

A. The foreign refiners are content with a smaller margin of profit than the American Sugar Refining Company.

WATERLOO FOR M'CARREN.

Q. Is it not because labor is cheaper on the other side?

A. No, sir; the average wages of laborers in the sugar business is about the same here as in Europe.

In reply to another question by Mr. McCarren, the witness said his firm was selling more sugar than ever and that they were making greater efforts to sell.

Q. (Senator MCCARREN.) Have you ever found it difficult to supply your trade since October, 1895?

A. Sometimes.

Q. And your profits have been as great as when you dealt with the American Sugar Refining Company?

A. About the same.

Q. Then why did you come here to testify?

A. I want to show how that company has tried to prevent the importation of foreign sugar.

Q. And you are a living example of their failure to force wholesalers out of business?

A. I am the exception that proves the rule.

Mr. Krenning said that if the tariff on foreign sugar was increased his firm would have to go out of business or else sign the factors' agreement.

Q. (Senator MCCARREN.) Would you be in favor of paying a slight increase for the American product if labor would benefit by it?

A. Yes, sir.

Q. Then why don't you do it in this instance?

A. We can't get the American sugar without signing the agreement.

The relation of the daily price of refined sugar fixed by the trust to the market price of raw sugar is illustrated by the transactions of one day in May of the present year. On that day the price of granulated sugar as fixed by the trust was $4.56 per hundred pounds. Now the factor's trade allowance on this of three-sixteenths of a cent a pound is 18¾ cents, leaving the price to him $4.37¼. From this is to be deducted in his favor the trade discount of 1 per cent, say 4⅜ cents, leaving $4.32⅞, and from this a further discount of 1 per cent is made for cash, leaving the net price to the factor of refined, $4.28½ per hundred pounds. The price of raw centrifugals, 96 degrees test, duty paid, on that day was $3.31¼ per hundred pounds.

The difference, or apparent profit, is 97¼ cents; or if all the decimals had been carried out, as they would be in large transactions, say $97.29 on 10,000 pounds. From this, of course, is to be deducted the cost of refining. This is estimated by men who have grown up in the sugar trade as samplers and graders of sugar and have followed the cost of refining for years, from the time when it was 4 cents a pound and more down to the present time, to be now from 37½ to 44 cents per 100 pounds.

Taking the highest estimate, and both cover everything that enters into cost of refining, including labor, interest on capital, wear and tear of plant, and delivery of goods f. o. b., the net profit is $53.29 on 10,000 pounds.

The average product daily of the trust refineries is 30,000 barrels of 320 pounds each, or 9,600,000 pounds, upon which the profit thus estimated is $51,098.40. For three hundred working days in the

year it would be $15,329,520. The annual charge of 7 per cent upon $37,500,000 of preferred stock is $2,625,000. The annual dividend of 12 per cent on $37,500,000 of common stock is $4,500,000. Together they amount to $7,125,000, or less than one-half the estimated net profit of the trust, for three hundred working days, of 30,000 barrels daily product of granulated sugar.

In this connection, it is well to remark that the work of refining is done almost entirely by machinery; the number of men employed is very small; they are required to work twelve hours a day, and during the summer the heat is intense. So to-day no American laborers are employed in the sugar refineries of this country. The work is done by Huns and Poles, who have largely been imported for that purpose, and the number is exceedingly small—five or six thousand men at the outside. Yet we hear so much about the protection of American labor, and under the provisions of this bill we actually make a present to the sugar trust of $10,000,000, not $2,000,000 of which will be paid to those laborers.

The product is not all granulated sugar, and the relative quantity of hard and soft sugars made by the trust is a trade secret which is carefully kept. But the margin of profit on the soft sugars is greater than on the hard, because they are made from a cheaper grade of raw sugars and the process of refining is less expensive, so that the estimate of the profits of the trust based on all granulated sugar is not too large.

Moreover, the price of raw sugar in New York is subject to manipulation by the trust, as has been before alluded to in speaking of the purchase of the Louisiana crop. The price of raw sugar in New York is governed nominally by the prices quoted by cable for cane and beet sugars in London and Hamburg. But if the trust wanted to buy in New York, they might sell in London or Hamburg, so as to put down the price, and then buy in New York the next day.

Similar tactics are believed to be pursued in regard to the purchases of sugar abroad, and if the invoices of sugar imported by the trust are made out at lower rates than actually paid, as has often happened in the case of merchandise imported by others, an explanation would be easy of the preference by the managers of the trust for an ad valorem duty instead of a specific duty of so much per pound. If the trust keeps out of the market for three or four weeks, the price of raw sugar goes down, because the other refiners can not take enough to keep the market up.

In addition to the advantage which thus accrues to the sugar trust through an ad valorem duty upon the raw sugar, there is also in the Wilson tariff act, as well as in the bill now before the Senate, a differential duty upon refined sugar. This is estimated by the trade to be about 22 cents per 100 pounds under the Wilson tariff. The trade also estimate that the proposed differential in the bill now under discussion, as it passed the House, was 35 cents per 100 pounds, and as originally reported by the Senate Finance Committee it was 45 cents per 100 pounds. As now reported by the Republican caucus of the Senate, the differential duty in favor of the trust is 52 cents per 100 pounds.

It is this differential duty which the amendment of which I gave notice on May 25, and which has been read to-day, undertakes to abolish, unless the sugar trust ceases to exist, or, in other words, changes its methods of business so far as they restrict and restrain trade.

How much relief this would afford to the trade is a matter that can only be tested by experience. At present the quantity of refined sugar imported is quite small in comparison with the total consumption of this country.

Foreign refined sugar is now sold in limited quantities in New York, duty paid, at one-eighth to three-sixteenths of a cent lower than the net price of American refined—that is, the daily trust price—less the trade allowance and discounts. But it is not so popular as the domestic refined, partly because of the manner in which it is put up in bags instead of barrels and partly because it does not run so regular in the qualities of color and grain, although the saccharine test of most of it is equal to that of the American product.

It is quite probable that the repeal of the differential duty, which amounts now to a little over one-fifth of a cent per pound, and was increased to nearly half a cent a pound by the Senate Finance Committee and by the Republican caucus to over half a cent, would not enlarge to any great extent the importations of foreign refined sugar in ordinary times, but the chief value of the repeal would consist in the check which it would impose upon the arbitrary increase of the price of refined sugar by the trust, for such an increase would be sure to cause foreign refined sugar to be sent here in quantities sufficient to affect the market.

The Senator from Rhode Island [Mr. ALDRICH], in presenting the bill to the Senate, stated that at times raw sugar and refined sugar brought the same price in Germany. There is no doubt that is true, from the fact that the modern German factories are refineries as well, and they turn out nothing but refined sugar, and the cost of refining is therefore practically saved. So they can sell refined sugar at about the price of raw sugar, and if we were producing beets in sufficient quantities to make the sugar of this country, we would sell refined sugar at about the same price, for every modern factory is a refinery as well.

DUTY IN FAVOR OF THE TRUST.

So far I have only referred to the strictly revenue duty upon sugar. I come now to the consideration of the differential duty imposed for the protection of the refiners.

The refiners of sugar, when they are not combined in a trust, are entitled to protection just as much as any other class of American manufacturers. But this protection should, like the duty upon the raw or unrefined article, be specific and so stated that all can understand it. Upon this point the sentiment of the public is, I believe, expressed in the following:

"Put a round extra duty of one-eighth of a cent per pound on all refined sugars, and if that is not enough, make it one-fourth of a cent. If the protection is too high, matters will easily adjust themselves by the building of more refineries."

I have no objection to whatever measure of protection to the sugar refiners may be satisfactory to a majority of the Senate. If the amendment which I have proposed to the pending bill be adopted, the following provision will apply to the sugar schedule as well as to others:

Provided, That when a duty is levied upon raw material or any article that is improved by any process after being imported, the duty on the raw material or unrefined or unimproved article shall be collected as provided by this act; but the differential or additional duty shall not be collected if the improved or refined product is found to be the subject of a trust, as hereinbefore set forth.

THE TRUST HAS NOT REDUCED BUT INCREASED THE PRICE.

I have already given a description of the manner in which the sugar trust conducts its business. Its methods are obnoxious to every free American citizen. But, Mr. President, the claim is made in behalf of the trust that it has cheapened the cost of sugar to the people.

I have therefore investigated the question, and find, on the contrary, that the organization of the trust has raised the price of sugar: not that sugar has not gone down since the trust was organized, for all things have gone down in value as measured in gold, but I contend that the price of refined sugar compared with the price of raw sugar is higher to-day and has been every day since the trust was formed than it was before. In other words, the difference is greater. I have prepared a table showing the price of raw centrifugal sugar in New York in 1886 and each year since up to 1896, and the price of refined granulated sugar at the same place, and also the difference between the two.

I find that in 1886 the difference between raw and refined sugar in New York was 71 cents a hundred pounds. In 1887, the year the trust was organized, but previous to its going into operation, it was 64 cents a hundred. In 1888, the year after the trust was organized, the difference between raw and refined sugar in New York was $1.25 a hundred pounds. In 1889 it was $1.32 a hundred pounds. In 1890 the McKinley bill was pending; we were going to put sugar on the free list, and the trust was anxious for a differential protection, and it reduced the price of refined sugar so that the difference between raw and refined was but 70 cents a hundred pounds.

In 1891, however, they raised it to 73 cents a hundred pounds, and in 1892 to $1.03 a hundred pounds, and in 1893 to $1.15 a hundred pounds; but again a tariff bill was pending, the Wilson bill was under consideration, and they reduced the difference to 88 cents a hundred pounds. In 1896 it was 91 cents per hundred pounds, and to-day there is 97¼ cents difference on the hundred pounds between the price of raw and refined sugar as against 64 cents when the trust was organized. Therefore we have between 30 and 35 cents more to pay for refined sugar than we would have to pay if the trust had never been organized.

Average prices of sugar, raw centrifugals, 96 degrees, and granulated refined, in New York, for the calendar years 1886 to 1896.

Year.	Raw centrifugal.	Refined granulated.	Difference.	Year.	Raw centrifugal.	Refined granulated.	Difference.
	Cents.	*Cents.*	*Cents.*		*Cents.*	*Cents.*	*Cents.*
1886*	5.52	6.23	0.71	1892†	3.32	4.35	1.03
1887*	5.38	6.02	.64	1893†	3.69	4.84	1.15
1888*	5.93	7.18	1.25	1894†	3.24	4.12	.88
1889*	6.57	7.89	1.32	1895*	3.27	4.15	.88
1890*	5.57	6.27	.70	1896*	3.62	4.53	.91
1891†	3.92	4.65	.73				

*Duty paid †Free of duty.

These figures are taken from the Statistical Sugar Trade Journal of New York. They show that at no time since the trust was organized has the difference between the cost of raw and refined sugars been so small as in 1887, before the formation of the trust. In 1887 the average difference between the cost of raw centrifugals and refined granulated was sixty-four one-hundredths of 1 cent per pound. The next year the trust took advantage of

their mastery of the situation and advanced the price of granulated one cent and a quarter a pound above the price of raw sugar. In 1889 they gave the screw another twist and advanced the price to 1 cent and thirty-two one-hundredths of a cent above the price of raw sugar.

In 1890 a tariff bill was pending which put sugar on the free list, but in which the trust wanted the protection of a duty on refined, and so it reduced its margin of profit to seventy one-hundredths of a cent a pound. This was only increased by three one-hundredths of a cent in 1891, but the margin was over a cent a pound in 1892 and 1893. The trust came down to eighty-eight one-hundredths of a cent a pound in 1894, while the Wilson bill was pending, and kept that rate, on an average, in 1895. Last year the difference was ninety-one one-hundredths of a cent, which is about the average of the past eleven years, or twenty-one one-hundredths more than in 1886, the year before the trust was organized. The difference at present, as I have shown already, is a little over ninety-seven one-hundredths of a cent a pound.

When the reduction in the cost of refining sugar since 1886 is taken into consideration, when we take into consideration the cheaper labor, cheaper material of every kind which can be had to-day than in 1886, this increase between the cost of raw and refined sugar shows how perfectly and how completely the trust have been able to manipulate and control the market.

Under these circumstances, owing to the fact that the trust charge practically all the difference they can possibly charge under whatever tariff we levy, it seems to me the conclusion must be that they can refine sugar as cheaply as anybody, and that any differential duty that we may place upon sugar is absolutely in the interest of the trust; and if we do it, we do it with our eyes open, intending to put that much in the pockets of the trust and take it out of the pockets of the people of this country. There ought to be no differential duty whatever in favor of refined sugar.

Mr. Havemeyer testified before the House committee that he could refine sugar as cheaply in this country as it could be refined any place in the world. Therefore what reason is there—I would like to know what reason the committee can give—why we should take out of the pockets of the people of this country this sum of money and put it into the pockets of men who, owing to this fact, have succeeded in staining the fair character of the Senate of the United States in the eyes of the people of this country?

They came in 1890, and what occurred? The House of Representatives had placed a duty of four-tenths of a cent a pound on refined sugar, all other sugar to be free. The bill came to this body. Everyone knows that 40 cents a hundred is a sufficient duty upon refined sugar, for it costs only 40 cents to refine it. It is 100 per cent. Yet the Senate of the United States deliberately increased the amount to 50 cents a hundred, making the duty about 140 per cent upon the cost of refining. Of course a sugar scandal grew up. Mr. Havemeyer testified in 1894 that under the operation of the McKinley law the sugar trust made a profit in three years of $35,000,000, and he said so long as the McKinley law continued upon the statute books he proposed to take out of the people of this country that profit.

Everybody understands how in 1894 the sugar trust was on the ground and how close the fight was; but there was always enough to protect the trust. If every Republican in this body at that time had voted to strike off the one-eighth differential duty in favor of the trust, it was well understood that the Wilson bill could not pass.

SUGAR TRUST CONTROLS THE SENATE.

It was well understood that unless the sugar trust had one-eighth of a cent differential duty in their favor on refined sugar they could beat the Wilson bill. And yet so potential was the trust, so all-powerful was their combination, that of the Republicans most interested in the defeat of the Wilson bill and in the perpetuation of the protective-tariff measure as framed by Republicans, enough were found to vote with the sugar trust to prevent striking off the eighth. In other words, the interest was so much greater in the sugar trust than in the general policy of protection that they flew to the rescue of the trust and abandoned the principle of protection.

When we come to a test vote now, it is very close, as it was the other day, but enough votes are secured always to protect the interests of the trust. It seems to me that unless the Republican party wants to go into the next campaign hampered by this issue, unless it wants to have put upon it as a party, in a way it can not avoid, the issue that it exists simply that the gold standard may be perpetuated and that trusts may thrive, it must vote for the amendment offered by the Senator from Kentucky [Mr. LINDSAY] striking off all differential duties whatever.

I should like to ask the Republicans from the Western States, who have no interest in sugar refiners and have no sugar refineries in their States, what they get out of being used for the purpose of perpetuating the interests of this monopoly? Do they want in the next campaign to confront their constituents upon this issue? Perhaps they can afford to sacrifice their political lives, but I doubt it. They certainly can not afford to sacrifice their consciences and their opinions.

There is no doubt that the price of refined sugar is less now than it was when the trust was formed. At that time the duty on raw sugar was specific, based upon the saccharine strength, and averaged about 2 cents a pound. This duty was taken off by the McKinley tariff in 1890. Sugar remained free of duty until August 28, 1894, but the difference between the price of raw and of refined was greater in 1892 and 1893 than at any time since 1886, except during the two years 1888 and 1889, immediately following the organization of the trust. Since the imposition of the Wilson tariff duty of 40 per cent ad valorem, the apparent difference between the cost of raw sugar, duty paid, and that of refined is less than in the years referred to, but nearly 16 per cent greater than it was in 1886.

So the reduction in the price of sugar to the consumer is not due to the operation of the trust, but to changes in tariff duties and a fall in the price of raw sugar, which has lowered the price of refined sugar all over the world, and makes it possible now for foreign refined sugar to be sold in New York, duty paid, at a slightly lower cost than the net cash price of the product of the trust.

All dealers in sugar have a feeling of dread in their dealings with this corporation that grates upon their American instincts. They know that they are but slaves of an iron-handed and steel-willed despotism, which has the power of commercial life and death, and is subject to no restraint but the will of its managers. They dare not openly complain of the conditions under which they are forced to do business for fear that they may be deprived of the opportunity of doing business at all.

Since the sugar trust does not sell its product for general consumption, but appoints its own factors to sell its goods upon commission, it may dismiss a factor at its own discretion, and that means simply ruin to a merchant who has grown up in the sugar trade from boyhood and knows no other business in which to make a living for himself and his family.

MUST REWRITE OUR POLITICAL ECONOMY.

Mr. President, the old treatises upon political economy must all be destroyed and new text-books written for the instruction of the coming generation, no matter whether they are engaged in selling manufactured sugar or any other manufactures, if the rule of trusts is to be perpetuated through the neglect of Congress to enact the legislation necessary for their suppression. We have been taught that the successful merchant buys in the cheapest market and sells in the dearest, that prices are at all times subject to supply and demand, and that the wise man in business foresees the demand and provides the supply.

But I have shown conclusively that these laws of trade are absolutely overthrown in the cases of the sugar trust, and it is so with every trust. I have taken the sugar trust, and have largely exposed its methods, as an illustration of the entire business policy when conducted under trust methods.

Not only the merchants in the sugar trade and in every other trade controlled by a trust, but also the entire American people who are not participants in the profits of such illicit combinations are very impatient of trust domination. They do not listen with respect to the apostles of the new political economy who assure them that greater benefits accrue to the poor man under the modern system of trusts than under the old free competition in business which used to be called the life of trade.

ANTHRACITE COAL TRUST.

But, Mr. President, there are many other trusts. I intend to give briefly the history of some of the other trusts which exist in this country. One of the greatest, most oppressive, and most heartless trusts is the anthracite-coal trust, and as it is a fair sample of many others, I will give a brief sketch of its methods.

Here, again, it is asserted that no trust exists. It will be fair, therefore, to examine somewhat the methods of this organization. This trust has existed for years. Fifty years ago the courts of Pennsylvania declared that the anthracite coal producers could not combine lawfully; but to-day they are combined, and the rise in the price of coal in every hamlet in the United States upon a single day last year proves conclusively that a combination exists.

This trust has existed for years, but was reorganized at a meeting of the officers of the railroad companies engaged in the anthracite coal traffic held in New York City January 23, 1896. The various companies were represented as follows: Philadelphia and Reading, by Joseph S. Harris, president and receiver, and C. E. Henderson, general manager; Delaware, Lackawanna and Western, by Sam Sloan, president, and E. R. Holden, vice-president; Lehigh Valley, by E. P. Wilbur, president, W. H. Sayre, second vice-president, and H. S. Drinker, general counsel; Central of New Jersey, by J. Rogers Maxwell, president; Delaware and Hudson, by Robert M. Olyphant, president; Pennsylvania Railroad, by George B. Roberts, president, and W. H. Joyce, general freight agent; Pennsylvania Coal Company, by Samuel Thorne, president, and Thomas Hodgson, sales agent; Erie, by E. B. Thomas, president, and H. B. Crandall, coal freight agent; New York, Ontario

and Western, by Thomas P. Fowler, president, and J. E. Childs, general manager; New York, Susquehanna and Western, by Amos Lawrence Hopkins, president, and F. P. Moore, coal agent: Delaware, Susquehanna and Schuylkill Railroad, by Alfred Walter, president.

The trust is created by a combination of the railroads who handle the anthracite coal. In fact, the coal mines are controlled by the roads.

At this meeting the claims of the Reading Company were admitted to produce 21 per cent of the total output, and the percentage which should be produced and brought to market by each of the other companies was agreed upon. The fact that Reading was undergoing reorganization at the hands of Mr. J. Pierpont Morgan, who was the manager of the notorious bond deals with President Cleveland in 1895 and 1896, by which it is proper incidentally to remark that as a sort of compliment to the Cleveland Administration somebody got about $20,000,000, had much to do with inducing the other companies to accede to the demands of the Reading.

It was said at the time that "the chief difficulty hitherto in handling the coal trade as a whole to advantage has been the attitude taken by the Reading Company, which has claimed that it was entitled to a greater proportion of the tonnage than it was securing, and in the last two years had been enforcing this claim by increased activity at its mines." The Reading Company owns 33 per cent of the anthracite in the ground, and in the last six months of 1895 it produced more than 22 per cent of the total output.

With Reading reorganized and its stock held in a voting trust named by Mr. J. P. Morgan, the other coal companies felt compelled to accede to whatever terms Mr. Morgan authorized Reading to propose, for they knew the power which he possessed and had seen some evidences of the relentless manner in which he exercised this power when his wishes were disregarded. So the matter was settled by giving the Reading Company the tonnage which it demanded, while the distribution among the other companies of the remainder of the anthracite production was made upon the basis recommended by the Reading Company—that is, by J. Pierpont Morgan & Co. So Mr. Morgan decided finally exactly how much coal should be produced by each one of the companies, and then decided just what price the American people should pay for the coal.

The anthracite-coal trust is not incorporated, and the distribution of the business is fixed by the percentage arrangement of January 23, 1896. The quantity of coal to be produced each month is agreed upon by the parties to the arrangement, and the prices of the different grades of coal are fixed by a circular issued every month to the trade. The control of the anthracite trade by the trust is absolute, but that trade is subject to competition by soft coal, gas, and electricity, so that the trust is under some restraint as to prices. Nevertheless, the statistics of the trade gathered by Mr. Rothwell, of the Mining Journal, show that the value of anthracite produced in 1896 was an increase of $7,855,000, although the number of tons mined in 1896 was considerably less than in 1895. The division of the business is substantially as follows:

	Per cent.
Philadelphia and Reading Railroad	21.36
Lehigh Valley Railroad	16.72
Delaware, Lackawanna and Western Railroad	13.22
Central Railroad of New Jersey	11.97
Pennsylvania Railroad	9.77
Delaware and Hudson Canal Company	9.29
Pennsylvania Coal Company	4.44
Delaware, Susquehanna and Schuylkill Railroad	3.79
Erie Railroad	3.65
New York, Ontario and Western Railway	2.97
New York, Susquehanna and Western Railroad	2.82

It is estimated by the managers of the trust that the production for the current year will be about 40,000,000 tons, which is 6,545,000 tons less than in 1895, the year before the trust was reorganized. It is also positively assumed that there will be no reduction in prices, but rather an advance,* if the people will stand it.

It appears from the evidence taken before the Lexow committee last winter that the price of anthracite coal was increased $1 per ton in 1896, and as the production was 40,000,000 tons, the profits must have been $40,000,000.

I will give an extract of the testimony taken before the Lexow committee which covers this point and shows that these people met together and agreed to raise the price of coal first 25 cents a ton. That worked so well that shortly afterwards they raised it 25 cents more, and then raised it more, in each case on the same day throughout the United States. It applied even to coal in the hands of retail dealers.

President D'E. B. Thomas, of the Erie Railroad, was sworn. He said he was present at the conference held by the presidents of the various coal carriers and that the Erie Railroad received a 4 per cent allotment of the coal to be carried.

Then Senator Lexow read the following allotments: Philadelphia and Reading, 20.50 per cent; Lehigh Valley, 15.65; New Jersey Central, 11.70; Delaware, Lackawanna and Western, 13.35; Delaware and Hudson, 9.60; Pennsylvania, 11.49; Pennsylvania Coal Company, 4; Erie Railroad, 4; New York, Ontario and Western, 3.10; Delaware, Susquehanna and Schuylkill, 3.50, and New York, Susquehanna and Western, 3.20 per cent. Mr. Roberts said he thought these figures were correct.

Q. Did your company live up to the agreement?

A. Not entirely.

Q. Is it not a fact that the coal sales agents hold meetings at No. 1 Broadway to fix the price of coal?

A. I don't know.

Mr. Roberts admitted that the restriction of output naturally increased the demand for coal, but said that the amount of coal to be produced was never discussed at any meeting he had attended.

TO RAISE PRICES AND RESTRICT OUTPUT.

Q. Was not the object of the conference to get a fair price for coal?

A. That was one of its objects. In 1895 the output exceeded the demand and there was a glut of coal on the market. We wanted to get a fair price in 1896.

Q. Can you give us the prices that ruled from February, 1896, until now?

A. The agents can.

Q. Do you remember that a month after the conference the price went up 25 cents a ton, and that the next month it went up another 25 cents?

A. I don't know.

Q. Is it not a fact that the price of coal has increased a dollar a ton since the conference.

A. I don't know; the agents can give you the figures.

Q. Was it not a fact that the output was limited to 40,000,000?

A. No agreement was made to limit the output. I will give you the figures since 1891. In that year the output was 40,000,000 tons; in 1892 it was 42,000,000; in 1893 it was 43,000,000; in 1894 it was 41,000,000; in 1895 it was 46,000,000, and in 1896 it was 43,000,000.

The price of anthracite coal, Mr. Roberts said, had fallen somewhat, owing to the use of oils and gas. Now, he said that the conference agreement terminated February 1 of this year. The witness created some surprise by announcing that he did not know the price of coal now.

F. H. Gibbons, treasurer of the Delaware, Lackawanna and Western Railroad Company, was then called and gave it as his impression that the price of coal was increased 30 or 40 cents a ton in 1896.

R. H. Williams, sales agent for the Erie Railroad Company, was then called. He admitted it was customary for the agents to hold "informal talks" monthly about coal. He also said that it was customary to discuss the possible output for each month, and the allotments were based on those estimates.

Q. Why was it that the price of coal was increased after the presidents' conference?

A. Because the price was so low in 1895 that there was no money in the mining business.

Q. You believe you had the right to meet and agree upon a fair price for your property?

A. Yes, sir.

KITING THE PRICES.

Q. You fix the price for coal?

A. We try to do it, but we can not do it. The price of bituminous coal regulates the price of anthracite coal in New York.

Q. Was the first advance in coal in 1896 the result of the conference?

A. Yes, sir.

Q. When was the second increase?

A. About May or June.

Q. That was an increase also of 25 cents per ton?

A. Yes, sir.

Q. And there was another increase of 25 cents on July 1?

A. Yes, sir.

Q. And on September 1 the price was still raised 25 cents?

A. Yes, sir.

Q. So that between February 1 and September 1, 1896, the price of coal was increased $1 per ton?

A. That is so.

Q. And that $1 a ton increase was the result of the conference?

A. Yes, sir.

Q. What does it cost to mine coal?

A. From $1.60 to $1.80 a ton.

Edwin R. Holton, vice-president of the Delaware, Lackawanna and Western Railroad Company, was then called. He said he had entire charge of the fixing of prices and sale of coal in his company. He denied that there had been any conferences of sales agents, but there were occasional informal "talks."

Charles W. Wisner, of Walden, N. Y., vice-president of the Stevens Coal Company, was next called. He testified that his company sold coal to the Lehigh Valley Railroad Company and that they got 60 per cent of what the product brought at "tide water." The other 40 per cent goes to the railroad company.

Q. What does it cost to produce a ton of coal at the mines?

A. About $1.80 for anthracite coal.

Q. What does that sell for at tide-water prices?

A. I think the tide-water prices are $3.87 a ton for stove coal.

COAL CARRIERS' BIG PROFITS.

Q. So that you would receive $2.32 for a ton and the carrying company $1.55?

A. Yes, sir.

The witness said when all expenses were cleared, the mine only made 12 cents a ton profit.

Q. Does your company fix the price to the consumer?

A. No, sir.

Q. That price is fixed by the carrying company?

A. Yes, sir; after we sign a contract with them.

Q. If you don't sign the contract, what happens?

A. We would have to market our coal direct to the consumer.

Q. Would that be feasible?

A. No, sir.

CONTRIBUTION TO THE REPUBLICAN CORRUPTION FUND.

It was a fine thing to have a combination like this as a contributor to the committee in the campaign, was it not? A raise of $1 a ton on 40,000,000 tons of anthracite coal would be $40,000,000. A raise of 25 cents a ton would be $10,000,000. So they made a raise in September. The campaign was in full blast. They made another raise a little later. Four raises were made, or a raise of $1 a ton during 1896.

*Coal Trade Journal, New York, June 2, 1897.

This combination must have been formed, I judge, in anticipation of the campaign which was coming on. Who do you suppose was the recipient of these great contributions, if any were made? Certainly it was not those who supported Mr. Bryan. Twenty-five cents a ton would buy a great many marching capes in a campaign; it would pay the expenses for speakers and railroad fare and all legitimate items in a contest of great magnitude, and get all the voters out. Was this for the benefit of the candidate who was nominated by the reform Democracy at Chicago? I hardly think so.

I have here a document which will prove conclusively, I think, that if any contribution was made, it was not made to the parties who supported William J. Bryan in the last contest, for Mr. Bryan, in one of his speeches (and the question of trusts was one of the issues of the campaign), said:

I have been called an anarchist because I have opposed the trusts and syndicates which would manage this country. I am glad to have the opposition of these men. I am glad that if I am elected there is not a trust or syndicate that can come to me and say, "We put you there, now pay us back."

Again he said in another speech:

Mr. Harrison was to debate the question of the survival of our institutions. I will tell him that the great trusts which are supporting the Republican ticket are a greater menace to our Government than anything else we have ever had. The various trusts of this country, by their representatives, are collecting tribute from the public, and when we protest against it they call us disturbers of the peace and anarchists. I am opposed to the trusts. As an Executive I shall use what power I have to drive every trust out of existence.

ANSWERED BRYAN BY RAISING PRICE OF COAL.

I am glad to have supported that sort of a candidate, the man who had the indomitable courage in that heated campaign to make that immortal declaration. It was followed by a 25-cent raise in coal. That was a very convenient thing. It is no wonder they had a surplus after the contest was over. It is no wonder that they had a surplus in the treasury to go out and manipulate legislatures in order to make sure of this body. We heard it talked and whispered about this Chamber—no, not whispered, but talked on the streets, talked everywhere. It was a convenient thing.

The argument that trusts reduce prices is thoroughly overthrown (and I have taken some pains to go into this question because it has been so earnestly urged) by the experience of the Standard Oil Company. I will publish as part of my remarks a statement showing the cost of the crude oil and the cost of refined oil, and the difference between the cost of crude and refined, from 1870 to 1893.

Year.	Price crude oil.	Price refined oil.	Difference.	Year.	Price crude oil.	Price refined oil.	Difference.
	Cents.	*Cents.*	*Cents.*		*Cents.*	*Cents.*	*Cents.*
1870	9.19	26.35	17.16	1882	1.87	7.39	5.52
1871	10.52	14.14	13.72	1883	2.52	8.02	5.50
1872	9.43	23.59	14.16	1884	1.99	8.15	6.16
1873	4.12	17.87	13.75	1885	2.11	7.93	5.82
1874	2.81	12.98	10.17	1886	1.69	7.07	5.38
1875	2.93	13.00	10.04	1887	1.59	6.72	5.13
1876	5.99	19.16	13.17	1888	2.08	7.49	5.41
1877	5.68	15.44	9.76	1889	2.24	7.11	4.87
1878	2.76	10.76	8.00	1890	2.06	7.30	5.24
1879	2.04	8.08	6.04	1891	1.67	6.85	5.18
1880	2.24	9.05	6.81	1892	1.32	6.07	4.75
1881	2.30	8.01	5.71	1893	1.50	5.22	4.72

Bearing in mind that the Standard Oil trust was formally organized in 1882, although in process of formation several years before that time, we observe that the average difference in price between crude and refined oil during the four years 1870–1873 was 14.697 cents per gallon, and during 1880–1883 was 5.885 cents, and during 1890–1893 was 4.97 cents.

The average difference during 1881, 1882, and 1883 was 5.577 cents, and during 1891, 1892, and 1893 it was 5.55 cents.

This establishes the fact that the fall in the charge for refining, which had been very rapid prior to the formation of the trust, has almost disappeared since then. The Standard Oil Company, although more farsighted in forestalling public attack by some concessions in price than the sugar and some other trusts, has evidently intercepted many of the benefits which the progress in arts would inevitably have conferred upon the public under free competition.

Before the Lexow trust committee, according to press reports, President Henry O. Havemeyer thus testified:

It goes without saying that a man who can control 80 per cent of the output can control the price if he chooses to exercise that power.

Q. Then by controlling 80 per cent of the output you really do control the price?

A. Without a doubt.

Q. The trust fixes the price for itself, and when you fix it for yourselves you practically fix it for your competitors, don't you?

A. That is undoubtedly and substantially the way it works.

Mr. Arbuckle said that his competitors in coffee "usually adopt the scale of prices as fixed by us."

Thanks to these methods, the Standard Oil Company in 1896 made over 30 per cent on its capital of a little over $90,000,000.

In the formation of the sugar trust in 1887 it was stated that $6 of stock was issued for every dollar actually invested. However, I think this statement is excessive. But that more than $3 of stock was issued for every dollar of value that was put into the combination there can be no possible doubt.

OVERCAPITALIZATION BY TRUSTS.

One of the great evils of the trust is overcapitalization. This deceives investors and the public as to the amount of its exorbitant charges and its rational basis for expecting a continuance of these profits.

I think this overcapitalization was designed in their case for the purpose of deceiving the public as to the amount of their profit. Take, for instance, the sugar trust. Half of its profit was sufficient to pay 12 per cent on $37,500,000 common stock and 7 per cent on a like amount of preferred stock, and the interest on $10,000,000.

But if stock had been issued only for the amount actually invested, say $20,000,000, which will cover every cent—$25,000,000 at the outside—these dividends would have been more than three times as large, and would have attracted such attention that the Senate of the United States would not dare longer to continue to be the champion of this organization.

On the question of overcapitalization I propose to read a portion of the report of the Lexow senate committee on trusts in New York last winter, as follows:

Sufficient appears upon the record to justify the conclusion that of at least coordinate importance with the plan of industrial concentration was the scheme of the issue of stock certificates of greatly inflated nominal values. That this was a purpose definitely formed and not merely incident to industrial development was substantially admitted by the spokesmen for at least two of the principal combinations of the five which were examined.

In one case corporate assets acquired by an officer of the combination for the sum of $350,000 were capitalized over night in the new combination by the issue of certificates of a nominal value of twice that amount, less 15 per cent.

Other corporations, organized for the distinct purpose of absorption by the combination on the basis of a stock issue of a nominal value of $90,000, were simultaneously recapitalized in the combination by an issue of a nominal share value of about $14,000,000. Corporations representing in the aggregate share issues of less than $7,000,000 were recapitalized in the combination by a nominal share issue of $50,000,000, less a rebate of 15 per cent. In another case live assets were valued at about $5,000,000 and made the basis of an issue of about $25,000,000 of stock, the difference being made up in the assumed value of "good will," "brands," "trade-marks," etc. In another instance the live assets were capitalized in so-called debenture stock, while the common stock was issued upon the basis of computing the average percentage of profits over a period of years and multiplying these by 16.

The trusts, then, have adopted 16 to 1: that is, sixteen shares at $1 each for every dollar they invest. Perhaps that is what they were contending against in the last campaign. I heard some of them talking, and I did not believe they understood the issue much better than to have taken that position.

In another instance both common and preferred stock were issued in bulk for the several properties acquired, studious care being exercised to conceal the details of payments for particular properties and to avoid the disclosure of the processes whereby values represented by stock issues were computed.

The net result of each of these methods of capitalization was that large overissue of capital stock was the important, if not the main, purpose of consolidation. One of the witnesses, whose experience and intelligence were especially marked, when interrogated upon this question, stated that the stock issued represented the prospective earning capacity of the combination; that is to say, its earning capacity considered from the view-point of all those advantages attributable to a perfected consolidation, the control of product, the ability to fix its price, and the economy, so eloquently described by all the witnesses, flowing from concentration of production, management, and distribution.

It is worthy of note that while these properties were separately competing with each other their stock issues were small and in a few hands, and that as soon as the combination was effected and the nominal values were inflated, the shares were listed on the Stock Exchange and distributed among the public.

Of course they would have distributed them among the public if they could get rid of them. They would be willing to take a part of the money acquired from their inflated capital to pay dividends for a while if they could get the public to take the stocks which were issued, three or four for one. It is no wonder that they were desirous of getting rid of them. It is no wonder that they might justly fear that legislation would affect their value when they were pursuing such a course of wholesale robbery of the people of the United States.

In one case properties controlled by not to exceed 100 owners and stockholders became at once speculatively active, and their shares were distributed in a short time among upward of 9,000 distinct stockholders; in another, the holdings of not to exceed 35 people became subdivided among about 6,000 stockholders, while in a third the properties of a few men were finally represented by share certificates held by upward of 2,000 people.

This has been pointed to as one of the beneficent results of large combinations, viz. the diffusion of ownership, whereby the control of a few has been subdivided among many. This argument would have some force were it not for the methods adopted in the capitalization of the properties before indicated. The diffusion of shares does not necessarily carry with it the control by many of the properties thus represented. Stockholders, satisfied with the profits they receive, are willing to leave the original management in permanent control. Realization of dividends is the father of contentment, and

the supreme effort of management must be directed toward maintaining earnings proportionate to the stock issued, whether for live assets or for properties closed, abandoned, or dismantled.

All this tends to indicate that the net profits of a corporation thus organized must be held at an abnormally high figure in order to justify the payment of dividends upon live, dead, and inflated capital; and that, correspondingly, labor on the one hand and the consumer on the other must relatively bear their proportion. And this without reference to the fact that the change from a strictly industrial pursuit to one intimately coupled with speculation in the certificates representing that industry must naturally have some effect: and volume of product, price, and all the incidents of a purely industrial management must be affected by the requirements of fluctuating values on the exchange. What shall be purely industrial becomes the tender of speculation, and the law of supply and demand, instead of remaining the constant regulator of output and price, finds itself determined and disturbed by the exigencies of speculation.

So it is, Mr. President, that instead of pursuing the even tenor of our way as a people and as producers of wealth, the tendency is to organize for inordinate, unusual speculative profits, and we therefore change our business men from the plodding, honest, industrious pursuit of a trade or calling to gamblers and speculators. This certainly must have an effect upon our industrial life, upon our character as a people, which is well worthy of consideration in this connection.

I believe that one of the most important duties this Government has to solve to-day is the question whether we shall drift until we become absolutely a nation of gamblers or speculators, or whether we shall make an effort to return to that industrial life which characterized the better and more vigorous days of the Republic.

STATEMENTS OF TRUSTS.

Mr. President, I propose to give a list of many of the trusts, of the amount of their capital, and the amount which the properties were worth which were incorporated into the trust, showing the vast amount of pretended capital upon which the people of this country are compelled to pay interest. I have summarized it. First is the sugar trust.

American Sugar Refining Company: Incorporated January 10, 1891, under the laws of New Jersey, to take overestimated assets and business of the companies represented by the certificates of the Sugar Refining Company, which was reorganized in June, 1890:

Capital stock, common	$37,500,000
Capital stock, preferred	37,500,000
Total	75,000,000
First-mortgage bonds, bearing interest at 6 per cent	10,000,000

In January, 1892, an increase of $25,000,000 was voted, half to be common and half to be preferred, the proceeds to be used for buying up other refineries or for buildings. Accordingly a controlling interest was purchased in March, 1892, in the stock of the E. C. Knight Company, of Philadelphia, $800,000; of the Franklin Sugar Company, of Pennsylvania, $5,000,000; of the Spreckels Sugar Refining Company, of Pennsylvania, $5,000,000, and of the Delaware Sugar House, $96,000.

The $25,000,000 of additional stock is included in the $75,000,000. Dividends of 7 per cent per annum have always been paid on the preferred, and 12 per cent per annum on the common stock. Sixty million dollars of that $75,000,000 of stock is water, and so is the $10,000,000 of bonds. The officers of the company have always refused to make a statement of their earnings. Since 1890 the company has paid in dividends $43,000,000.

Directors—H. O. Havemeyer, T. A. Havemeyer, F. O. Mathiessen, John E. Parsons (their attorney), J. E. Searles, William Dick, W. B. Thomas.

Officers—H. O. Havemeyer, president; John E. Searles, secretary and treasurer.

General office—117 Wall street, New York.

TOBACCO TRUST.

Then the American Tobacco Company, which was incorporated under the laws of New Jersey for fifty years on January 21, 1890, for the purpose of curing leaf tobacco, to buy, manufacture, and sell tobacco in all its forms, and to establish factories, agencies, and depots for the sale and distribution thereof, and to do all things incidental to the business of trading and manufacturing, with power to carry on its business in all other States and Territories of the United States, and in Canada, Great Britain, and all other foreign countries.

The company pays 8 per cent on the preferred stock, and has paid 12 per cent on the common. The last three dividends on the common have been at the rate of 8 per cent. About one year ago 20 per cent in scrip was declared on both classes of stock. The officers are now talking of redeeming it in cash.

	Issued.
Capital stock, common, par $50	$17,900,000
Capital stock, preferred, par $100	11,935,000
Total	29,835,000
Authorized issue	35,000,000

	Amount not issued.
Capital stock, preferred	$2,065,000
Capital stock, common	3,100,000
Total	5,165,000

The company has paid in dividends since 1890 a little over $19,000,000.

The water in this company's stock is $20,000,000.

Directors—Lewis Ginter, Richmond, Va.; John Pope, Richmond, Va.; George Arents, William H. Butler, Charles G. Emery, New York; James B. Duke, Somerville, N. J.; Benjamin N. Duke, George W. Watts, Durham, N. C.; William A. Marburg, George W. Gail, Baltimore, Md.; Josiah Browne, Plainfield, N. J.; John Doerhoefer, Louisville, Ky.

Officers—James B. Duke, president; William H. Butler, first vice-president; John Pope, second vice-president; William Marburg, third vice-president; George Arents, treasurer; Josiah Brown, secretary; W. R. Harris, auditor.

Principal office—Newark, N. J.

New York office—507 to 529 West Twenty-second street.

NATIONAL LINSEED OIL COMPANY.

National Linseed Oil Company: Incorporated in June, 1887, under the laws of Illinois. The different properties now owned by this company were brought together in an association called the National Linseed Oil Trust. During 1890 the trust was dissolved and the properties were acquired by purchase. It appears that this trust organized just as the sugar trust did in the first place, by the combination of a large number of producers, and after the New York court declared that that form of organization was illegal under her industrial laws, they dissolved the trust and the properties were acquired by purchase by the National Linseed Oil Company, in April, 1890. They have 52 oil works, located in 42 cities of the United States, besides real estate, machinery, patents, etc. Capital stock, par value $100, $18,000,000.

It is estimated that the entire property in this trust was worth about $8,000,000, and that they added $10,000,000 at the time of forming the combination.

Directors—Alex Eustow, St. Louis, Mo.; R. D. Hubbard, Mankato, Minn.; W. P. Orr, Piqua, Ohio; Samuel Thomas, New York City; A. C. Abbott, Buffalo, N. Y.; Marcus Simpson, Burlington, Iowa; A. S. Hall, Chicago, Ill.; J. A. Willard, Mankato, Minn.; I. P. Keiser, St. Louis, Mo.

Officers—Alex Eustow, president; A. O. Hall, first vice-president; Marcus Simpson, second vice-president; A. C. Abbott, third vice-president; T. G. McCulloh, secretary and treasurer.

General office—Old Colony Building, Chicago, Ill.

New York office—Nos. 93, 95, and 97 John street.

NATIONAL LEAD COMPANY.

National Lead Company: This company was organized December 8, 1891, under the laws of New Jersey. It has plants in New York, Massachusetts, Maryland, Pennsylvania, Ohio, Kentucky, Illinois, and Missouri, manufacturing white lead and like products.

Capital stock, common	$15,000,000
Capital stock, preferred	15,000,000
Total	30,000,000

A regular 7 per cent dividend is paid on the preferred, and occasionally a dividend on the common is declared.

This is a gambling stock, and there is no doubt that the preferred represents more than the entire investment.

Directors—E. F. Beale, Philadelphia; G. O. Carpenter, jr., St. Louis; L. A. Cole, East Orange, N. J.; R. R. Colgate, New York City; A. T. Gosharn, Cincinnati, Ohio; J. L. McBirney, New York City; J. H. McKelvy, Pittsburg, Pa.; F. W. Rockwell, Chicago, Ill.; R. P. Rowe, Brooklyn, N. Y.; A. P. Thompson, Buffalo, N. Y.; D. B. Shipman, Chicago, Ill.; J. A. Stevens, Brooklyn, N. Y.; W. P. Thompson, Red Bank, N. J.

Officers—W. P. Thompson, president; L. A. Cole, first vice-president; R. R. Colgate, second vice-president; J. L. McBirney, treasurer; F. R. Fortmeyer, assistant treasurer; Charles Davison, secretary.

General office—No. 1 Broadway, New York.

UNITED STATES LEATHER COMPANY.

United States Leather Company: This company was incorporated in New Jersey February 25, 1893, and commenced the business of tanning and selling sole and belt leather on May 2, 1893. At the time of the organization this company acquired many properties connected with the business, and since then many properties engaged in the manufacture of leather have been purchased, and to pay for the same the issue of preferred stock has been increased from time to time, and in addition to every share so issued one share of common stock has been paid for the good will of the company.

In the State of Pennsylvania property was acquired by companies organized under the laws of said State. These separate companies are known as the Elk, the Penn, and the Union Trimming companies, their capital stock, $10,000,000 each, being mostly owned by the United States Leather Company.

Capital stock, common	$61,509,900
Capital stock, preferred	60,909,900
Total	122,419,800

Bonds, debentures, 6 per cent, $5,700,000.

Officers—Mark Hoyt, president, Boston, Mass.; James Horton, first vice-president, Buffalo, N. Y.; Edward R. Ladew, second vice-president, New York; Lewis H. Lapham, third vice-president, New York; Josiah T. Tubby, secretary, Brooklyn; James R. Plum, treasurer, New York City.

Corporate office—Jersey City, N. J.

General office—26 and 28 Ferry street, New York City.

Directors—Mark Hoyt, George A. Vail, Edward R. Ladew, Patrick C. Costello, Lewis C. Lapham, Joseph H. Ladew, Henry B. Vaughn, Gurdow B. Horton, Walter G. Garritt, A. Augustus Healy, Daniel F. Stevens, Frank H. Goodyear, James H. Proctor, Josiah T. Tubby, James Horton, Norman Schultz, James R. Plum, Jerry Crary, Nemiah W. Rice, Loring R. Gale, Lyman F. Rhoades, Samuel P. Davage, William H. Humphrey, Charles H. Lee, Charles M. Vail, Edward C. Hoyt, Edson G. Davage.

The total amount of common stock, $61,509,900, is water pure and simple—that is, there was no consideration for it whatever—and more than $20,000,000 of the preferred stock, making, out of this $122,000,000, $81,500,000 of stock issued for which there is no consideration whatever.

The preferred stock is entitled to 8 per cent, and is cumulative. It is now behind in its dividends on the preferred stock 20 per cent. The last four dividends were 1 per cent quarterly. The last 1 per cent was paid March 15, 1897. So it is not behind in its dividends, except it pays only about one-half what it was supposed that the stock would pay.

UNITED STATES RUBBER COMPANY.

The United States Rubber Company is an interesting example. This company was incorporated in New Jersey in 1892, for the manufacture of rubber boots, shoes, etc. The organization includes the following:

American Rubber Company, Boston.
Boston Rubber Company, Boston.
Para Rubber Company, Boston.
L. Candee & Co., New Haven, Conn.
Goodyear Metallic Rubber Shoe Company, Naugatuck, Conn.
Lycoming Rubber Company, Williamsport, Pa.
Meyer Rubber Company, New Brunswick, N. J.
New Brunswick Rubber Company, New Brunswick, N. J.
New Jersey Rubber Shoe Company, New Brunswick, N. J.
National India Rubber Company, Bristol, R. I.
Woonsocket Rubber Company.
Mervel Rubber Company.
Lawrence Felting Company.
Colchester Rubber Company.
Rubber Manufacturers' Selling Company.

Capital stock, common	$20,166,000
Capital stock, preferred	19,400,500
Total	39,566,500

Officers—Joseph Banigom, president, Providence, R. I.; Robert D. Evans, first vice-president, Boston, Mass.; James D. Ford, second vice-president; Charles R. Flint, treasurer, New York City; M. C. Martin, assistant treasurer, New Brunswick, N. J.; Charles L. Johnson, secretary, New Haven, Conn.

Bankers and transfer agents in New York—H. B. Hollins & Co.

Directors—Charles A. Coffin, Robert D. Evans, William H. Hill, George H. Hood, Boston; Samuel P. Colt, Joseph Bannigan, W. S. Ballou, John J. Bannigan, George Watkinson, Providence, R. I.; James B. Ford, Charles R. Flint, J. Howard Ford, Robert M. Galloway, H. B. Hollins, Herman Burr, William L. Trenholm, New York City; Henry L. Hotchkiss, Charles L. Johnson, New Haven, Conn.; James P. Langdon, M. C. Martin, New Brunswick, N. J.; George A. Lewis, Naugatuck, Conn.; Edwin A. Lewis, Brooklyn, N. Y.; Frederick M. Shepard, Orange, N. J.; George M. Allerton, Waterbury, Conn.; Samuel N. Williams, Williamsport, Pa.

The common stock, $20,166,000, is all water. The preferred pays 8 per cent, and very frequently the common gets a dividend. The company claim it is earning 7 per cent on the common.

The capital stock—the common stock—was issued for what is called good will, brands, trade-marks, etc. It was issued and divided among the men who organized, intending in advance to compel the people of this country to pay the interest or the dividends on this which was nothing.

Mr. President, wealth can only be created by toil. To issue stock is not to create wealth. No dividends can be paid upon any of this watered stock unless somebody has toiled to pay them, and toil must be plundered if such dividends are paid. There is no possible chance to avoid that conclusion.

The rubber trust has decided to shut down indefinitely the greater part of its immense plant at Bristol, R. I., and henceforth to manufacture there only tennis shoes. This means that more than 500 residents of Bristol who have depended upon the factory for their livelihood will be deprived of their only means of subsistence in Bristol. About 1,700 others were thrown out of work when the trust acquired the plant and have never been taken back. This is in perfect harmony with the methods of the rubber trust. After it was organized it acquired possession of about 15 rubber factories which had been competing with one another for nearly all the business in the country.

Having paid a fee of $200,000 to Charles R. Flint, another of $100,000 to H. B. Hollins & Co., and another of $100,000 to Joseph P. Earle for their services in promoting the trust, the trust shut down about half its factories. Then it made factors' agreements with the trade under which dealers received a rebate of 7 per cent if they did not sell under the prices fixed by the trust. Though times have been hard and the prices of other commodities have declined, the trust's products have risen in price from 20 per cent to 40 per cent. The net annual profits were $2,239,791.50, the gross expenses being only $293,148. This was during the year ended May, 1896. The trust made a profit of $7 on every dollar of expenses. December 23, 1896, the trust declared a dividend of 2 per cent on the common stock. This, after paying 8 per cent on the preferred, left $1,921,712.38, to which must be added the surplus earnings for the year ended April 1, 1897. As these will probably amount to fully $3,000,000, the net surplus of the trust to-day can not be less than $5,000,000.

DECREASED PRODUCTION—HIGHER PRICES.

In Bristol 2,200 persons were thrown upon the world. In Woonsocket and Millerville, R. I., 2,500 people are in distress—1,200 out of work. Since the trust acquired the plants in these places, the Millerville operatives have averaged only one-third time, on reduced wages. In Woonsocket the factory has been shut down nearly half the time, and wages have also been reduced. August 13, 1896, the two big factories closed, ostensibly on account of the agitation for bimetallism, and several thousand persons were left destitute.

They gave that excuse last summer. Whenever a factory shut down they would say if people would quit talking about silver the factories would all open, and the very moment that it was defeated they would start up. Now we are hunting for prosperity and the factories continue closed, and will continue closed. If talking about silver will close the factories, we will have them all shut up by the next campaign, for we intend to agitate the question.

An industrial structure that will not stand talking about, that falls before the breath of discussion, had better be destroyed, and we had better build another one. The fundamental principle of American institutions is free discussion, a full review of methods, men, and measures, and then let the people decide. Yet the formers of this rubber trust closed this factory, and said it was because we talked about bimetallism.

August 21, 1896, for the same ostensible reason, the factory in New Haven was closed and 1,200 persons were thrown out of work. In February of this year, 1897, 500 persons were deprived of employment by the closing of the factory at Setauket, Long Island. At other times three factories, employing 3,000 persons, at New Brunswick, N. J., have been shut down; also one employing 700 persons at Colchester, Conn., one employing 500 persons at Franklin, Mass., and one employing 500 persons at Millertown, N. J. In all cases wages had been reduced by the trust, so that the average earnings of the employees were not over 75 cents a day. Rubber shoes that before the trust's formation cost the jobber 35 cents, now cost 65 cents a pair, an increase of nearly 100 per cent.

In addition to all this, the trust has accumulated $5,000,000 in the treasury after paying dividends on watered stock. Yet the Senate is afraid it will interfere with some of these so-called industries!

SOME ONE MUST TOIL TO PAY DIVIDENDS ON OVERISSUES OF STOCK.

I desire to print in the RECORD a table of these eleven trusts. It shows that they are capitalized for $432,000,000, bonded for $43,000,000, and that the total actual investment was $171,000,000. In other words, the people of the United States are called upon to pay dividends and interest on $300,000,000 more than the investment.

Somebody has got to toil to earn that interest. Not one dollar of it can be earned except by the toil of somebody, and yet we are asked to legislate in favor of these combinations, these modern pirates of the world!

Statement showing the capitalization, estimated actual investment, estimated value of products, and duties on imports under the laws of 1890 and 1894, and the proposed law of 1897, of principal products of certain industrial trusts.

Trusts.	Capitalization (stock outstanding).			Bonded debt.	Estimated actual investment (a).	Estimated value of products (annual) (b).	Duties on imports of principal products.		
	Common stock.	Preferred stock.	Total.				Law of 1890.	Law of 1894.	Proposed law of 1897.
1. American Cotton Oil Co	$20,237,100	$10,198,600	$30,435,700	$3,068,800	$15,000,000	$19,000,000	10 cts. per gallon.	Free	7 cts. per gallon.
2. American Spirits Manufacturing Co.	26,491,200	6,662,800	33,154,000	2,000,000	15,000,000	70,000,000	$2.50 per gallon	$1.80 per gallon	$2.50 per gallon.
3. American Sugar Refining Co.	36,968,000	36,968,000	73,936,000	10,000,000	20,000,000	135,000,000	1/8 cent per lb c	1/4 ct. per lb. and 40 per ct. ad val. c	1/4 cts. per lb. d
4. American Tobacco Co	18,173,000	12,117,000	30,290,000		10,000,000	12,000,000	$4.50 per lb. and 25 per ct. ad val.	$4 per lb. and 25 per cent ad val.	$4.50 per lb. and 25 per ct. ad val.
5. General Electric Co	30,460,000	4,252,000	34,712,000	8,750,000	20,000,000	15,000,000	45 per ct. ad val.	35 per ct. ad val.	45 per ct. ad val.
6. National Lead Co	14,905,400	14,904,000	29,809,400		15,000,000	6,500,000	2 to 2½ cts. per lb.	1 to 1¼ cts. per lb.	2 to 2½ cts. per lb.
7. National Linseed Oil Co	18,000,000		18,000,000	108,000	10,000,000	13,000,000	32 cts. per gallon.	20 cts. per gallon.	32 cts. per gallon.
8. National Starch Co	4,450,700	4,066,200	8,516,900	3,837,000	4,500,000	5,000,000	2 cts. per pound.	1½ cts. per pound.	2 cts. per pound.
9. Standard Rope and Twine Co.	12,000,000		12,000,000	10,500,000	7,000,000	20,000,000	1/8 to 3 cts. per lb.	10 per ct. ad val. e	1 to 2 cts. per lb. f
10. United States Leather Co	61,509,000	60,909,900	122,418,900	5,520,000	40,000,000	60,000,000	10 per ct. ad val.	10 per ct. ad val.	10 per ct. ad val.
11. United States Rubber Co	20,166,000	19,400,500	39,566,500		15,000,000	20,000,000	30 per ct. ad val.	25 per ct. ad val.	30 per ct. ad val.
Total	263,360,400	169,479,000	432,839,400	43,783,800	171,500,000	375,500,000			

a These estimates are believed to be liberal, and it is thought that, could the facts be definitely ascertained, the figures here given would be found to be largely in excess of the real investments or values of the properties of the trusts named.

b These estimates are based upon the best obtainable data.

c Also, one-tenth cent per pound additional when produced by or exported from a country paying an export bounty.

d Also, when exported from a country paying an export bounty, a duty equal to such bounty or so much thereof as is in excess of any tax collected by such country.

e Except binding twine, placed on free list.

f Except binding twine, placed on free list, but subject to duty of one-half cent per pound if imported from a country levying a duty on binding twine imported from the United States.

I will also publish a table showing 5 other trusts, making 16 in all, who are capitalized in about the same proportion but are smaller in size. I found it very difficult to secure information with regard to the organization of these trusts. I found it very difficult to get the details with regard to the amount invested. They are very secretive people. They do not care to talk very much, and nobody is responsible, because they are a trust. I found that the committees in New York had difficulty in securing information. Books were lost; officers say they do not know or that somebody else was responsible. So it is hard to get evidence with regard to these organizations.

Trusts.	Capital stock.	Bonds.	
		Size, or par value.	Amount outstanding.
American Strawboard		$1,000	$889,994
American Type Founders	$4,000,000		193,000
Diamond Match	(*)	100	11,000,000
Debenture	8,000,000		
National Wall Paper Co	30,000,000	100	7,500,000
New York Biscuit Co	10,000,000	100	9,000,000

* Listed in Chicago.

It has been urged that this tariff bill will produce no revenue if my amendment is adopted. If that is true, then we are certainly in the possession of the trusts. If the object of this bill can not be accomplished, which is supposed to be the raising of revenue, if my amendment is adopted, then that argument is predicated upon the proposition that the trusts will not dissolve; that they will continue; that they will be perpetuated and share the market of this country with the foreign manufacturer.

Of course I believe that they will dissolve if my amendment is enforced. I know they will contest it in the courts, and I am well aware that many of our courts are subject to influences which make their decisions doubtful. I do not care to attack the courts, Mr. President, but I believe the courts will enforce this amendment of mine. Of course you will occasionally find a judge who will not; but it is a significant thing that in the testimony taken before the Interstate Commerce Committee of this body last winter this fact was disclosed, and it is a fact which makes the American people afraid of the courts.

COURTS DISQUALIFIED TO TRY CASES AGAINST CORPORATIONS.

When a case was to be tried in New York for the purpose of dissolving the Joint Traffic Association, which was a combination of railroads from Chicago to the seaboard, it was found that out of eight judges in that circuit only one man was qualified to try the case, because all the others held the stocks and bonds of the defendant corporations; all the others were the owners of stocks and bonds of railroads; and they had to go up into Vermont and find some rural fellow, who had not caught on to the modern methods of business, to try the case.

The evidence before the Interstate Commerce Committee of this body goes on to show that Judge Jennings said he had afterwards qualified, because he had disposed of his stock and bonds. Of course it is unpleasant to recite these things, but when they come in as sworn evidence before a committee of this body, it is well to call the attention of the American people to the facts.

I believe, after examining this bill, Mr. President, that very many of the items contained in it are in the control of trusts, and that the loss of revenue, if not one single trust be disbanded, will not be very great. We will continue to collect the revenue from raw sugar. We will not collect any revenue from refined sugar, because none comes in. As to the other items, the duties are so high that nothing comes in; and on the basis of last year's importations, if the trust which embraces boilers and radiators, house furnaces, steam and hot-water heating apparatus, etc., should refuse to dissolve, we should only lose $163,000 of revenue, for that is all that was collected last year. The duties range from 12 to 45 per cent. On chemicals, which embrace nearly everything in the chemical line in the bill, there is a trust, and if the trust should continue, so that these chemicals would be admitted free of duty, we should only lose $2,107,000. The duty on all these articles is from 16 to 80 per cent. On iron and steel the duties are from 17 to 82 per cent, and pretty nearly everything made of iron or steel is in a trust.

If the trust should continue and there should be no foreign competitor coming in to take the market, the loss of revenue would be $894,000.

On copper, lead, and zinc, which is in a trust, the duty is from 45 to 111 per cent, and the amount of duty collected is quite large, being $1,338,880. We consume more lead than we produce in our country, and we shall be obliged, no matter what the duties may be, to import some of it.

On glass the duty is from 48 to 62 per cent, and if the glass trust should continue, we should lose but $2,211,000, for that was the duty collected. The duty on leather is 20 per cent, and of that the duty on imports last year was but $828. On linseed oil the duty is 52 per cent, and on that the duty collected last year was $2,420. On paper the duty is from 28 to 50 per cent, and we collected last year $113,000. On rubber the duty is 34 per cent, and we collected last year $85,306.

On saws and screws the duty is from 25 to 29 per cent, and the duty collected last year was $1,574. On textile manufactures we collected $205,320, and the duties range from 29 to 102 per cent. On car wheels and other wheels the duty is from 40 to 41 per cent, and we collected in duty last year $131,000. On looking-glasses and on paints, varnish, arms, guns, fireworks, gunpowder—all of which are in a trust—collars and cuffs, oilcloths, etc., are all embraced in trusts, and the total loss of revenue if all the trusts I have named should continue would be $8,189,000.

If the trusts were all to continue and insist upon continuing and sharing the American market with the foreigners, if they have to compete with the foreigners, they could not keep up their prices, and the people of this country would get the benefit of reduced prices. We can afford to lose $8,000,000, and then collect the duty on sugar from the Hawaiian Islands.

According to the report of the Senate Committee on Finance, the duty on sugar from the Hawaiian Islands will amount next year to a little over $8,000,000. Two-thirds of the plantations in Hawaii are owned by Englishmen, Germans, Scandinavians, and

native Hawaiians. What reason is there why we should give them a bonus of $8,000,000 a year? If we should collect this revenue and the trusts should not disband, the revenue would not be affected at all. If our action and conduct are governed by reason and good judgment, there will be no trouble about revenue, while we could save the whole amount of the $8,000,000 by paying only what it is worth to carry the mails. For twenty years there has been no reduction in the cost of carrying the mails.

WE DON'T WANT MORE REVENUE BUT LESS EXPENSES.

We pay 8 cents a pound where we ought to pay but 1 cent, and we pay $30,000,000 where we ought to pay less than $20,000,000. What man in this country would, if he were paying $30,000,000 a year for express, pay the same price now as he paid twenty years ago? We pay $30,000,000 for that service, the same price we paid thirty years ago, and yet we refuse to change it. I tell you it seems to me the Republican party will have a good deal to answer for if it passes this bill and collects the revenues proposed by it, and continues to spend our money to fatten the coolie labor and the miserable, wretched native inhabitants of the Hawaiian Islands, and pays $10,000,000 more than it is worth to carry the mails of this country.

The expenses of this country have increased $100,000,000 in ten years. If they had increased according to the increase of population, they would have only increased $50,000,000. Instead of wanting more revenue, we want less expense. We should spend $50,000,000 less. We have a surplus in the Treasury of $125,000,000, and if we should spend $50,000,000 less there would be no deficiency and we should have revenue enough. Yet it is proposed to tax sugar in order to raise $52,000,000 under this bill; it is proposed to tax tea and raise another $10,000,000; and, furthermore, to tax beer and things that go into consumption per capita, and thus take from the people of this country seventy-five or eighty million dollars and give it in remitted duties to Hawaii, to the railroads, and then to build fortifications where they are not needed, and also to build ships to rot on the seas.

If the Republican party wanted to live, it ought to have brought in a bill here to reduce the expenses one-half and gone before the people on that issue, instead of coming here and being obliged to go before the people as the apologists of trusts and the champions of the infamies of the gold standard.

The leading student of the problem among the college professors of political economy, J. W. Jenks, of Cornell University, thus writes in the Political Science Quarterly for September, 1894, in the best magazine discussion that has thus far appeared upon this subject:

> I expect to live to see the day when the political economists * * * must consider that a very large proportion of the productive business of society is on the monopoly basis.

This was written in 1894. He certainly lived to see the day of which he had spoken.

In the report of the Lexow committee on trusts of the New York senate, already referred to, dated March 9, 1897, the proposition is stated thus:

> One after another industrial pursuits are surrendering to similar combinations, and it is safe to predict that, unless this movement subsides, most, if not all, of the industrial pursuits will reach a similar concentration, and will be followed by results similar to those indicated in this report.

In a recent able symposium on trusts in the New York Independent of March 4, 1897, the socialist view of the trust was presented by Daniel De Leon, formerly lecturer at Columbia University, New York City, and now editor of the socialist organ the People. He holds, as do an increasing number of thinking people, that the trust is an evolutionary movement in the line of progress and that it will go on until all lines of machine industry are thus combined. The natural and inevitable end of the development is held by these thinkers to be the public ownership and operation of the trust.

Certainly it would be far more in accord with justice and equity, rather than to allow this condition of things to continue, for the public to take, own, control, and operate all these properties. However, I do not advocate anything of that sort. I believe we can remedy the evil by other means, and that it is our duty to do so.

On the other hand, Otis Kendal Stuart, of Philadelphia, arguing in the same symposium from the standpoint of the individualist, denounces competition as developing waste, business mendacity, and fraud.

He has reached the point where it seems to be moral to absolutely abandon the whole theory of Anglo-Saxon civilization, and it is well that some advocate should arise to justify this condition of things, for we have already nearly approached that point. "The trust," he says, "is not only the next natural stop in business, it is a stop in social evolution; the trust is not only a conservator of energy and of wealth, it is a conservator of morals and religion."

I wonder what kind of morals and religion are taught by a gambling operation such as is carried on, for instance, by the sugar trust. Of course it is time that on high moral grounds somebody should appear to advocate this new doctrine of social existence. The new order of things needs a champion if they are to continue and revolution be avoided.

AMERICAN PEOPLE OBJECT TO THE PATERNALISM OF TRUSTS.

Mr. President, there has never from the day of our independence been a time, until recently, when a genuine American citizen did not resent the imputation of being a poor man, even if he did not have a dollar in his pocket. He is rich in his inheritance of religious and political liberty, rich in his confidence of manhood, and he was rich in opportunities to acquire wealth until deprived of them by legislation in the interest of corporate trusts and monopolies and of the manipulators of the world's standard of values, who aimed to prevent the masses from rising above the condition of poverty in order that their own accumulations might acquire greater value.

The time has not yet come when the American people will permit the plea of poverty to be entered in their behalf by trust magnates as an argument in favor of the continuance of trust methods. The same assertions that are made in behalf of the trusts might be repeated with equal force in favor of the establishment of a monarchy and the creation of orders of nobility, to be composed of the individuals who are so fond of prating about their regard for the welfare of the "poor people."

All that the American people want for themselves is a fair field and no favor. In business, as well as in politics, they believe that they can govern themselves better than any self-constituted dictators can govern them. The history of the American people demonstrates that this belief is well founded. One State after another, in obedience to the will of the people, has declared unlawful all trusts and combinations in restraint of trade.

The Congress of the United States so declared seven years ago by the passage of the act of June, 1890, which was Senate bill No. 1 of the Fifty-first Congress. The Supreme Court only recently affirmed the application of that act to combinations among railroad corporations. It remains for this Congress to enforce the provisions of the antitrust act of 1890 by providing an efficient penalty for its violation through the adoption of the amendment to the tariff act which I have proposed.

The future may develop that even this remedy may not avail, and that other remedies are required to be tried, but it seems to me that this remedy will be most effective and efficient, for I do not believe that the trusts in this country will undertake to continue, and thus deprive themselves of the exclusive control of the American market; but if this remedy does not avail, there have been many suggestions upon this subject, and I will briefly note two or three of them.

It has been suggested, first, that absolute publicity of accounts under Government control and audit must be insisted upon, as is coming to be done in a feeble way by railroads. This is the view of two eminent students of the problem, Prof. Henry C. Adams, of the University of Michigan, statistician of the Interstate Commerce Commission, and by Von Halle, in a work on Trusts, published by Macmillan & Co. in 1895.

It is the interesting suggestion of Professor Jenks, of Cornell University, that stock exchanges should not be allowed to list any of the securities of capitalistic monopolies without publishing most complete and sworn returns of the cost of construction, of capitalization, cost of products, etc., and that no stock shall be issued in excess of the actual investment.

The prohibition of factors' agreements. The New York senate trust committee, in its valuable report (obtainable, probably, from the secretary of state of New York), fully describes, on pages 22–25, inclusive, these agreements.

The control by a national commission of maximum charges, and the prohibition, some way, of discrimination in charges in towns or counties contiguous to each o her. That is, it might be possible to prevent a trust from charging more in one place than in another except by the amount of the difference of freight rates. One of the great weapons of the Standard Oil and the meat trusts is to ruin competitors by reducing the rates in a place below what the same company is charging in neighboring places.

METHODS OF ROBBERY PURSUED BY THE STANDARD OIL TRUST.

There comes to my mind in this connection a very interesting illustration. In Colorado there are oil wells. Petroleum exists there in inexhaustible quantities and of excellent quality. An oil refinery was constructed at a cost of $2,000,000. That company was engaged in supplying that country with oil, when one day the Standard Oil Company began business in Pueblo and in other towns in Colorado, and sold oil at 5 cents a gallon until they wrecked and ruined the Colorado refinery and closed its doors.

The day after that was done the Standard Oil Company raised the price of their oil to 25 cents a gallon and continued to sell it at that price until they had made an immense profit and recouped the loss they had previously sustained, and to-day they charge 20 cents a gallon for their oil. In my own town an independent oil company began selling oil, and it was selling it at 8 cents a gallon,

for the trust had put it down to that price, and yet the independent company was able to live and did live and continued for two years of time.

Finally one day they sold out to the trust; and from that day to this we have been paying 16 cents a gallon for oil. It is argued that we can not protect ourselves against these things. Certainly, Mr. President, if we can not, our institutions totter to a fall. What is this but socialism in the most odious form?

PUBLIC OWNERSHIP.

If these remedies fail, we must resort, unless others are found, to the last remedy, that of public ownership.

This may take the form of public ownership of such natural sources of supply as anthracite coal mines and oil wells, or possibly the leasing of their operation to private companies; or it may take the form of public ownership and operation of all industries that have become practical monopolies. This remedy begins to loom up as a distant possibility, but is as yet too remote a contingency to come within the domain of practical politics. But of one thing we can rest assured, socialism is preferable to despotism, and the right of each citizen to enjoy the products of his toil must be maintained if we are to maintain our institutions.

Mr. President, the history of the past teaches this lesson. Shall we follow the course of all other peoples in the past, or shall we begin a new era? When was it that Rome was destroyed? When the original landed proprietors became paupers; when her farms became great estates. In the days of Cincinnatus 12 acres sufficed for each family; farms of 12 acres, owned by freemen, surrounded the walls of Rome, and no hostile legions could reach the city. When Rome fell, the individual proprietor was gone; the usurer had taken the land; the Roman citizen had been sold into slavery, and was toiling as a slave upon the estate a part of which he was once the proud owner.

The legions of Goths and Vandals that marched to the walls of Rome would have been scattered like chaff before the legions of Cæsar recruited from the farms of Italy. So it will be with us if we allow the usurer to further fasten his grasp upon our people. If we continue this organization of capital, by which those who can not combine are deprived of the products of their toil, I say the end is near.

Our last census shows that the earnings of 54 per cent of our people are less than $100 per year per capita. How near we come to European conditions, if $100 per capita by 54 per cent of our people is all they can earn and consume; and yet we stand upon this floor and boast about the high wages of the American toiler. It is well to review the last census, which shows that 250,000 men own forty-four billion dollars of the wealth of the United States and 52 per cent do not own their homes and have no property whatever.

These problems, Mr. President, are pertinent. We can no longer satisfy the American people by quarreling and by fighting a sham battle over schedules in a tariff bill. We have done that for the last several years, with first one party in power and then the other, until to-day the tariff issue has fled from our politics. Last week it was demonstrated more than ever before that you can no longer divide the American people upon a question of schedules in a tariff. Other and mightier questions now do and must in the future divide parties and press for solution.

Mr. WHITE. Mr. President, in view of the remarks made this morning by the Senator from Nebraska [Mr. ALLEN] and the remarks just made by the Senator from South Dakota [Mr. PETTIGREW], I desire to suggest that in the Forty-seventh Congress, second session, there was a report, No. 1013, made from the Committee on Finance by the present distinguished chairman of that committee, together with a short minority report, agreeing with the majority in their conclusions, but giving certain reasons in justification thereof. As that report bears directly upon the Hawaiian treaty, and is not very long, and is practically out of print, I suggest that it be printed as a document for the use of the Senate.

The PRESIDING OFFICER (Mr. CARTER in the chair). In the absence of objection, it will be so ordered.

The question is on the amendment proposed by the Senator from Kentucky [Mr. LINDSAY].

Mr. LINDSAY. On that I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. THURSTON. Let the amendment be stated, Mr. President.

The PRESIDING OFFICER. The amendment will be stated.

The SECRETARY. In paragraph 206, page 63, line 13, after the word "Sugars," it is proposed to strike out the words "not above No. 16 Dutch standard in color;" and also, after the word "proportion," in line 19, to strike out down to and including the word "pound," in line 23, as follows:

And on sugar above No. 16 Dutch standard in color, and on all sugar which has gone through a process of refining, 1 cent and ninety-five one-hundredths of 1 cent per pound.

So as to read:

Sugars, tank bottoms, sirups of cane juice, melada, concentrated melada concrete and concentrated molasses, testing by the polariscope not above 75 degrees, 1 cent per pound, and for every additional degree shown by the polariscopic test, three one-hundredths of 1 cent per pound additional, and fractions of a degree in proportion; molasses testing above 40 degrees and not above 56 degrees, 3 cents per gallon, etc.

The Secretary proceeded to call the roll.

Mr. DANIEL (when his name was called). I am paired with the Senator from North Dakota [Mr. HANSBROUGH]. If he were present, I should vote "yea."

Mr. HARRIS of Kansas (when his name was called). I am paired with the Senator from Wyoming [Mr. CLARK]. If he were present, I should vote "yea."

Mr. MALLORY (when his name was called). I am paired with the Senator from Vermont [Mr. PROCTOR]. If he were present, I should vote "yea."

Mr. MITCHELL (when his name was called). I am paired with the Senator from New Jersey [Mr. SEWELL]. If he were present, I should vote "yea."

Mr. MORGAN (when his name was called). I am paired with the senior Senator from Pennsylvania [Mr. QUAY]. If he were present, I should vote "yea."

Mr. TURNER (when his name was called). I am paired with the Senator from Wyoming [Mr. WARREN]. As I do not see him in the Chamber, I withhold my vote.

The roll call was concluded.

Mr. BATE. I wish to state that my colleague [Mr. HARRIS of Tennessee] is absent temporarily. He is paired with the Senator from Vermont [Mr. MORRILL]. My colleague, if present, would vote "yea."

Mr. JONES of Arkansas. I have a general pair with the Senator from Maine [Mr. HALE]. I transfer that pair to the Senator from Colorado [Mr. TELLER], and vote "yea."

Mr. CULLOM. I have a general pair with the senior Senator from Delaware [Mr. GRAY]. My colleague [Mr. MASON] being absent and, I believe, not paired, I take the liberty of transferring my pair with the Senator from Delaware to my colleague and vote. I vote "nay."

Mr. HARRIS of Kansas. I am requested to announce that the junior Senator from Delaware [Mr. KENNEY] is paired with the junior Senator from Pennsylvania [Mr. PENROSE].

Mr. CLAY (after having voted in the affirmative). I am paired with the junior Senator from Massachusetts [Mr. LODGE]. I see he is not present, and I withdraw my vote.

Mr. CULLOM. The Senator from Florida [Mr. PASCO] states that my colleague [Mr. MASON] is paired with the Senator from Virginia [Mr. MARTIN] and that the Senator from Wyoming [Mr. WARREN] is paired with the Senator from Washington [Mr. TURNER]. If agreeable to the Senator from Washington, the Senator from Delaware and the Senator from Wyoming may stand paired, and we may both vote.

Mr. TURNER. Very well.

Mr. CULLOM. I have cast my vote in the negative.

Mr. TURNER. I vote "yea."

Mr. MANTLE. I have a general pair with the Senator from Virginia [Mr. MARTIN]. That pair has been transferred to the Senator from Illinois [Mr. MASON]. I therefore am at liberty to vote, and I vote "yea."

Mr. HOAR. My colleague [Mr. LODGE] was compelled to leave Washington by ill health. If he were present, he would vote "nay."

The result was announced—yeas 27, nays 29; as follows:

YEAS—27.

Allen,	Cockrell,	Mills,	Tillman,
Bacon,	Faulkner,	Pasco,	Turner,
Bate,	Heitfeld,	Pettigrew,	Turpie,
Berry,	Jones, Ark.	Pettus,	Vest,
Butler,	Lindsay,	Rawlins,	Walthall,
Caffery,	McLaurin,	Roach,	White.
Chilton,	Mantle,	Smith,	

NAYS—29.

Allison,	Fairbanks,	McBride,	Spooner,
Baker,	Foraker,	McEnery,	Stewart,
Burrows,	Frye,	McMillan,	Thurston,
Carter,	Gear,	Perkins,	Wetmore,
Cullom,	Hanna,	Platt, Conn.	Wilson.
Davis,	Hawley,	Platt, N. Y.	
Deboe,	Hoar,	Pritchard,	
Elkins,	Jones, Nev.	Shoup,	

NOT VOTING—33.

Aldrich,	Gray,	Martin,	Quay,
Cannon,	Hale,	Mason,	Sewell,
Chandler,	Hansbrough,	Mitchell,	Teller,
Clark,	Harris, Kans.	Morgan,	Warren,
Clay,	Harris, Tenn.	Morrill,	Wellington,
Daniel,	Kenney,	Murphy,	Wolcott.
Gallinger,	Kyle,	Nelson,	
George,	Lodge,	Penrose,	
Gorman,	Mallory,	Proctor,	

So the amendment was rejected.

Mr. MILLS subsequently said: I wish to withdraw my vote and to announce my pair. I thought the Senator from New Hampshire [Mr. GALLINGER], with whom I am paired, was present, but I have learned that he was not, and I therefore wish to withdraw

my vote. If the Senator from New Hampshire had been here, I should have voted for the amendment.

The VICE-PRESIDENT. Is there objection to the withdrawal of the vote of the Senator from Texas? The Chair hears none.

Mr. BUTLER subsequently said: On the last yea-and-nay vote, the vote upon the amendment of the Senator from Kentucky [Mr. LINDSAY], I voted without observing that the Senator from Maryland [Mr. WELLINGTON], with whom I have a general pair, was not present. The result was announced with my vote standing, and he was absent. My vote did not affect the result, but I ask unanimous consent that I may withdraw it. I wish to take whatever action I can to protect my pair.

The VICE-PRESIDENT. Is there objection to the request of the Senator from North Carolina?

Mr. PETTUS. The request was not heard on this side of the Chamber.

The VICE-PRESIDENT. He voted by mistake. The Chair hears no objection, and leave is given to the Senator from North Carolina to withdraw his vote.

Mr. MILLS. I move to strike out section 206 and insert what I send to the desk in lieu thereof.

The VICE-PRESIDENT. The amendment will be stated.

The SECRETARY. It is proposed to strike out paragraph 206 and to insert in lieu thereof the following:

206. Sugar, tank bottoms, sirups of cane juice or beet juice, melada, concentrated melada, concrete and concentrated molasses, 40 per cent ad valorem.

Mr. JONES of Arkansas. This is the rate of the present law, the Wilson Act, 40 per cent.

The VICE-PRESIDENT. The question is on agreeing to the amendment proposed by the Senator from Texas.

The amendment was rejected.

Mr. HOAR. I now propose the amendment of which I gave notice the other day, to come in at the end of the paragraph.

The SECRETARY. At the end of paragraph 206 it is proposed to insert the following proviso:

Provided, That the President of the United States shall appoint a commission, to consist of five persons, who shall report to Congress at its next regular session concerning the condition of the industry of producing and refining sugar in the United States; and what policy is best adapted to procuring a sufficient supply of sugar for the people of the United States at the least cost, and to encourage and promote the raising in the United States of a sufficient supply of sugar for domestic consumption; and what amount of duty on imports of sugar is necessary to enable the business of refining sugar in the United States to be conducted at a reasonable and moderate profit; and also what amount of duty upon such imports is expedient, having reference to raising a sufficient revenue to provide for the public expenditure; and to report such facts in regard to the business of producing and refining sugar, and whether the same is so conducted as to enable persons interested therein to exercise an improper control over the market; and such other facts as they may consider important and pertinent to the subject-matter of their inquiry; no more than three members of said commission to belong to the same political party.

Mr. HOAR. Mr. President, I do not wish to detain the Senate by any remarks upon this subject except to make one or two suggestions on the proposition that the sugar schedule ought properly to be the subject of a separate commission, to be dealt with by itself. This amendment does not raise the question of the wisdom or propriety of a general commission on the subject of a protective tariff. In regard to that, though some very worthy men favor it, there are, to say the least, some very great difficulties. If such a policy be ever adopted, it must be adopted after long and very careful consideration. The matter of the duty on sugar has been the bête noire of all persons concerned in the fiscal affairs of this country and England for nearly one hundred and fifty years.

I happened to see a collection of English political pamphlets covering the time of the administration of Lord Chatham, the time of our old French war and coming down to the time of the Revolution and the Napoleonic wars, and there is an immense mass of speeches, tracts, and essays on the sugar question; and you would almost think, on reading a great many of the very ablest of them, that you were reading a speech of the honorable Senator from Missouri [Mr. VEST] or the honorable Senator from Arkansas [Mr. JONES]. There is the same discussion of these perplexing subtleties, the same accusation of there being an improper influence by wealthy persons having special interests. That has been going on all the time there. It has been going on here certainly during the framing of the last half dozen tariff bills, and it will go on to the end of time unless a day comes when we make our own sugar and supply sugar ourselves. Then it will cease.

I suppose everybody remembers the anecdote in the life of Lord Chatham, of the dramatic and theatrical way in which he pronounced the words "sugar, Mr. Speaker," when he was William Pitt and in the House of Commons. I do not believe that any considerable portion of the American people, whatever the newspapers or anybody to be considered in the Senate may say, have any belief that the gentlemen on either side of the Chamber who have been concerned in the framing of tariff bills for the last few years have had any desire except to solve the difficult problem of the duty on sugar in the manner which is for the best interests of the country.

Of course they have had their theories about the protective policy, of the policy of a tariff for revenue, or free trade, and those theories have brought them to different practical conclusions. But the desire to find out what this great product ought to bear as its proportion of the expense of the country, what is a fair and just provision, having reference to the needs and exigencies of our revenues, and to provide and get at that without the slightest respect for persons, the slightest desire to get the favor of this great trust, I believe, has actuated both parties in the Senate.

It would be ridiculous to impute any other motive to the honorable Senator from Arkansas [Mr. JONES] and the honorable Senator from Texas [Mr. MILLS] and the honorable Senator from Missouri [Mr. VEST], who framed what is known as the Wilson Act; and if all three of those Senators were to express themselves on the subject, they would say it is as ridiculous to impute any other motive to the gentlemen who have framed the bill which we are now considering. But the trouble is that those gentlemen are themselves perplexed and doubtful.

If the Senator from Arkansas were to relate the history of the framing of the tariff bill which became the law in 1894, he would tell you of his own doubts, of his own changes of mind, after he supposed he had once come to a conclusion, and of the questions which he had to discuss with political friends of his own, equally honest and equally intelligent with himself or with anybody. The gentlemen who make these tariffs come to the consideration of this, which is one of the most profound and subtle questions in all finance, when a thousand other cares and interests are distracting their attention, with wearied-out and overburdened minds, with a burden of care which has broken down already one of the members of the committee and sent him home sick, which has broken down more than one of the Senators who are not upon the committee at all, but have merely had the duty of looking after the interests of their own constituents in the tariff bill; and so it is impossible to deal with this great subject in the way it deserves.

I believe the President can command the services of gentlemen for this especial purpose who would not lay aside their own large interests to hold any political office or to undertake such a jurisdiction and function with reference to the entire field of tariff legislation. They can command the ablest experts in the country. They can settle a great many of these questions. They can give us in a compact form a clear statement of the condition of things in regard to many of the subjects which have to be discussed, and they can put before us in a way that nobody can deny, nobody can impugn, nobody can charge as being the result of political passion or prejudice, the mode of business and the profits of the persons who are engaged in refining sugar. They can tell us what other countries are doing and what we ought to be doing in the matter of the great agricultural interest of raising beets.

Some Senators or some newspapers say we do nothing for agriculture. Mr. President, if you had in your hand the wand of a magician and could compel anything in the way of wealth or prosperity to spring up at its touch, you could not accomplish for agriculture any benefit like that which you could accomplish if you could cause the farmers of this country to raise the material for supplying this country with its sugar. Certainly next to the blessing which Providence gave us when we found these great and virgin wheat fields, ready for the cultivation of the immigrants, would be the benefit of such a condition as I have described, and that benefit can be accomplished and wrought by wise and judicious and bold legislation. I wish I could see both parties in this country eager and emulous in rivaling each other without political division to accomplish and bring about that great boon to the people of the Northwest.

Mr. President, as I said, we have implicit confidence in our committees. There is not a Senator in this Chamber who would rise in his place and express the slightest doubt of the absolute integrity of purpose and desire of the gentlemen who have framed this bill for the Senate, any more than we would of the gentlemen who framed the bill a few years ago; and although there are some utterances in the press and in speeches suggesting that there may be a doubt about that subject and that the sugar trust may be bribing this, that, or the other person, they are suggestions which are met in the minds of the serious, sober, and honest men of this country of all parties and all sections with the most absolute contempt. But at the same time, as I have said, the committees doubt themselves. If you were to ask the old Democratic committee to come and frame a sugar schedule for us to-day, and they brought one in to-morrow morning, if they were to spend a week over it, they would bring in another or some modification.

Now, let us have this one subject removed from the path of politics, if we can. We have to settle it for the present as well as we can in the pending schedule. But when we have done it, let us commit this to a body of five men, on which the President will put the ablest Democratic financier and statesman and the greatest Populist financier and statesman he can find. Let us have the result in their judgment of the whole subject.

A Senator has suggested to me in private that to have an entire

tariff commission would in the first place delay enormously the work upon this one subject, and in the next place it would involve a thousand considerations and policies which are not applicable to it.

Mr. THURSTON. May I ask the Senator from Massachusetts a question?

Mr. HOAR. Certainly.

Mr. THURSTON. Do I understand that the Senator from Massachusetts is urging an amendment of his own here which has not been reported by the Finance Committee?

Mr. HOAR. I do not understand that this is an amendment which relates to any duty or section. I submitted it to the Finance Committee and have their approbation of it.

Mr. ALLISON. The amendment was submitted to me here and I glanced it over, neither giving it my approbation or otherwise.

Mr. HOAR. Very well.

Mr. ALLISON. I did not see any special objection to it, but I trust the Senator from Massachusetts will at least give the Finance Committee an opportunity to look into it as a committee. I hope for the present he will withdraw it.

Mr. HOAR. Let it be referred.

Mr. ALLISON. The committee have before them several propositions respecting commissions. They have one covering the entire tariff question, and surely it seems to me it would be wise to postpone the consideration of so important a question as this until we can consider the whole subject. I hope the Senator from Massachusetts will withdraw his amendment.

Mr. HOAR. Certainly. I submitted it to the Senator in charge of the bill, and he made the reply which he has said. I supposed the committee were aware that I intended to propose the amendment, and that if they had preferred that I should postpone it they would have said so.

Mr. ALLISON. I was not aware that the Senator intended to propose it. The committee have four or five hundred amendments before them, and it has not been practical for them under the circumstances to examine all of them.

Mr. HOAR. I proposed it Friday. One member of the committee suggested that the schedule was not then disposed of, or the particular paragraph, I think. I withdrew it and said I would propose it later. Probably the Senator from Iowa did not hear what took place. I move that the amendment be referred to the Committee on Finance.

Mr. LINDSAY. Mr. President——

The VICE-PRESIDENT. The question is on agreeing to the motion of the Senator from Massachusetts to refer the amendment to the Committee on Finance.

The motion was agreed to.

Mr. JONES of Arkansas. I wish to make a suggestion in connection with this matter. Some years ago a proposition was made to take the whole tariff question out of politics and refer it to a commission. It was a Republican movement. The commission was appointed, the tariff question was investigated, and the commission recommended a reduction of 20 per cent all along the line. Instead of being acted on after it came in, it was incontinently thrown aside and did no good whatever, and, as a rule, it made the impression on gentlemen who think as I do, who have the same politics that I have, that the whole purpose of the movement was for delay, without accomplishing any good.

Mr. PLATT of Connecticut. Does the Senator from Arkansas refer to the commission which sat in 1883?

Mr. JONES of Arkansas. I do.

Mr. PLATT of Connecticut. That commission was appointed upon a resolution introduced by my predecessor in the Senate, Mr. Eaton. It was not a Republican measure at all.

Mr. MILLS. The commission was created by act of Congress.

Mr. LINDSAY. I desire to ask what action was taken on the motion to refer the amendment?

The VICE-PRESIDENT. The amendment was referred to the Committee on Finance.

Mr. LINDSAY. I rose for the purpose of objecting.

Mr. TILLMAN. Mr. President, I have the greatest respect for the Senator from Massachusetts [Mr. HOAR], and there is no man on either side of the Chamber for whose integrity of purpose and honesty and patriotism I have more respect. The Senator has been here so long and perhaps has been fretted so much by adverse newspaper criticism that he has grown callous and perhaps is not in touch with the masses of the American people. That may account for his utterance a moment ago, that the best people of this country on both sides, without regard to party, treat with contempt the insinuations and accusations which have been brought against the integrity of the Senate in framing the sugar schedule.

Mr. President, if there is one thing of which I am convinced it is that not one in a hundred of the American people is satisfied but that there has been corruption and rottenness in the framing of the sugar schedules in the two tariff bills, the one which is now the law and the one which is under consideration. It is about three weeks, I believe, or nearly three weeks, since I offered a resolution here asking for an investigation of these charges. Men who are permitted to go into the press gallery and who are given the privilege to sit there and hear our debates and send out their reports have over their own signatures charged directly that Senators are speculating in sugar stock, that Senators are in touch with the sugar barons, Searles, Havemeyer, and others, and when we consider the circumstantial evidence, the fact that there is a trust, a monopoly which notoriously and avowedly controls the American market and levies tribute upon the consumers as it pleases, and that the American people are helpless in the grasp of this octopus, which has throttled our freedom here in one sense, through the instrumentality of the Senate, I say, sir, that any Senator who undertakes to say that the American people are treating contemptuously these charges against this high body is entirely mistaken.

The people want an investigation. They want these charges cleared up. They want the men who are under accusation cleared and the reputation of the Senate restored, or else they want the men who have slandered the Senate punished and denied the privilege of coming in here to slander us. If those men have lied on us, then it ought to be shown up. If they can prove the charges which they have made, the Senate should act. I was going to offer an amendment that the commission (which, of course, could be honest and honorable or it could not be, according to the men selected) should take into the scope of its investigation not only the question how sugar is refined and what is a reasonable and proper tariff to protect American labor and capital against foreign competition, but whether the sugar trust has used undue means, improper methods to control legislation, and to get at the root of how it is and why it is that the American Senate can not touch sugar without being contaminated.

Mr. HOAR. Mr. President, I desire simply to say that I remain of my original opinion. We have heard a great deal of talk about the masses of the American people. Some people seem to have an idea that down beyond and below the ken of ordinary men, the men who get their living by honest work, who do their duty as honest citizens, is a great seething mass of humanity, which they speak of as masses, and which is moved and stirred by different motives and different opinions and ideas than those of persons with whom we deal.

I know through and through the character, the purposes, and the opinions of the men who get their living on the farms and in the workshops of Massachusetts. I am sprung from a race of Massachusetts yeomen. My friends and kinsmen and acquaintances and supporters, the men who think with me on questions of politics and social questions and religious questions, are of that class. I know what they are thinking about, if I know anything.

And I know something of the men who have built up those thirty-three great manufacturing cities that shine like resplendent jewels in her diadem. They are simple, sincere, honest, patriotic, liberty-loving, country-loving, God-fearing men. They think no evil; and, so far as they are concerned, appeals to vile prejudices and vile passions, general railing accusations, without specification either of man or of witness or fact, fall upon their ears as upon deaf ears.

Mr. TILLMAN. Will the Senator allow me?

Mr. HOAR. In a moment.

Mr. President, the kind of men who make up the laborers on the farms and in the workshops of the State of Massachusetts are the kind of men who are all over the country. There is not any great difference in the character or quality of American citizenship. Their children and kinsmen have settled the prairies of the West, and have gone to the Pacific and are building up a new empire to look out upon Asia as the empire of one hundred years ago that our fathers built looked out toward Europe. They are building there a larger, a more intelligent, a more powerful, a more glorious, and a wealthier New England. They are to have there the streets of a more cultured Boston, the halls of a more learned Harvard, the workshops of a busier Worcester.

The same thing which New England has done for the West, Virginia and the old States, with their glorious history, have done, are doing, and will do hereafter for the more southern parallels of latitude.

There is not a more glorious history of republican liberty and republican wisdom which ever could be written on this planet than the history of the great Commonwealth of Virginia, which is now so honorably represented in this body. I think I know, not from contact but from study, something of the opinion and the character and the temper of the people of that section of the country also. Whatever may have been their opinions or their errors in regard to some constitutional questions, they are an honest as they are a brave people; and the character of that people is impressed upon the men who represent them in this and the other House. And I hold that these charges upon this great body are not only preposterous, but I think they are infamous.

Now I will listen to the Senator from South Carolina.

Mr. TILLMAN. I desire to state that as to the seething mass of ignorance which the Senator designates as the masses——

Mr. HOAR. That I utterly deny. I said the notion that such a thing existed was a mistake.

Mr. TILLMAN. Well.

Mr. HOAR. I said there was no such thing in this country. That is what I said. My language is not to be perverted.

Mr. TILLMAN. I do not want to pervert your statement. I am merely trying to get at the honest interpretation of your words. You are the last man I would undertake to misrepresent to his face.

As I understood the Senator, he seemed to think that he knows as much about the masses as I do. While I claim no special mission here as a representative of the masses, I do claim to have come here much more recently than the Senator; to be a farmer; to have received thousands of letters from my fellow-farmers all over the North and West and South, hundreds within the last ten days, since this resolution to investigate the sugar fraud or sugar scandal was introduced here; and I know that the American people do not consider the charges infamous unless we will prove them so by bringing the witnesses to the bar of the Senate and making them answer the questions which we now have a right to ask. To hide behind the Senatorial toga and say we are so pure and high and noble that we can not be investigated is a confession of guilt before the people. That is what it is, and they so consider it; and they will consider the Senate disgraced if it lies under the accusation already affirmed by respectable correspondents over their own signatures and dare not investigate.

To go one step further, Mr. President, I said when I introduced the resolution that I had no personal animosity against any man or any set of men. I was absolutely impartial in my discussion of the subject, in calling attention to the fact that in 1894 the accusations lay against the Democratic Finance Committee, while recently they lie against the Republican Finance Committee, and that it did not matter which committee was interested or involved, the same charge—that the sugar trust controls the Senate and could get any differential it wanted—led the American people to believe that bribery was abroad and that men here, either directly or indirectly or as attorneys or something else, were receiving undue compensation and dishonorable money.

I believe it, and I have asked for an investigation. I have had information furnished me which says that they will prove that Senators have speculated in sugar stock. If they do not furnish it, they are liars. Until you give them the opportunity to prove it you are convicted by your own action of being afraid to investigate for fear you will find that you have in your midst bribe takers and corrupt men.

Mr. LINDSAY. In paragraph 206, page 63, line 22, I move to strike out "ninety-five one-hundredths" and to insert in lieu thereof "eight-tenths;" so as to read:

On all sugar which has gone through a process of refining, 1 cent and eight-tenths of 1 cent per pound.

The VICE-PRESIDENT. The question is on agreeing to the amendment of the Senator from Kentucky.

Mr. LINDSAY. Mr. President, if this amendment be adopted, there will be no question about the sugar refiner receiving a differential of 5 cents on each 100 pounds in addition to the 38 cents to be paid him or to be paid by the importer for his benefit on account of the export duties paid by the German Government to those who export refined sugars from that country to the United States.

If you take 96 degrees polariscopic test, it will leave a difference of 17 cents on the hundred pounds between raw sugar and refined sugar, and that is more than the differential under the existing tariff law.

I find that under the tariff law as it now exists the American Sugar Refining Company declares annually upon $37,500,000 of common stock 12 per cent dividend, and upon $37,500,000 of preferred stock 7 per cent dividend, making an average upon its capital stock of $75,000,000 of 9½ per cent profits each year.

Out of seventy-seven stocks representing railroads and industrial corporations reported by Henry Clews there is not a single stock that pays such dividends as are being paid by the sugar refining company. It is a clear case, therefore, that this industry, under existing law, is receiving benefits under our revenue system that it ought not to receive, even if it be admitted that the $75,000,000 of stock represents $75,000,000 of cash actually invested in the enterprise; and no man pretends that it represents more than half that amount of cash. Take the actual money invested in this combination at $37,500,000, and it is paying to-day 19 per cent in the way of dividends—dividends such as are not approximated by any other industry whose stocks are reported this week by Henry Clews & Co.

Now, the Senator from Massachusetts proposes that we shall send out a committee to ascertain certain facts. I submit to the Senate that concerning the existence of those facts there is no dispute. When this committee comes back and reports, it can not report anything else than is conceded on all sides by the sugar trust and those who defend it. It is to inquire, first—

What policy is best adapted to procuring a sufficient supply of sugar for the people of the United States at the least cost, and to encourage and promote the raising in the United States of a sufficient supply of sugar for domestic consumption.

This Senate has settled the last inquiry, that the way to secure a sufficient supply for domestic consumption is to encourage the sugar industry by protection such as has never been given to any other industry. Why inquire, when that question has been considered and settled? Why send out a commission to ascertain and report a fact which has been already considered and decided by the Congress of the United States? Further—

What amount of duty on imports of sugar is necessary to enable the business of refining sugar in the United States to be conducted at a reasonable and moderate profit.

We know what the existing duties are. We know that under those existing duties the sugar-refining industry each year realizes inordinate and extortionate profits upon the business at the expense of the people of the country; and when the Senate comes to act upon the proposition, what shall be done in the face of conceded facts, the Senate increases the protection given to the sugar trust and thereby declares in favor of increasing its profits.

Mr. HOAR. May I ask the Senator from Kentucky a question?

Mr. LINDSAY. Yes, sir.

Mr. HOAR. What amount of duty, in his judgment, is necessary to enable the business of refining sugar to be conducted at a reasonable profit?

Mr. LINDSAY. My judgment is, not a single cent of duty in excess of that which is levied upon the raw product.

Mr. HOAR. What amount of duty, absolutely, without any regard to what may be done with the raw product?

Mr. LINDSAY. You have decided that the revenue necessities of the country determine that $1.75 on each 100 pounds of sugar is necessary.

Mr. HOAR. But the Senator does not accept that decision. I want to know what he thinks is necessary.

Mr. LINDSAY. I say 40 per cent ad valorem, without any differential whatever, will enable the sugar industry to thrive and enable the sugar-refining business to live.

Mr. HOAR. Does not the Senator think 30 per cent ad valorem would do it?

Mr. LINDSAY. I am willing to try it.

Mr. HOAR. Does the Senator think 30 per cent ad valorem would be a sufficient rate?

Mr. LINDSAY. I prefer leaving that question to those engaged in the industry. I know by the experience of the last three years that 40 per cent is abundant.

Mr. HOAR. My honorable friend does not quite answer my question. I do not want to press it unduly, but I ask him if he thinks 30 per cent would do it?

Mr. LINDSAY. I think it would.

Mr. HOAR. Does he think 20 per cent would?

Mr. LINDSAY. But it is not a question of 30 per cent.

Mr. HOAR. Will the Senator be kind enough to tell me if he thinks 20 per cent ad valorem would be enough?

Mr. LINDSAY. That is a method of cross-examination to which I do not think I ought to submit.

Mr. HOAR. I will state what I wanted to get at, if the Senator will pardon me.

Mr. LINDSAY. Yes.

Mr. HOAR. Will he tell us the lowest amount of protection ad valorem that he thinks would do it? I do not want to put half a dozen questions. I want to get——

Mr. JONES of Arkansas. Mr. President——

Mr. HOAR. No, no. I want to know if the Senator will tell us the lowest that he thinks will do it.

Mr. LINDSAY. I will say that 30 per cent will do it and has done it. In my opinion, that would be ample protection.

Mr. HOAR. Now, will the Senator tell me whether 20 per cent will do it?

Mr. LINDSAY. The Senator would then ask me if I thought 15 would.

Mr. HOAR. Certainly.

Mr. LINDSAY. And then if I thought 10 would.

Mr. JONES of Arkansas. If the Senator will permit me——

Mr. HOAR. Allow me one minute. It is very obvious that the Senator from Kentucky himself does not know and has not an opinion as to what is the lowest practicable limit.

Mr. JONES of Arkansas. I only ask the Senator from Massachusetts to look at the proposition fairly. His question submitted to the Senator from Kentucky was what difference there should be between the tariff on the raw and the refined sugars to enable the refiners to live.

Mr. HOAR. No; I did not ask that question.

Mr. JONES of Arkansas. What was the Senator's question?

Mr. HOAR. What amount of duty would enable the business of refining sugar to be conducted in this country at a reasonable and moderate profit? I did not say anything about raw sugar or manufactured sugar.

Mr. JONES of Arkansas. Very well. I understand the Senator from Kentucky answered the same that was levied on the raw. That was a distinct and plain answer, which would apply to any rate that could be imposed. He meant if you put 40 per cent on raw, 40 per cent would be the rate on the refined. If you put 50 per cent on the raw, it would be 50 on the refined, and no more.

Mr. HOAR. Suppose raw was free.

Mr. LINDSAY. Then nothing.

Mr. JONES of Arkansas. Then, in his opinion, the refined should be free. That was the effect of his answer. It was plain.

Mr. HOAR. I did not ask the Senator whether he thought it should be free. I asked him whether the business could be conducted at a reasonable and moderate profit at a particular duty.

Mr. JONES of Arkansas. His answer was that it required no additional tariff above that on raw to make the interest succeed, and that was a clear and distinct business answer.

Mr. LINDSAY. Mr. Havemeyer stated in 1880 that if you would give him free sugar he needed no protection whatever. He said that he would undersell the English in their own markets if you would give him free sugar. In 1890 the Republican party gave the sugar trust free sugar, and in the face of the statement of Mr. Havemeyer that he needed no protection whatever, it gave to the sugar trust 50 cents on each 100 pounds of sugar by way of a subsidy to it. As was said this morning, the bill came over from the House with 40 cents on each 100 pounds, and for some reason, which the Republican side of the Chamber can probably explain, it was raised from 40 to 50 cents on the hundred pounds.

Three years ago the Senator did not think the sugar industry needed any such encouragement or any such protection as it is now proposed to give it. The original report from the Finance Committee in 1893 as to the tax on sugar was as follows:

All sugars, tank bottoms, sirups of cane juice or of beet juice, melada, concentrated melada, concrete and concentrated molasses testing by the polariscope not above 80 degrees shall pay a duty of 1 cent per pound, and for every additional degree or fraction of a degree above 80 degrees and not above 90 degrees shown by the polariscope test, shall pay one one-hundreth of a cent per pound additional, and above 90 degrees and not above 98 degrees, for every additional degree or fraction of a degree shown by the polariscope test, shall pay a duty of two one-hundredths of a cent per pound additional, and upon all sugar testing above 98 degrees by polariscope test, or above No. 16 by the Dutch standard in color, there shall be levied and collected a duty of one-eighth of 1 cent per pound in addition to the duty imposed upon sugars testing above 98 degrees.

Afterwards the committee fell upon the ad valorem principle and reported that portion of the bill which is now a law. The junior Senator from Massachusetts [Mr. LODGE] moved to substitute for that provision the original report of the committee. On the call of the yeas and nays every Senator on the other side of the Chamber voted in favor of it, and my friend from Massachusetts [Mr. HOAR] voted in favor of it.

The pending bill commences with a cent at 75 degrees, and adds three-tenths of a cent for every additional degree. Three years ago the other side of the Chamber was in favor of giving to the sugar industry a tariff at the rate of 1 cent a pound for 80 degrees, and an additional one-hundredth of a cent up to 96 degrees, and then two hundredths of a cent above, and one-eighth of a cent differential. If in 1893 that was all the protection the sugar industry ought to have had, how is it that in 1897 it is indispensable that we shall give to it nearly 50 per cent more protection than was then necessary? At 1.80, or 1 cent and eight-tenths, the differential will be 17 cents, ample to pay the difference of expense in converting raw into refined sugar. Under the present law less than 170,000,000 pounds of refined sugar found its way into the American market, against 3,600,000,000 pounds consumed by the American people. The present tariff is almost a tariff of exclusion, and this bill as it now stands, if enacted into law, will be a tariff of absolute exclusion.

Let us see how the refined sugar from foreign countries gets into this country at all and finds a market. I read from the Journal of Commerce of last Friday the New York market:

Granulated sugar, American, sold by the American Sugar Refinery at 4¼ cents per pound.

And the sugar of every American refinery sold at the same price. But when you come to the foreign sugar, it sold at from 4¼ to 4⅜ cents a pound, three-eighths of a cent less in the market than the American refined sugar sold at. Therefore no foreigner can now bring his sugar here and sell it in competition with the protected sugar of the sugar trust under the existing law unless he underbids the sugar trust, and with the willingness to underbid the trust, last year only 170,000,000 pounds were brought in out of a consumption of 3,600,000,000 pounds.

In the face of all, the Senate, true to its instincts, true to its history, in 1890, instead of reducing or accepting the protection given by the House of Representatives, has increased the protection given by the House of Representatives. One cent and eight hundred and seventy-five thousandths of a cent was just as much as the other House thought ought to be given to the sugar trust on refined sugar. The Senate thinks that 1 cent and ninety-five one-hundredths ought to be given, and it appears from the newspaper accounts of the executive sessions held by our friends on the other side—which are no more secret than the executive sessions which are from time to time held by the Senate—that there are Senators on the other side who believe that the increase from eight hundred and seventy-five thousandths to ninety-five one-hundredths involves a subsidy to the sugar trust of from four to five million dollars a year. Under existing laws, 9½ per cent, or nearly $10,000,000, is paid out to the sugar trust in the way of profits. Under the law as it will be, if the pending bill be adopted, the profits will be from thirteen to fifteen million dollars.

Mr. ALLISON. Mr. President, the Senator from Kentucky [Mr. LINDSAY] now proposes to strike out what has been inserted already in Committee of the Whole and insert eight-tenths or eighty one-hundredths. I shall make a point of order upon that amendment, that we can not strike out what has been inserted and insert something else later on.

Mr. JONES of Arkansas. Will the Senator allow me to interrupt him right there?

Mr. ALLISON. Yes, sir.

Mr. JONES of Arkansas. When this bill was taken up, among the first amendments offered was one involving almost the same point. I then asked the question if technical points were to be made, or if we should have to be careful in offering amendments so as not to forfeit our rights of subsequently offering amendments to amendments which had been adopted. My understanding was that it was stated on the other side of the Chamber that there was to be no technical advantage taken on things of that kind. I respectfully submit, therefore, that a vote ought to be allowed on this amendment if any Senator wants it.

Mr. ALLISON. On the statement of the Senator from Arkansas, I shall not insist on my point.

Mr. JONES of Arkansas. I think that is fair.

Mr. ALLISON. I intend to deal as fairly as I can, but hereafter when we have taken a vote, as we have on this subject, I think we will never end a question unless we abide by the vote upon it.

Mr. President, I want to say a few words in opposition to the amendment proposed by the Senator from Kentucky, and in order that I may speak intelligently, at least to myself, I want to make some comparisons as to this bill as reported by the Senate Committee on Finance and as to the bill as it came to us from the House of Representatives.

The only change which is of value in this discussion which has been proposed by the Senate Committee on Finance is the change that applies to sugars above No. 16 Dutch standard in color and to refined sugars. We also have proposed—which has not yet been voted upon—that sugars testing 87 degrees by the polariscope and less shall pay one-tenth of a cent less per pound than the sugars above 87. Those two amendments are the only amendments which have been proposed by the Finance Committee to this schedule.

What is the House schedule? The House schedule begins with sugars which test 75 degrees by the polariscope, and fixes the duty upon those sugars at 1 cent a pound. It then has an ascending scale for each degree of the polariscope of three one-hundredths of a cent per pound running through the entire scale. Now, I want to ask Senators why it is that three one-hundredths of a cent is applied to each degree of the polariscope? I want to call the attention of my friend from Kentucky to the answer which I will give, and that is, that it is the result of absolute experiment, as shown not by the value of sugar in the various markets of the world, but as shown by the value of the sugar in the great port of New York, where all sugars are equalized in the local market, whatever may have been the price paid for those sugars in Manila, or in Egypt, or in any of the islands of the sea.

Therefore it was that what is known as the merchants' schedule was established. Who are these merchants? They are a committee of the great merchants of New York, not refiners of sugar, but those who deal with sugar in the markets of the world. They came before the Committee on Ways and Means of the House of Representatives and, as shown in their testimony, they disclosed that these various sugars in bond in the city of New York, including the original market price in the place of production, including the cost of transportation from the place of production to the city of New York, including commissions and all local charges in the place of exportation, and every element which enters into the price of these raw sugars, are all equalized, because they come there to one common market, and you must take that scale which is disclosed in the table presented by the Senator from Missouri [Mr. VEST] as respects these various values of sugar.

When the House of Representatives fixed this scale of three one-hundredths of a cent as a proper ascending scale covering the market value of all these sugars in the great city of New York, they found that scale to be so equally and evenly adjusted that the highest variation was only a fraction of two one-hundredths of a cent on the various grades. In other words, it was an equal and exact equilibrium as respects every ounce of sugar imported into the United States from all the countries outside of our boundaries.

That being the scale, what is the effect of that scale? It is that whether I purchase sugars in the Philippine Islands, whether I purchase them in Egypt, or whether I purchase centrifugal sugars in Cuba or San Domingo, when I get those sugars into the common market of consumption, whether that consumption is for refining or for other purposes, there is an exact equivalent of every class of sugar. Therefore, in the nature of things, there can be no practical profit arising from these sugars to the refiner of sugars; and so it is that this ascending scale, running up from 96 degrees of the polariscope, discloses a duty upon sugar of 1.63 cents per pound as against 1 cent per pound upon sugars that test only 75.

Whilst this is true in the market of New York, I agree that it is not mathematically true as to sugars in other respects. I could have shown, had I not been anxious to secure a vote upon the former amendment proposed by the Senator from Kentucky, that the duty on all the sugars that are used by the refiners of sugar in the United States to the extent of 75 per cent, at least, of those sugars under this schedule, without the differential which is here found, would be more than the duty upon the refined sugars. I made this calculation myself for the purpose of satisfying myself of its absolute accuracy; and I found that sugars testing 95 degrees by the polariscope—and it is well known that all the sugars which are refined by the American refiners are sugars that are imported testing 88 degrees or more, only a few coming in under that test—the large body come in from 95 to 96.

Now, take sugar testing 95 degrees, and the duty by this bill, without the differential upon that sugar, would be $1.75 per hundred pounds and forty-four one-thousandths in addition; in other words, the sugars that are refined in the United States under the scale proposed by the Senator from Kentucky a few moments ago would pay more per pound than would the refined sugars. Sugars testing 96 would pay $1.75 and seventeen one-hundredths; sugars testing 97 would pay $1.75 and twenty-nine one hundredths—speaking only in round numbers—those testing 98, $1.75 and thirty one-hundredths, and those testing 99, $1.75 and twenty-two one-hundredths.

Mr. JONES of Arkansas. Would the Senator object to stating how he arrives at those figures?

Mr. ALLISON. Certainly not. I was about to state that I arrived at those figures by taking the number of pounds of raw sugar which are required to produce a given number of pounds of refined sugar—that is to say, given the number of pounds of raw sugar that will produce 100 pounds of refined sugar, I find, taking the 95-degree polariscopic test, that it will take 120.54 pounds of raw sugar to make 100 pounds of refined sugar, according to the absolutely accurate test made by Secretary Carlisle as Secretary of the Treasury, and produced by him, as I have been told, after the most accurate calculations of the best chemists and experts obtainable on the sugar question.

Mr. JONES of Arkansas. Does the Senator mean that to apply to sugar testing 95 degrees?

Mr. ALLISON. I mean that to apply to sugar testing 95 or 96 degrees, or whatever it may be.

Mr. WHITE. I understand the Senator takes the Treasury table heretofore alluded to as No. 102, and from that calculation is made the printed table we have had.

Mr. ALLISON. I do.

Mr. JONES of Arkansas. That table shows that it takes 107 pounds of sugar testing 96, instead of 120 pounds.

Mr. ALLISON. I had the table here a moment ago. I find I was mistaken in the statement.

Mr. WHITE. I think the Senator will find the figures otherwise on that test.

Mr. ALLISON. Has the Senator the table which was produced by the Senator from Missouri?

Mr. WHITE. It was put in the RECORD, and will be found on page 1987.

Mr. ALLISON. I had the paper here a moment ago.

Mr. JONES of Arkansas. Possibly the Senator may have mixed his figures.

Mr. ALLISON. I have not mixed my figures.

Mr. JONES of Arkansas. It is the 88 sugar which takes 128 pounds, and not the 96, which takes but 107.

Mr. ALLISON. Not having the table before me, I am not able to quote the figures with absolute accuracy.

Mr. JONES of Arkansas. I understand the process by which the Senator arrives at his figures.

Mr. ALLISON. I take the 95 sugar, of which it takes 109 pounds and thirty-four one-hundredths, and I find that this bill gives upon that class of raw sugar a higher duty upon 100 pounds than is given by the House bill upon sugars testing 100. I am talking about the bill as it came from the other House. I am undertaking to show, if I can, that as to the amendment proposed by the Senate committee and as to the bill as it came from the House, the difference is only in one single thing, and that is that we allow 1.95 as against 1.875 in the bill as it came from the House, or a difference of 7½ cents a hundred pounds.

Mr. LINDSAY. I submit to the Senator that that increase was the only criticism I made upon the bill as reported by the Senate Committee on Finance.

Mr. ALLISON. But the Senator undertook to show that there was in this bill, by this ascending scale, a benefit to the refiners without reference to what we call the differential.

Mr. LINDSAY. No. I undertook to show that whenever you pass 96 degrees the refiner gets the benefit of your ascending scale. Up to 96 degrees the sugar producer and refiner proceed side by side.

Mr. ALLISON. That is where the Senator is mistaken. I have the absolute calculation here of sugars testing 96, and those sugars necessary to make a pound of refined sugar will be obliged to pay a duty of 1.7517 instead of paying a duty of 1.75, as sugars testing 100 would under this sliding scale. So when the Senator says that there is a protection or differential lying in this scale, running from 75 degrees of the polariscope to 100 degrees, I reply that that protection or differential is not to be seen.

Now I present a table which I have intended for some days to put into the RECORD, and I ask leave to do it now. This table shows the differentials under the bill as it came from the House, under our Senate amendments, and under the present law, and I challenge contradiction when I say that the differential under the existing law is higher and greater than under the schedule that lies before us.

Mr. STEWART. That is, the Senate amendment is less.

Mr. ALLISON. The Senate amendment is less in differential than the existing law. I have here—and I ask that it be inserted in the RECORD—a table showing this, and I challenge a contradiction of the accuracy of this table. Taking the average prices of the refined sugars as shown, not at 2.30, but at 2.47, which is the average value of sugars; taking the German sugars, the first marks, so called, which are the cheapest, and taking the prices of Holland refined and the prices of English refined, and averaging them all, making 2.47, I am tired of the accusation that we have increased here, by 40, 41, 43, 52, and 59 per cent, the protection or the differential to sugar refiners.

The table referred to is as follows:

Degrees.	Price.	Rate.			Differential.		
		Act of 1894.	House.	Proposed Senate.	1894.	House.	Proposed Senate.
	Cents.	*Per ct. Cts.*	*Cts. Per ct.*	*Cts. Per ct.*	*Cents.*	*Cents.*	*Cents.*
75	88.65	40 = 35.46	100 = 112.80	90 = 101.5	56.29	40.82	62.99
76	94.84	40 = 37.94	103 = 108.60	93 = 98	56.34	38.34	60.32
77	101.04	40 = 40.42	106 = 104.90	96 = 95	53.53	35.97	57.76
78	107.22	40 = 42.88	109 = 101.66	99 = 92.3	51.80	33.72	55.33
79	113.42	40 = 45.37	112 = 98.74	102 = 89.9	48.14	31.58	53.01
80	119.61	40 = 47.84	115 = 96.15	105 = 87.7	45.59	29.55	50.78
81	125.81	40 = 50.32	118 = 93.79	108 = 85.8	43.12	27.63	48.68
82	132.00	40 = 52.80	121 = 91.66	111 = 84	40.75	25.83	46.69
83	138.19	40 = 55.28	124 = 89.93	114 = 82.5	38.48	23.94	44.61
84	144.38	40 = 57.75	127 = 87.96	117 = 81	36.29	22.55	43.04
85	150.57	40 = 60.23	130 = 86.33	120 = 79.7	34.20	21.09	41.39
86	156.77	40 = 62.70	133 = 84.83	123 = 78.4	32.21	19.73	39.84
87	162.96	40 = 65.18	136 = 83.45	126 = 77.3	30.30	18.59	38.43
88	169.15	40 = 67.66	139 = 82.2	139 = 82.2	28.48	17.35	24.85
89	175.34	40 = 70.14	142 = 80.9	142 = 80.9	26.76	16.33	23.83
90	179.96	40 = 71.98	145 = 80.6	145 = 80.6	25.88	15.43	22.93
91	185.125	40 = 74.05	148 = 79.9	148 = 79.9	24.80	14.62	22.12
92	190.29	40 = 76.12	151 = 79.3	151 = 79.3	23.81	13.95	21.45
93	195.46	40 = 78.18	154 = 78.7	154 = 78.7	22.91	13.38	20.88
94	201.42	40 = 80.57	157 = 77.9	157 = 77.9	21.71	12.82	20.32
95	207.18	40 = 82.87	160 = 77.2	160 = 77.2	20.69	12.56	20.06
96	212.795	40 = 85.12	163 = 76.6	163 = 76.6	19.82	12.33	19.83
97	215.89	40 = 86.35	166 = 76.9	166 = 76.9	20.11*	12.20	19.70
98	219.06	40 = 87.62	169 = 77.1	169 = 77.1	20.41	12.20	19.70
99	222.15	40 = 88.86	172 = 77.4	172 = 77.4	20.78	12.28	19.78
100	223.71	40 = 89.48	175 = 78.2	175 = 78.2	21.82	12.50	20.00
Refined	247.00	(*)	187.5 = 75.9	195 = 78.9	-------	-------	-------

*40 per cent and ½ = 111.30.

Mr. WHITE. Will the Senator from Iowa permit me to ask him a question?

Mr. ALLISON. Certainly.

Mr. WHITE. In the presence of the Senator from Iowa, the Senator from Rhode Island [Mr. ALDRICH], who at that time had charge of this bill, and who is now ill, stated that the differential in the bill as it came from the House was greater than the differential in the then Senate bill, and he inserted in his remarks a table which, if correct, demonstrated the truth of that statement.

Now, I desire to know whether anything that has transpired since that time, any elucidation or light, has convinced the Senator from Iowa that his colleague upon the committee, who then had charge of the bill, was in error?

Mr. ALLISON. I am not dealing with the statements of the Senator from Rhode Island, nor am I dealing with the prices as estimated by him. I am taking the prices which appear in these tables, which are the true prices, not those for one month, January, which the Senator from Rhode Island took; not the current prices, but the average prices. That table is based upon the average prices of this class of raw sugar during the four months beginning on the 1st day of January and ending on the 1st day of May.

Mr. JONES of Arkansas. Will the Senator from Iowa be good enough to explain what basis he takes for refined sugar? He quotes the price of raw sugar here, but he does not state in this table what the price of refined sugar is, from which he calculates the difference.

Mr. ALLISON. The prices of raw sugar are found in the first column of the table. The prices of refined sugar are found right under them, $2.47. I have not taken the prices of January, as suggested by the Senator ffom Rhode Island, but I have taken the actual prices as furnished by the public record, the average prices of raw and refined sugar for the four months ending on the 1st day of May.

Mr. WHITE. The Senator from Iowa is mistaken when he says January was taken. March was taken.

Mr. ALLISON. March was taken by the Senator from Rhode Island for the price of refined sugar. He took the price upon a single day of what is called "first marks refined sugar," which, of course, as Senators know, is rather an inferior kind of refined sugar that comes from Germany, but a kind that is largely imported.

Mr. CAFFERY. Will the Senator kindly tell me what is the differential in the table between raw and refined?

Mr. ALLISON. I have made a scale there running about twenty one-hundredths in the Senate schedule.

I will say another thing with respect to this schedule, because I do not hesitate to state the method whereby this result was reached. The method does not include the countervailing duty put on under this bill and not put on in the Senate; and I have been amazed that, with all the zeal for the reduction of the enormous differential to the refiners, some Senator on the other side of the Chamber has not risen in his place and moved to strike out the three-eighths of a cent. Why is it that the Senator from Kentucky [Mr. LINDSAY], with his zeal and his energy and his activity, does not address himself to the question of striking out the three-eighths differential, as he calls it, which is found in this same paragraph? Why does he stop at the suggestion of 5 cents a hundred pounds, when there lies right under his eyes and on his table a proposition where, by a single amendment which he could propose, he could strike down the refiners' thirty-eight one-hundredths of a cent.

Mr. JONES of Arkansas. Where is that in this paragraph? On what page is it?

Mr. ALLISON. Here it is in this provision; I wish to read it, and I want to know why it is that Senators on the other side of the Chamber strain at a gnat and swallow a camel.

Mr. JONES of Arkansas. Please answer my question.

Mr. LINDSAY. Where is the three-eighths?

Mr. ALLISON. If the Senator has not investigated the bill far enough to know, I will point it out to him.

Mr. JONES of Arkansas. I will say to the Senator that that was stricken out on his own motion, and it is out of the paragraph now.

Mr. ALLISON. I do not understand that it is out of the paragraph.

Mr. JONES of Arkansas. It is, and the RECORD will so show. It was done on the Senator's own motion, and therefore there is no occasion for anybody else to draw any amendment of the sort.

Mr. ALLISON. If that is out on my own motion, and they thought it was out, why is it that they are insisting in every debate and in every table that it is in?

Mr. JONES of Arkansas. Because the Senator has it in another paragraph later on in the bill, which will be reached hereafter. That is the reason.

Mr. ALLISON. I want the Senator from Arkansas to open up the debate on the countervailing duty, that we may show, as we can show now, that this countervailing duty is only an imitation and an emulation of his own committee in 1894, when they provided a tenth of a cent countervailing duty upon refined sugar and the same countervailing duty upon raw sugars.

Mr. JONES of Arkansas. We will be ready for it when we get there.

Mr. ALLISON. I hope the Senator will.

Mr. LINDSAY. I want the Senator from Iowa to do me the justice at least to say that it does not rest upon me to move to strike out three-eighths, or to make any motion in regard to that retaliatory duty until we reach it. When we reach it, we will try to attend to it.

Mr. ALLISON. I did not know it was out. I supposed it was still there. I made my remarks upon that basis. Whilst Senators were discussing this question as a fixed fact, I wanted to call their attention to the mountain that is in their pathway as compared with this molehill.

Mr. TILLMAN. Will the Senator from Iowa allow me to call his attention to the fact that he has just confessed that the duty now proposed is in emulation—I believe that was the very word——

Mr. LINDSAY. Imitation.

Mr. TILLMAN. Imitation and emulation of the villainies practiced by his Democratic colleagues three years ago.

Mr. ALLISON. Fortunately for me, I do not indulge in the epithets of the Senator from South Carolina. I did not call it a villainy.

Mr. TILLMAN. That is my word.

Mr. ALLISON. Nor do I think it is a villainy. I believe that the provision in the act of 1894 was a necessary provision, as I believe also that this is a necessary one.

Mr. LINDSAY. If the Senator will pardon me, I will say that the act of 1894 gives 10 cents, and this measure proposes to give 38 cents, and the sugar refiners are declaring 9½ per cent profit on $75,000,000 worth of stock and are paying the difference between 10 and 38 at the present time.

Mr. ALLISON. When this differential was put upon the bill in 1894, the duty upon raw sugar was less than 10 cents a hundred pounds, and the duty upon refined sugar was 10 cents a hundred pounds. Since that time the German Government, I believe in May last, and I call the attention of the Senator to the fact, increased their bounty upon raw sugar to twenty-eight one-hundredths of a cent or twenty-seven and a fraction one-hundredths, and upon refined sugar to thirty-eight one-hundredths and a fraction. It was only the difference, at most, between the raw and the refined upon which they secured this advantage. But what I am complaining of is that in the tables which have been presented here this 10 cents countervailing duty is not computed, nor is the 27 cents a hundred pounds computed upon the raw sugar, but there is thirty-eight one-hundredths of a cent computed upon refined sugar. Every Senator who has spoken, so far as I know, has taken it absolutely for granted that the protection on refined sugar is thirty-eight one-hundredths of a cent in this bill because of the fact that there is thirty-eight one-hundredths of a cent bounty by the laws of Germany.

Mr. LINDSAY. I will ask the Senator if three-quarters of the crude sugar does not come from countries that pay no export bounty?

Mr. ALLISON. Then my answer to the Senator is, Why was it put in the act of 1894? That act was intended to reach the bounty of sugar-producing countries, and it was put in there because those who were responsible then believed that there must be a countervailing duty in order that the refiners of this country should be placed upon an equality with the refiners of Europe.

Now I will ask my friend another question. Suppose it should turn out that instead of these sugars coming into the United States to be refined they should go to Montreal or Holland, if you please, or to England. What would be the protection to our refiners against sugar refined there from those sugars? It is 1.875 cents or 1.95 cents a pound, as the case may be.

Mr. LINDSAY. I will say that there is no danger of those sugars going to Montreal or anywhere else to be refined, if my amendment be adopted. The complete answer to the question lies not in ascertaining how many pounds of sugar the sugar trust says it has to buy in order to make a pound of refined sugar, but in what does the business of the sugar trust domonstrate. It demonstrates that, notwithstanding the change of conditions in the country, sugar stock has remained above par all the time, and since this bill has been under discussion it has gone up 5, 6, 8, or 10 points, and sold Saturday last at 126.

Mr. ALLISON. The Senator from Kentucky can get me into no argument upon that question. I have not taken the figures of the sugar trust. I have taken the figures of his friend John G. Carlisle, Secretary of the Treasury, and I have made every calculation upon his computations and not upon the computations of the sugar trust.

Mr. LINDSAY. And Mr. Carlisle got the figures from the sugar refiners, because no one else understands the trade well enough to give the figures.

Mr. ALLISON. If the Senator from Kentucky will pardon me, that is simply an absurdity. There are men connected with the Treasury (they may not be quite so familiar with the tests of sugar and the value of sugar as are the men who for long years have been engaged practically in the business) and there are men now in the employ of the custom-house in New York who have been there for twenty or twenty-five years, and they as experts know all about the sugar question.

Mr. CAFFERY. Mr. President——

Mr. ALLISON. I am not to be diverted now, if my friend the Senator from Louisiana will excuse me, by any table which he inserted the other day, prepared by an expert whom I do not know and who certainly has not the responsibility of government.

Mr. CAFFERY. I am not going to mention the table. I wish simply to ask the Senator a question. He, I understand, has presented a schedule of prices different from the prices presented by the Senator from Rhode Island. I should like to ask him why he has discarded the prices given by the Senator from Rhode Island and taken new prices?

Mr. ALLISON. I did not discard the suggestions made by any Senator. I have not discarded the suggestions made by the Senator from Louisiana.

Mr. CAFFERY. I am not talking about the suggestions, but of the fact, of the prices. The Senator from Rhode Island made his calculation upon certain prices of sugar. The Senator from Iowa, I understand, has offered a calculation based upon other prices. Now, I desire to know why he has taken other prices and not maintained those of the Senator from Rhode Island?

Mr. ALLISON. I have done that to get rid of some confusion which early existed in my own mind, and I hope in some way to bring other Senators to the opinion I now entertain. If I have failed to explain that, I have failed in part in my object.

I stated that the schedule of specific rates of duty, with the continuous ascending scale of three one-hundredths of a cent per pound, is a scale not based upon the price of sugar in the Philippine Islands, as the price of the Senator from Rhode Island was, not based upon the price of sugar in Egypt, as the price of the Senator from Rhode Island was, or in any of the islands of the sea, but is the price of sugars in bond in the city of New York, as shown by tables presented by merchants in New York and incorporated by the Senator from Missouri; and upon these tables (and they are tables from which most of the calculations have been made) I have demonstrated, at least to my own satisfaction, that the rate as it is proposed here is a less rate of duty than that in the existing law. In a good many cases I agree that it is only a fraction less, but in every case except one or two it is less.

Mr. CAFFERY. Whatever the prices may be, I wish to ask the Senator from Iowa whether by this ascending scale, from 75 degrees up, the rates are not clearly ascertained. Given the number of pounds of raw sugar it takes to make a pound of refined sugar and given this ascending scale, is not that a true criterion of the duty and not variable prices here and there?

Mr. ALLISON. I do not argue that question now, because the Senate itself has accepted that. It comes here with the experience and observation of the merchants of New York, and we have adopted it and incorporated it here in our schedule, and therefore I do not go beyond that in the suggestions I make.

Mr. President, the question after all is, What is the differential? My answer to that, and if it is not a truthful answer then I am to be corrected, is that it is the duty upon 100 pounds of refined sugar as compared with the duty upon the number of pounds of raw sugar required to produce 100 pounds of refined sugar. Therefore it is that on the ascending scale which I have named, sugars that are refined are practically upon an even keel, taking the sugars from 88 or 89 to 97.

Now, then, we come face to face with the main question, because I take it that after all our zeal for the destruction of a trust or combination, if you please, will not run so far that we will destroy the refining industry in the United States. It has been stated here, and of that I speak only from information and not from knowledge, that 70 per cent of the sugars—some have said here in debate that it is only 66 per cent, or two-thirds—that are refined is in the control of what is known as the American sugar trust. Of course, the remainder is refined here and there, independent of the trust. I do not know how that may be, but I do know that it would be the height of unwisdom for us to transfer to Germany, or to Holland, or to Great Britain, or to our neighbor on the north, as my colleague [Mr. GEAR] suggests to me, the business of refining four thousand million pounds of sugar.

That being true, the question for us to consider here is what is a fair and proper differential in order to give such protection to the business of sugar refining as will keep it in the United States. In 1883 that differential varied from 75 to 125, and yet we have heard on this floor to-day that under that high differential such was the difficulty in refining sugars that there was a practical loss and many refiners went out of business.

Mr. GEAR. Let me remind my colleague that the Senator from Texas [Mr. MILLS], who was chairman of the committee that framed the bill named after him, only proposed to reduce that protection 20 per cent.

Mr. ALLISON. Yes; I am glad to be reminded of that fact. The Senator from Texas will allow me to interpolate another suggestion right here. I believe that more than half the paragraphs in this bill contain less rates of duty than were provided in the bill of 1888, called the Mills bill. But I do not allude to that except to say that this fact illustrates how rapidly prices have gone down, how successful our manufacturers have been, and how large a share of the products of manufactures are now made in this country, enabling us to reduce the rates of duty.

Mr. STEWART. Do I understand the Senator to say that the protection given to the trust in the bill by the Senate amendment is less than under the act of 1894?

Mr. ALLISON. I say that, from these tables, and in doing so I do not take into account the differential that arises from this thirty-eight one-hundredths of a cent any more than I take into account the differential that arises from the one-tenth in the law of 1894 and the one-tenth in the law of 1890.

Mr. WHITE. May I ask the Senator from Iowa if that is not a practical protection to the refiner in both cases, whether a just one or not?

Mr. ALLISON. If it is——

Mr. WHITE. Is it not?

Mr. ALLISON. If it is, then that eleven one-hundredths should be added. If the Senator will turn to the paragraph which I supposed was passed over and not stricken out, he will see that both as respects raw and refined sugar the countervailing duty is neither 27 nor 38, and that in this respect——

Mr. WHITE. It is a sliding scale?

Mr. ALLISON. No, it is not a sliding scale. It says:

> Sugars, tank bottoms, sirups, cane juice or beet juice, melada, concentrated melada, and concrete and concentrated molasses, the product of any country which pays, directly or indirectly, a bounty on the export thereof, whether imported directly and in condition as exported therefrom, or otherwise, shall pay, in addition to the foregoing rates, a duty equal to such bounty, or so much thereof as may be in excess of any tax collected by such country upon such exported article, or upon the beet or cane from which it was produced.

Mr. WHITE. I call that a sliding scale.

Mr. ALLISON. The Senator calls that a sliding scale. In other words, there is an unknown quantity to be ascertained as to this bounty, and in no event can it anywhere near approach thirty-eight one-hundredths of a cent a pound; and yet in all these calculations of differentials we find this scale in our tables, as though it were an exact mathematical condition with respect to the export bounty of Germany.

Mr. ALLEN. I wish to take the attention of the Senator from Iowa away from differentials for just a moment, and to put what I regard as a very vital question, and that is whether, in the judgment of the Senator from Iowa, it is possible to frame a sugar schedule that will not result in some benefit, direct or indirect, to the American sugar trust?

Mr. ALLISON. The Senator from Kentucky [Mr. LINDSAY] has been trying to do that all day. As a matter of course, if raw sugar pays as high a duty as sugar which has been refined, then there is no differential for the trust or for any refiner of sugar, whether in a trust or otherwise. As the measure now stands, all sugars above No. 16 Dutch standard in color pay $1.95 a hundred pounds; they are protected by a duty of $1.95 a hundred pounds, and they will all be protected, if the amendment of the Senator from Kentucky prevails, by a duty of only $1.80 a hundred, or 1.8 cents per pound, whereas they are now protected under this paragraph as it stands by $1.95.

So the Senator from Kentucky, pro tanto, to the extent of his amendment, proposes to withdraw what we believe is wise and essential—and I think the Senator from Nebraska agrees with me in that respect—in order to develop the great industry of beet sugar in the heart of this continent, which, like the trust, makes refined sugar, which turns out the same class of sugar and throws it upon the markets. That, I believe, is the true remedy by which the refining of sugar and the production of sugar in condition to be consumed by the people of this country will be given development in the interior of our country, because until that is done and so long as we are importing from the islands and the continent 3,500,000,000 pounds of sugar, in the very nature of things that refining will be done on the Atlantic Seaboard or on the Pacific. It will be done at the point where the ships that carry the raw sugars can find the first harbor and the first place to unload their cargoes into the refineries.

So, being diverted somewhat from the main question, I come back to it again and say to the Senator from Nebraska and the Senator from Louisiana that the Senator from Kentucky by his amendment proposes to withdraw 15 cents per hundred pounds from the protection that is now given, so far as this bill is concerned, to every pound of sugar produced in Nebraska, and practically every pound of sugar produced in the State of Louisiana or the State of California.

Mr. ALLEN. Will the Senator from Iowa permit me just another question? Saturday last the Senator from Kentucky admitted, and I think the admission was for the Democratic party, as he spoke for the Democratic party, that, in his judgment, it is impossible to frame a schedule imposing taxes upon sugar from which the Sugar Refining Company, in consequence of its being a monopoly, would not receive some benefit. I put the same question to

the Senator from Iowa, who represents his party, for the purpose of making it appear, if possible, and as I believe it to be true, that it is impossible to frame a tariff schedule upon sugar by which you impose any tax on sugar at all from which the trust will not receive some benefit.

Mr. ALLISON. That question is answered by asking another and answering it, if I can. That is, Is it wise for us in the United States to turn over to foreign countries the refining of the 4,000,000,000 pounds of sugar which we consume? If it is not wise for us to do that, then it is wise for us to give such differential, whatever it may be, as will fairly secure a proper benefit to those who do refine sugar. That is my answer to the Senator.

Mr. ALLEN. Will the Senator permit me? I do not want to interrupt him unnecessarily, but I want my position to be understood. I do not wish to legislate any legitimate industry out of existence. I want to see the sugar refiners of this country receive a legitimate and honest compensation for their work. I want them to receive that, however, within the bounds of the law. But the question which I submit is whether the sugar trust, so called, or the American Sugar Refining Company, has not such an absolute control of the sugar market of the United States and the sugar market of the world that it is impossible by a tariff schedule to lay a tax upon sugar in any form that will not result in some benefit to it over and beyond a legitimate profit on the refining?

Mr. ALLISON. It is possible that those who are refining sugar now may have some advantages outside the tariff laws, but it is perfectly certain that nobody here will continue to refine sugar and pay a duty upon raw sugar when sugar can be refined in England or in Germany without paying a duty upon the raw sugar from which it is made.

Mr. ALLEN. Will the Senator permit me?

Mr. ALLISON. The Senator will pardon me until I answer further. Therefore it is plain to me that unless we put a duty of some kind upon refined sugar, as we do upon iron, chicory, and the thousand other things that are embraced within these schedules, the protective idea which we have, whether it be 5 per cent or 2 per cent or 1 per cent, is gone, and we might fold our hands here and give no protection to any industry in the United States, because, except by the barrier that is thrown around the manufacturers in our own country by means of our tariff laws, we can not tell how long it will be until everything we produce here will be produced elsewhere, where cheaper labor, cheaper capital, and, to some extent, more economical conditions in other respects prevail in regard to the production of these articles.

Now, the Senator asks me impliedly by his question whether I believe that any duty is necessary. It is perfectly certain that it costs less to refine sugar in Germany than here. Especially does it cost less to refine sugar in Germany when it is refined by a continuous process of refining from the raw beet itself. We must bear in mind that in this great industrial competition with Germany we are dealing with a people who are expert in all this class of manufactures. They have the most intelligent and most expert chemists in the world, and they have been able to produce up to this time more pounds of sugar to the ton of beets than have any other people on the globe.

Mr. VEST. May I ask the Senator one question? I did not exactly catch his meaning.

Mr. ALLISON. Certainly.

Mr. VEST. I suppose he admits (if not, I should like to hear him deny it) that the whole amount of the export bounty of Germany or of any other country is imposed as an additional tariff tax by this bill upon the imported article when it comes into this country.

Mr. ALLISON. That is, if it comes from Germany.

Mr. VEST. That is in section 3, on page 195.

Mr. ALLISON. If it comes from Germany, that is true.

Mr. VEST. If it comes from any country; I beg the Senator's pardon.

Mr. ALLISON. Certainly not unless the bounty is paid.

Mr. VEST. I say that wherever any country pays an export bounty——

Mr. ALLISON. Undoubtedly.

Mr. VEST. On refined sugar or anything else, and it comes into this country, then the amount of the bounty imposed in the foreign country is added to the tariff cost at the custom-house in the United States.

Mr. ALLISON. It is the net bounty, less the taxes and reductions which I have named.

Mr. VEST. I understand that. Now, I want to ask the Senator one other question, so that we shall come to a fair, square issue.

Mr. ALLISON. Certainly.

Mr. VEST. What does he say is the amount of export bounty, taking out taxes, etc., granted by Germany?

Mr. ALLISON. I have already stated that I do not know. Of course it can not exceed three-eighths of a cent a pound—thirty-eight one-hundredths on refined sugar—nor can it exceed twenty-seven one-hundredths upon raw sugar. But it may be very much less.

Mr. VEST. That explains the difference in the calculation between the Senator from Iowa and ourselves. We count the amount of bounty that Germany pays as a part of the tariff protection to the trust in the United States. It is as much a part of it as is the 1.95.

Mr. ALLISON. How much of it?

Mr. VEST. It is within a fraction of 38.4 upon a hundred pounds.

Mr. ALLISON. Very well.

Mr. VEST. I will ask the Senator from Louisiana [Mr. CAFFERY] to read an official communication from the Treasury Department, showing the amount of bounty paid by Germany and by France.

Mr. ALLISON. That is an immaterial question for my argument. The point I make is that none of that bounty should be charged.

Mr. VEST. It is charged by this law which you put in yourselves.

Mr. ALLISON. The Senator does not gather my point. My point is that if this bounty, whether upon raw sugar or refined sugar, is paid, and the countervailing duty which we have put on here is exacted, it is not a bounty to the trust or to the refiners of sugar beyond the difference, whatever that difference may be, between raw and refined sugar.

Mr. VEST. I grant the proposition that the cost of the raw sugar must be deducted——

Mr. ALLISON. Undoubtedly.

Mr. VEST. From the cost of the refined sugar. But I insist that 38.3 should be added.

Mr. ALLISON. Does the Senator agree that twenty-seven one-hundredths shall be deducted before the thirty-eight one-hundredths is put in?

Mr. VEST. As a matter of course, if that is duty paid by the trust upon raw sugar, it is put in in our computation. If it is not, it ought to be put in.

Mr. ALLISON. In every table that has been submitted by the Senator and his associates they have counted the thirty-eight one-hundredths and they have not deducted the twenty-seven one-hundredths upon raw sugar.

Mr. VEST. I beg the Senator's pardon. If they paid in 27 per cent upon raw sugar, it was put in the cost of the raw sugar to them. Then the full amount was deducted from the cost of the refined sugar with the export bounty added to it.

Mr. ALLISON. Certainly; but if sugar is imported from Holland, refined, or from Great Britain, or from any other country that does not pay a bounty——

Mr. VEST. Then of course the section does not apply.

Mr. ALLISON. It does not apply.

Mr. VEST. Of course not.

Mr. ALLISON. It can not apply in any computation except to the extent of the differential between the bounty upon raw sugar and refined. Therefore I complain that in all these tables you have charged this differential to the refined sugars and have not subtracted from it the twenty-seven one-hundredths that come from the raw sugar.

Mr. VEST. We took the prices furnished by the Senator from Rhode Island.

Mr. WHITE. And without objection.

Mr. VEST. Nothing was said on that side in regard to their being incorrect. I take it that in any court of justice or in any other tribunal where the opposite side accepts the statement of the antagonist logically and fairly and beyond any sort of question, that ought to close that branch of the case.

Mr. ALLISON. A just court would take the whole statement.

Mr. WHITE. Mr. President——

Mr. ALLISON. If the Senator from California will pardon me just a moment, the Senator from Rhode Island stated that in his computation he did not include the bounty provided for in the existing law and the countervailing duty nor the bounty and countervailing duty in this act.

Mr. WHITE. Will the Senator from Iowa inform me whether it is not his judgment that fully 65 per cent of the sugars used by the manufacturers of this country come from places which impose no export bounty at all—cane sugars, in other words?

Mr. ALLISON. That may be. I do not regard that as a matter of moment.

Mr. WHITE. Now, will the Senator permit me to ask another question? If I understand the table which the Senator from Iowa has just presented, it has heretofore never seen the light in the Senate. The table submitted by the Senator from Rhode Island was presented on behalf of the committee, printed with his opening statement made for the committee, and never questioned until to-day. Is it not, therefore, a case not where a pleading has been amended, but where a new cause of action is attempted to be sustained?

Mr. ALLISON. We are not trying a case here—at least I do not suppose I am.

Mr. SPOONER. The question is whether it is right or not.

Mr. ALLISON. I am, as a Senator, dealing with the tariff bill; trying to deal justly and wisely, so far as I can, with every interest embraced within the bill. I am neither trying a lawsuit against the Senator from California nor the Senator from Missouri, nor do I want them to try a lawsuit against me. Whatever becomes of any or all of us, the bill will be judged, when it finally becomes a law, by what there is contained in it as respects the great interests of our country, whether they be the consuming interests or the industrial interests of our country.

Mr. President, I have detained the Senate longer than I desired. I shall be glad to have a vote upon the amendment proposed by the Senator from Kentucky.

Mr. CAFFERY. I send up and ask the Secretary to read a communication fixing the differential.

The Secretary read as follows:

TREASURY DEPARTMENT, OFFICE OF THE SECRETARY,
Washington, D. C., May 21, 1897.

SIR: In reply to your letter of the 17th instant, I have to state that the bounties paid by Germany and France, respectively, on exported sugars are as follows:

GERMANY.

1. On raw sugar at least 90 per cent, and on refined sugar under 98 per cent and at least 90 per cent, 2.50 marks per 100 kilograms. (Very nearly equivalent to 27 cents per 100 pounds.)
2. On candy and sugar in white, hard loaves, blocks, etc., at least 99½ per cent, 3.55 marks per 100 kilograms. (Very nearly equivalent to 38.4 cents per 100 pounds.)
3. On all other sugars at least 98 per cent, 3 marks per 100 kilograms. (Very nearly equivalent to 32.4 cents per 100 pounds.)

FRANCE.

1. On raw sugar in grains or small crystals of the minimum test of 98 per cent, for all beet-root sugars, or of 97 per cent for colonial sugar (as determined before the reduction of the loss by refining), 4 francs per 100 kilograms of refined sugar. (Very nearly equivalent to thirty-five ten-thousandths of 1 cent for each pound and degree of polarization.)
2. On raw sugars of the standard of 65 to 98 per cent for beet-root sugars, or 65 to 97 for French colonial sugar, 3.50 francs per 100 kilograms of refined sugar. (Very nearly thirty-one ten-thousandths of 1 cent per pound and degree of polarization.)
3. Candies, and refined loaf or crush, hard, and dry sugars, polarizing not less than 99.75, 4.50 francs per 100 kilograms. (Very nearly 3.9 cents per pound.)
4. Refined sugars, in grains and crystals, at a minimum standard of 98 per cent, 4 francs per 100 kilograms. (Very nearly 3.5 cents per pound.)
5. Bastards, 4.50 francs per 100 kilograms of refined. (Thirty-nine ten-thousandths of 1 cent per pound and degree of polarization.)

Respectfully, yours,

W. B. HOWELL, *Assistant Secretary.*

Hon. D. CAFFERY, *United States Senate.*

Mr. CAFFERY. Mr. President, the very fact that the Senator from Iowa has seen proper to introduce a schedule based upon different prices from the prices on which the Senator from Rhode Island based his calculations shows the intricacies of this question. I should like to know how it is and why it is that the Senator from Iowa at this late day undertakes to alter the prices upon which the Senator from Rhode Island made his calculations.

There is one thing that arises from these schedules outside of any prices whatever. Given the percentage of duty at a certain degree, given the number of pounds of raw sugar at that degree it takes to make a pound of refined, whatever differential there is between the duty on the raw and the duty on the refined is absolutely certain. You need not go to prices to ascertain it.

Mr. ALLISON. Did I state otherwise?

Mr. CAFFERY. But you have introduced a new factor. You have introduced different prices, by which you attempt to disturb the conclusions of the Senator from Rhode Island. Now, just look at this schedule. No one can contend that there is not a differential here, a very large differential, wholly beside the question of price. At 96 the differential is 24.76 cents. That is a clean quarter of a cent by the calculation based upon the number of pounds of raw sugar it takes to make a pound of refined sugar and applying the respective duties to each.

Out of that position it is impossible for the Senator from Iowa to get, and out of this differential it is impossible for anybody to get. Here is a differential of a quarter of a cent at that degree of saccharine strength which the trust makes its sugar out of. Without any sort of attention to the 38 or any attention to prices, here is a mathematical demonstration of the amount of protection they get upon the class of sugar out of which they make theirs. It runs all the way through. At 100 they have a clean 20 per cent under this differential, and so on down they enjoy greater protection as you descend in the scale of saccharine strength.

Mr. President, it is said that we must not injure the refining industry. Has the Senator from Iowa shown how or where, in what particular, the refining industry of the sugar trust would be injured by placing the sugar trust exactly upon an equality, giving it so far as duty is concerned the price it gets, the protection upon the refined and the price it pays on the raw?

The Senator from Iowa states that it costs more money to refine sugar in the United States than in Germany. Where does he get the facts upon which he predicates that statement? How does he arrive at his figures? We have been juggling with figures a great deal. We had a certain set of figures to predicate a statement on at one period which was thrown aside at another. We have a statement made of the comparative cost of making sugar in Germany and in the United States, but I should like to see some facts on that point before I could accept the statement of the Senator from Iowa as absolute truth. I know he thinks that it is true, but there is not that degree of certainty about the statement, or any other statement in regard to this schedule, which would carry any conviction to the ordinary mind.

How does that statement compare with the statement of Mr. Havemeyer, that give him raw sugar and he could beat the world? How does it square with the fact that the German refiners are a lot of small refiners? They refine in small sugarhouses. They turn out small quantities of sugar, it is true, by a process different from that which the sugar trust uses. But judging from the ordinary result of large plants, large outputs, comparing the enormous amount of sugar that the sugar trust makes with any concern in Germany, the inference to be drawn is that the German refiner makes his sugar at a much higher cost than the American refiner.

And besides, Mr. President, that sugar is not of the value of the sugar of the American Refining Company. It is about three-eighths of a cent lower, as was stated by the Senator from Kentucky [Mr. LINDSAY]. Not only have we here positive, unequivocal testimony that the sugar trust makes its sugar cheaper than anyone else in the world, but that they defy competition.

Mr. GEAR. May I interrupt the Senator from Louisiana?

Mr. CAFFERY. Yes, sir.

Mr. GEAR. The German sugar refiner does not refine his sugar; he washes it.

Mr. CAFFERY. What do you call it refined sugar for?

Mr. GEAR. It is the common name, but as a matter of fact he does not refine it in the sense that American sugar is refined. It is simply washed sugar. If the Senator will take the samples the Senator from Arkansas has and place them before him, he will see the difference at once.

Mr. CAFFERY. I understand the process by which the Germans make sugar. It is called a carbonatation process, which is used for the purpose of refining it.

Mr. GEAR. The Senator from Connecticut has just called my attention to what I forgot to mention. One is the melting process and the other is simply washing through water, and they are worth about one-eighth of a cent below. They are quoted in New York at one-eighth below.

Mr. CAFFERY. Are you certain about their being only one-eighth below?

Mr. GEAR. That is about the difference. They vary.

Mr. CAFFERY. I have heard it very frequently stated by people who knew that there was from a quarter to three-eighths difference.

Mr. GEAR. You can take Willett & Gray's circular and figure it up.

Mr. CAFFERY. But, however that may be, the German sugar is made out of the juice of the beet. That juice is boiled; the water is evaporated. After it is boiled to the point of crystallization it is placed in the centrifugal. It is there subjected to a kind of a chemical process that the Germans call carbonatation. It comes out of the centrifugals, and it is called the ordinary marks German granulated sugar. The sugar trust takes its common sugar, puts water to it, melts it in vast quantities, all handled by machinery. The sugars are boiled but a trifle. They are passed after that process through the bone black. That extracts all the impurities and colors the sugar; and that is the end of the process.

What is the great difference in the cost? I can not see it. The Germans have to handle the beet; they have to boil the juice; they have to evaporate the water out of the juice. It takes a vast amount of boiling to do it. Juice that has 5, 6, or 7 per cent sugar only has to be dried of its water, run through the clarifiers and evaporators, and then through the vacuum pan and from the vacuum pan to the centrifugals. All that the American refiner has to do is to melt what has already been evaporated. He puts a little water in it to keep it from burning, melts it, boils it down again to evaporate that water, which is not a costly process, for there is not much water in it, passes it through the bone black, and there is his sugar.

Do you tell me that a concern which turns out 15,000 barrels of sugar per diem can not make sugar cheaper than a sugarhouse which makes two or three hundred barrels or four or five hundred barrels per diem? The thing is not reasonable. They challenge

and defy competition. They have said so, and it does not stand in anybody's mouth to deny their statement.

Mr. President, this sugar trust does not come with clean hands before the Senate of the United States. It has smothered testimony. Nobody can investigate it. It refused to give the proper information to the census officials. It tyrannizes and oppresses all over the land. Everywhere you feel the baneful effects of the sugar trust. It crushes the producer, it boycotts the purchaser, and it invades the Senate; it places its blighting hand upon legislation, and wherever it goes the sugar trust blasts and shrivels and palls. It ought to be put out of legislation.

I do not say that to do any injury, Mr. President. I would not injure any institution. But when the evidence comes direct from the mouth of the sugar trust that it needs no protection, not a weak, puling, squalling infant, but a great giant industry that controls the markets of the world and imposes whatever price it pleases upon its product, I want to know if that sort of an institution, with its character, with its antecedents, can come before the Senate of the United States and set up a cry for aid.

The Senator from Iowa resented with some indignation the schedules that we adopted, but I listened attentively to hear one single word where he contradicted them. The essential point in these schedules is in the differential between the amount of raw sugar it takes to make a pound of refined sugar and the refined sugar, and here it is without any regard to the price of either, and without any regard to the differential, and it is a quarter of a cent a pound.

Mr. President, this is, in my opinion, an apt illustration of the evils of this whole system. Here is this great giant industry, this sugar trust, which has been the cause of scandal and contumely heaped upon the Senate and the other House, too, and why? Is it doing any more than the ordinary protected industry? Is it not a disreputable scandal that these great institutions should come and ask legislation in their behalf, and when they get too monstrously large, when they get to be a stench in the nostrils of the people, then scandal is in their wake and attends on their importunate demands? The whole system is rotten; the whole principle is wrong.

Go to the tariff hearings—importunate beggars clamoring for aid in every direction. There is no period when the clamor will ever cease; there is no point where the demand will stop—constant demands, constant importunities to be allowed to make a living at the expense of the people of the United States.

Who pays this sugar trust but the consumer? Who foots up all these enormous gains but the poor man, the rich man, and every consumer of sugar in the United States? So it is all along the line of these protected industries. There was a time when protection was less intense and acute than it is now; there was a time when it was thought the infant could walk after being coddled and assisted with jumping horses and various artificial devices—bicycles and tricycles and all other powers of locomotion used in behalf of this little toddling infant.

I submit that the time has about arrived when the sugar trust is big enough to walk alone. It does not need your aid. It has said so, and you can not deny the truth of that statement. It not only does not want your aid, but it says, "We can beat the world." "Suppose," said the questioner to Mr. Havemeyer, "you had raw sugar free; what then would be your condition?" "We can beat the world," or "We can beat them all," or words to that effect. Now, I submit to the Senators on the other side whether or not this great infant, which bestrides the earth like a colossus, comes within the tender mercies of the humane principle of protection.

The Senator from Massachusetts evidently had some doubts as to the correctness of these schedules or he would not have offered the amendment which he did. He went away back into the early history of sugar schedules, and he quoted the Earl of Chatham, I believe, who himself in his day and generation was very much perplexed as to how to regulate a sugar schedule; and from that time on, the Senator said, this question of sugar has been a question which has troubled the legislator in so far as regulating duties upon it is concerned. It is certainly a troublesome matter now; and the only great trouble about the whole thing is that the sugar trust demands in its behalf, in order that its monopoly may never be disturbed, such an amount of tariff as to keep off perpetually all kinds of competition. That is all it wants. It has only a distant fear now, but it is going to take the protection and keep competition out as a kind of safeguard. Although it said as early as 1880 that it did not want protection, the sugar trust think it is a handy thing to have around the house, and that it can use it when some foolish German comes here with a consignment of sugar and tries to sell it to the American people. The trust wants the privilege of keeping him out and charging the people just what it pleases upon the home product.

There are several points in this schedule which have given me concern. I have never known or understood from the statement of the Senator from Rhode Island how, when there was 88 per cent of sugar in the test that he took, he could only make 81 pounds of sugar out of it. That has bothered me and troubled me, and I want to elucidate that point. I send to the Secretary's desk a letter addressed to me on this subject by Mr. Calvin Tomkins, of this city, chairman of the Reform Club, and ask to have it read.

Mr. BERRY. I suggest, as it is getting late, that the Senator have the letter printed in the RECORD without its being read.

Mr. CAFFERY. Very well. I will ask to have the letter printed in the RECORD.

The VICE-PRESIDENT. If there be no objection, it will be so ordered. The Chair hears none.

The letter referred to is as follows:

WASHINGTON, D. C., *June 14, 1897.*

DEAR SIR: The duties in the amended Senate schedule being entirely specific, it is plainly evident that the amount of "protection" given to the sugar trust is to be determined by the number of pounds of raw sugar required to make 100 pounds of refined. Senator ALDRICH has stated specifically that the first Senate schedule was based upon the allowances for drawbacks made by the Treasury Department, and it is evident from all the calculations made by the advocates of the amended schedule that it also rests upon the same basis. It therefore becomes necessary to examine into the accuracy of the figures upon which these calculations depend. Senator ALDRICH stated in his speech of May 25:

"As a basis for the calculation of the number of pounds of sugar of each polariscopic test required to make 100 pounds of refined sugar, I have taken the statement of the Treasury Department promulgated June 25, 1896, Department Circular No. 102. I assume there will be no question as to its accuracy. The computations have been confirmed by various statements furnished by the appraiser's office in New York.

"For illustration, I will take an analysis of sugar testing 88 degrees, made by the chemist in charge of the sugar laboratory in New York. This sugar contained seventy-four one-hundredths of 1 per cent of ash, 4.13 per cent of invert sugar, and an out-turn of 81.85 per cent of crystallizable sugar. Of this sugar it would take 122.17 pounds to make 100 pounds of refined sugar. The Treasury estimate is 122.41 for this test. It will be noticed that this sugar contained 4.13 per cent of invert sugar. This invert sugar becomes sirup in the process of refining, and is worth from one-half to three-fourths of a cent per pound. The result in this case would probably be a fair estimate of the average result of the value of the residuum of invert sugar contained in all cane sugars testing in the neighborhood of 89 degrees. The value of this sirup would not appreciably affect differentials."

This statement is lacking in several particulars. It leaves unaccounted for 6.15 pounds of crystallizable sugar. If his sample tested 88 degrees, it contained 88 per cent of crystallizable sugar. He says that it yielded 81.85 per cent. Where is the remaining 6.15 per cent? The invert sugar is not a part of this, because invert sugar does not materially affect a polariscope. As a matter of fact, 3.70 of the 6.15 per cent is held in chemical combination with the 0.74 per cent of ash or salts. The most of this 6.15 per cent is in practice either made into crystallizable sugar, or, with the invert sugar, into low-grade sugars and sirups. Here, then, is 6.15 per cent of crystallizable and 4.13 per cent of invert sugar, every bit of which is worked into valuable product, and a great part of which is, in practice, made into refined sugar almost as valuable as granulated. We do not agree with Mr. ALDRICH that these products are unimportant and do "not appreciably affect differentials." Mr. ALDRICH, in fact, ignores 10.28 pounds for every 81.85 pounds of product for which he accounts.

In this one item alone may be concealed a greater amount of protection to sugar refiners than many protection Senators would be willing to grant.

Recurring to the basis of the pending schedule, the absurdity of the figures is evidenced by the regular market quotations for raw and refined sugars. According to the figures upon which the present schedule claims to be based, the Treasury Department drawback allowance, it should take 120.54 pounds of raw sugar testing 89 degrees to make 100 pounds of refined. This sugar, according to the statement of General Appraiser Sharretts, is now worth $1.90 per 100 pounds. If it actually took 120.54 pounds to make 100 pounds of granulated, the cost of the raw material alone from which to make 100 pounds of refined sugar would be $2.29; while, according to the same authority, the actual market price of the refined granulated at this price was $2.30. Manifestly, therefore, the 100 pounds of refined must have been made from considerably less than 120.54 pounds of raw sugar. We were at that time importing large quantities of raw beet sugar from Germany, when we might, according to prices quoted above, just as well have been importing refined sugar at the same price.

This is a reductio ad absurdum of the most glaring kind. It reaches conclusions which are directly opposed to both facts and common sense.

In view of the above presentation of what we believe to be the facts, on behalf of the tariff-reform committee of the Reform Club I would request you to renew your challenge to the supporters of the proposed sugar tariff. We are convinced that there are gross errors in the basis of their calculations, as partially indicated above, and that there is a very great amount of protection concealed therein in addition to that avowedly given.

In view of the magnitude of the public and private interests at stake in this matter, surely there should be no question as to the fundamental facts on which the discussion rests.

Yours, truly,

CALVIN TOMKINS, *Chairman.*

Hon. DONELSON CAFFERY,
United States Senate, Washington, D. C.

EXECUTIVE SESSION.

Mr. VEST. I move that the Senate proceed to the consideration of executive business.

Mr. ALLISON. Has the Senator from Louisiana [Mr. CAFFERY] concluded his remarks?

Mr. VEST. I think so.

Mr. CAFFERY. Yes; I have concluded.

The VICE-PRESIDENT. The question is on the motion of the Senator from Missouri.

The motion was agreed to; and the Senate proceeded to the consideration of executive business. After ten minutes spent in executive session the doors were reopened, and (at 5 o'clock and 22 minutes p. m.) the Senate adjourned until to-morrow, Tuesday, June 15, 1897, at 12 o'clock meridian.

CONFIRMATIONS.

Executive nominations confirmed by the Senate June 14, 1897.

CONSUL-GENERAL.

John F. Gowey, of Washington, to be consul-general of the United States at Kanagawa, Japan.

POSTMASTERS.

A. L. Thompson, to be postmaster at Springdale, in the county of Washington and State of Arkansas.

Orrin H. Jones, to be postmaster at Wilmington, in the county of Windham and State of Vermont.

Aaron Brining, to be postmaster at Versailles, in the county of Darke and State of Ohio.

HOUSE OF REPRESENTATIVES.

MONDAY, *June 14, 1897.*

The House met at 12 o'clock m. Prayer by the Chaplain, Rev. HENRY N. COUDEN.

The Journal of the proceedings of Thursday last was read and approved.

SETTLERS IN GREER COUNTY, OKLA.

Mr. LACEY. Mr. Speaker, I ask unanimous consent for the present consideration of the bill (H. R. 3351) for the relief of settlers in Greer County, Okla.

The bill was read.

Mr. BAILEY. I reserve the right to object until we can hear a statement.

Mr. LACEY. Very well. The act of January 18, 1897, gave to these settlers in Greer County, Okla., formerly Greer County, Tex., six months within which to file and prove up their various claims before the register and receiver of the Mangum land office. The retiring President, Mr. Cleveland, did not appoint a register and receiver for that new office. President McKinley has appointed those officials, and they are about ready to take charge of the office, which will be opened about the 1st of July. This, however, will only allow about eighteen days for these claimants, numbering over 3,000, to file and prove up their claims.

Secretary Bliss, on the 19th of May, sent to the House and the Senate a request for the passage of an act extending the time. The bill which I now desire to call up was introduced by the gentleman from Colorado [Mr. BELL], a former member of the Committee on Public Lands. I ask unanimous consent that the bill be disposed of now. It will only give to these settlers the length of time originally proposed by the act of the Fifty-fourth Congress.

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

Mr. GAINES. Has any committee reported on this?

Mr. HENRY of Texas. I object.

MESSAGE FROM THE SENATE.

A message from the Senate, by Mr. PLATT, one of its clerks, announced that the Senate had passed without amendment joint resolution (H. Res. 64) relating to the payment of salaries in the consular service.

The message also announced that the Senate had agreed to the amendments of the House to Senate concurrent resolution requesting the Secretary of War to furnish such information as he may have with reference to the present condition of the harbor of Cumberland Sound, etc.

ENROLLED JOINT RESOLUTION SIGNED.

The SPEAKER announced his signature to enrolled joint resolution of the following title:

Joint resolution (H. Res. 64) relating to the payment of salaries in the consular service.

ORDER OF BUSINESS.

Mr. MCMILLIN. Mr. Speaker, I demand the regular order, so that there may be consideration of bills from committees under clause 6 of Rule XXIV.

Mr. PAYNE. I move that the House do now adjourn.

The question being taken on the motion of Mr. PAYNE, there were—ayes 77, noes 74.

Mr. BAILEY. Tellers!

Mr. SULZER. Yeas and nays!

The yeas and nays were ordered.

The question was taken; and there were—yeas 88, nays 79, answered "present" 15, not voting 171; as follows:

YEAS—88.

Adams,	Barrows,	Broderick,	Codding,
Alexander,	Bartholdt,	Brosius,	Connell,
Arnold,	Belford,	Brown,	Cousins,
Babcock,	Bingham,	Brownlow,	Curtis, Iowa
Baker, Md.	Bishop,	Burton,	Curtis, Kans.
Barber,	Booze,	Butler,	Dalzell,
Barrett,	Brewster,	Clark, Iowa	Davenport,
Dovener,	Hill,	Miller,	Southard,
Eddy,	Hitt,	Moody,	Spalding,
Ellis,	Howe,	Morris,	Sperry,
Evans,	Jenkins,	Olmsted,	Stewart, N. J.
Fletcher,	Johnson, Ind.	Overstreet,	Stewart, Wis.
Foss,	Johnson, N. Dak.	Payne,	Stone, C. W.
Gibson,	Ketcham,	Pearce, Mo.	Stone, W. A.
Graff,	Kirkpatrick,	Prince,	Sulloway,
Griffin,	Littauer,	Royse,	Tawney,
Grout,	Loud,	Russell,	Tongue,
Hamilton,	McDonald,	Shannon,	Updegraff,
Hawley,	McIntire,	Shattuc,	Warner,
Henderson,	Mann,	Simpkins,	Wilson, N. Y.
Henry, Conn.	Mercer,	Smith, S. W.	Wright,
Hilborn,	Mesick,	Snover,	Yost.

NAYS—79.

Adamson,	De Graffenreid,	Lewis, Ga.	Richardson,
Bailey,	De Vries,	Lewis, Wash.	Ridgely,
Baird,	Epes,	Livingston,	Robinson, Ind.
Baker, Ill.	Fleming,	Lloyd,	Sayers,
Bankhead,	Fox,	Love,	Settle,
Barlow,	Greene,	McClellan,	Shuford,
Bartlett,	Griggs,	McDowell,	Sims,
Bell,	Gunn,	McMillin,	Skinner,
Berry,	Handy,	Marshall,	Smith, Ky.
Bodine,	Henry, Miss.	Martin,	Stephens, Tex.
Brantley,	Henry, Tex.	Maxwell,	Stokes,
Broussard,	Hinrichsen,	Meekison,	Strowd, N. C.
Brundidge,	Howard, Ala.	Meyer, La.	Sutherland,
Burke,	Hunter,	Moon,	Tate,
Castle,	Kelley,	Norton,	Vandiver,
Clardy,	Kleberg,	Ogden,	Vincent,
Clark, Mo.	Knowles,	Osborne,	Wheeler, Ky.
Cochran, Mo.	Lamb,	Peters,	Williams, Miss.
Cowherd,	Lanham,	Pierce, Tenn.	Young, Va.
Davey,	Latimer,	Plowman,	

ANSWERED "PRESENT"—15.

Ball,	Cooper, Wis.	King,	Sulzer,
Benner, Pa.	Dinsmore,	Lacey,	Weaver,
Brucker,	Gaines,	Otey,	Wheeler, Ala.
Catchings,	Jones, Wash.	Rhea,	

NOT VOTING—171.

Acheson,	Dingley,	Lester,	Sauerhering,
Allen,	Dockery,	Linney,	Shafroth,
Barham,	Dolliver,	Little,	Shelden,
Barney,	Dorr,	Lorimer,	Sherman,
Beach,	Elliott,	Loudenslager,	Showalter,
Belden,	Ermentrout,	Lovering,	Simpson,
Belknap,	Faris,	Low,	Slayden,
Bennett,	Fenton,	Lybrand,	Smith, Ill.
Benton,	Fischer,	McAleer,	Smith, Wm. Alden
Bland,	Fitzgerald,	McCall,	Southwick,
Botkin,	Fitzpatrick,	McCleary,	Sparkman,
Boutelle,	Foote,	McCormick,	Sprague,
Bradley,	Fowler, N. C.	McCulloch,	Stallings,
Brenner, Ohio	Fowler, N. J.	McEwan,	Stark,
Brewer,	Gardner,	McRae,	Steele,
Bromwell,	Gillet, N. Y.	Maddox,	Stevens, Minn.
Brumm,	Gillett, Mass.	Maguire,	Strait,
Bull,	Grosvenor,	Mahany,	Strode, Nebr.
Campbell,	Grow,	Mahon,	Sturtevant,
Cannon,	Hager,	Marsh,	Sullivan,
Capron,	Harmer,	Miers, Ind.	Swanson,
Carmack,	Hartman,	Mills,	Talbert,
Chickering,	Hay,	Minor,	Tayler, Ohio
Clarke, N. H.	Heatwole,	Mitchell,	Taylor, Ala.
Clayton,	Hemenway,	Mudd,	Terry,
Cochrane, N. Y.	Henry, Ind.	Newlands,	Todd,
Colson,	Hepburn,	Northway,	Underwood,
Connolly,	Hicks,	Odell,	Van Voorhis,
Cooke,	Hooker,	Otjen,	Vehslage,
Cooney,	Hopkins,	Packer, Pa.	Wadsworth,
Cooper, Tex.	Howard, Ga.	Parker, N. J.	Walker, Mass.
Corliss,	Howell,	Pearson,	Walker, Va.
Cox,	Hull,	Perkins,	Wanger,
Cranford,	Hurley,	Pitney,	Ward,
Crump,	Jett,	Powers,	Weymouth,
Crumpacker,	Jones, Va.	Pugh,	White, Ill.
Cummings,	Joy,	Quigg,	White, N. C.
Danford,	Kerr,	Ray,	Wilber,
Davidson, Wis.	Kitchin,	Reeves,	Williams, Pa.
Davis,	Knox,	Rixey,	Wilson, S. C.
Davison, Ky.	Kulp,	Robb,	Young, Pa.
Dayton,	Landis,	Robbins,	Zenor.
De Armond,	Lentz,	Robertson, La.	

So the motion to adjourn was agreed to.

The following pairs were announced:

Until further notice:

Mr. HEMENWAY with Mr. ROBERTSON of Louisiana.

Mr. LANDIS with Mr. CRAWFORD.

Mr. KULP with Mr. STALLINGS.

Mr. DAVIDSON of Wisconsin with Mr. HOWARD of Georgia.

Mr. STRODE with Mr. HAY.

Mr. QUIGG with Mr. BLAND.

Mr. HULL with Mr. DOCKERY.

Mr. MINOR with Mr. SPARKMAN.

Mr. MCCALL with Mr. JONES of Virginia.

Mr. YOUNG of Pennsylvania with Mr. BENTON.

Mr. BELKNAP with Mr. MAGUIRE.

Mr. FARIS with Mr. ZENOR.

Mr. HENRY of Indiana with Mr. MIERS of Indiana.

Mr. DANFORD with Mr. TERRY.

Mr. POWERS with Mr. GAINES.
Mr. DORR with Mr. MADDOX.
Mr. PARKER of New Jersey with Mr. ELLIOTT.
Mr. HOOKER with Mr. CATCHINGS.
Mr. SPRAGUE with Mr. DE ARMOND.
Mr. SMITH of Illinois with Mr. LITTLE.
Mr. HEATWOLE with Mr. DINSMORE.
Mr. MCCLEARY with Mr. TALBERT.
Mr. MITCHELL with Mr. TAYLOR of Alabama.
Mr. OTJEN with Mr. LESTER.
Mr. HOPKINS with Mr. MCALEER.
Mr. REEVES with Mr. BALL.
Mr. FISCHER with Mr. CUMMINGS.
Mr. BELDEN with Mr. SULZER.
Mr. LOVERING with Mr. WHEELER of Alabama.
Mr. MCEWAN with Mr. VEHSLAGE.
Mr. STRODE with Mr. ALLEN.
Mr. JOY with Mr. MARSHALL.
Mr. DINGLEY with Mr. SWANSON.
Mr. BROSIUS with Mr. ERMENTROUT.
Mr. LACEY with Mr. MCRAE.
Mr. PITNEY with Mr. CARMACK.
Mr. KERR with Mr. ROBB.
Mr. BRUMM with Mr. COX.
Mr. HICKS with Mr. OTEY.
Mr. STEVENS of Minnesota with Mr. JONES of Washington.
Mr. CLARKE of New Hampshire with Mr. KING.
Mr. PERKINS with Mr. COOPER of Texas.
Mr. BARHAM with Mr. FITZGERALD.
Mr. MILLS with Mr. SULLIVAN.
Mr. SAUERHERING with Mr. STRAIT.
Mr. CHICKERING with Mr. BRADLEY.
Mr. WM. ALDEN SMITH with Mr. BRUCKER.
Mr. ACHESON with Mr. WILSON of South Carolina.
For this day:
Mr. MUDD with Mr. STARK.
Mr. HARMER with Mr. JETT.
Mr. ODELL with Mr. FITZPATRICK.
Mr. GROSVENOR with Mr. RIXEY.
Mr. BARNEY with Mr. TODD.
Mr. MARSH with Mr. COONEY.

Mr. RHEA of Kentucky. I am paired with my colleague, Mr. PUGH, although I did not hear the pair announced. I have cast my vote in the negative, but now wish to withdraw it and be recorded "present."

Mr. KING. I am paired with the gentleman from New Hampshire, Mr. CLARKE. I voted "no," but desire to withdraw my vote and be recorded "present."

Mr. WHEELER of Alabama. Mr. Speaker, I find that the gentleman with whom I have been paired is not present. I will therefore withdraw my vote and ask to be recorded as "present."

Mr. BURKE. I ask unanimous consent that my colleague, Mr. SLAYDEN, be granted leave of absence for the week, on account of important business.

The SPEAKER. Without objection, the request will be granted.

There was no objection.

Mr. CATCHINGS. I desire to withdraw my vote, as I am paired with the gentleman from New York, Mr. HOOKER.

Mr. MCCULLOCH. Mr. Speaker, I desire to vote.

The SPEAKER. Was the gentleman present and listening when his name should have been called?

Mr. MCCULLOCH. I can not say whether I was listening or not.

The SPEAKER. Then it is impossible for the Chair to entertain the request.

Mr. MCCULLOCH. I noticed that the Chair did not put the question in that form to other gentlemen.

The SPEAKER. If the Chair did not do so, it was because of inadvertence. He puts the question to the gentleman from Arkansas.

Mr. MCCULLOCH. During the roll call I was writing a part of the time and conversing at other times. I intended to listen, but I missed my chance to answer by just one name. I can not say whether I was listening at the moment my name was called or not.

The SPEAKER. The statement of the gentleman scarcely brings him within the ruling, and his vote can not be received.

Mr. GAINES. I have voted "no" on this question, but I am paired with the gentleman from Vermont, Judge POWERS, and therefore wish to withdraw my vote and be marked "present."

Mr. LACEY. I am paired on all political questions with the gentleman from Arkansas, Mr. MCRAE. This seems to be a political question and therefore I desire to withdraw my vote.

Mr. MCCALL. I am paired with the gentleman from Virginia, Mr. JONES, on all political questions. If I voted, I should vote "aye."

Mr. BRUCKER. I am paired with the gentleman from Michigan, Mr. WM. ALDEN SMITH. I have voted "no," but wish to withdraw my vote and be marked "present."

LEAVE OF ABSENCE.

By unanimous consent, leave of absence was granted as follows:

To Mr. TODD, indefinitely, on account of important business.

To Mr. DAVIS, for one week, on account of important business.

The result of the vote on the motion to adjourn was announced as above recorded; and accordingly (at 12 o'clock and 45 minutes p. m.), the House adjourned, pursuant to its standing order, until Thursday next, at 12 o'clock noon.

EXECUTIVE COMMUNICATIONS.

Under clause 2 of Rule XXIV, the following executive communications were taken from the Speaker's table and referred as follows:

A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report of a survey of Erie Harbor, Pennsylvania—to the Committee on Rivers and Harbors, and ordered to be printed.

A letter from the Acting Secretary of War, transmitting a copy of a letter from Maj. C. C. Sniffen, paymaster, United States Army, and recommending that a duplicate check be issued in favor of Charles C. Ely—to the Committee on Claims, and ordered to be printed.

A letter from the Secretary of War, transmitting, with a letter from the Chief of Engineers, report of examination and survey of Bayou Teche from St. Martinsville to Port Barre, La.—to the Committee on Rivers and Harbors, and ordered to be printed.

A letter from the Secretary of the Treasury, making certain recommendations in regard to the admission of Chinese into the United States to attend the Omaha Exposition—to the Committee on Ways and Means, and ordered to be printed.

A letter from the Acting Secretary of War, recommending legislation to provide immediate funds for construction of works for protecting the eastern beach of United States land at Sandy Hook, N. J.—to the Committee on Appropriations, and ordered to be printed.

A letter from the Attorney-General, transmitting a copy of a letter to the chairman of the Senate Committee on Appropriations relating to legislation desired by the Department affecting the pay of certain officers thereof—to the Committee on Appropriations, and ordered to be printed.

A letter from the Attorney-General, transmitting a copy of a letter to the chairman of the Senate Committee on Appropriations relating to the pay of certain officers—to the Committee on Appropriations, and ordered to be printed.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS INTRODUCED.

Under clause 3 of Rule XXII, bills, resolutions, and memorials of the following titles were introduced and severally referred as follows:

By Mr. SHAFROTH: A bill (H. R. 3461) for the erection of a monument to the memory of the women who during the rebellion attended and nursed the sick and dying soldiers of the United States—to the Committee on the Library.

By Mr. MAXWELL: A bill (H. R. 3462) to amend an act to provide for the adjudication and payment of claims arising from Indian depredations, approved March 3, 1891—to the Committee on Claims.

By Mr. WADSWORTH: A resolution (House Res. No. 57) to pay funeral expenses and six months' pay to widow of Edwin Giddings, late conductor of elevator in House of Representatives—to the Committee on Accounts.

By Mr. ERMENTROUT: A memorial of the legislature of the State of Pennsylvania, asking the reappointment and retirement of General Gregg, late United States Army—to the Committee on Military Affairs.

PRIVATE BILLS AND RESOLUTIONS INTRODUCED.

Under clause 1 of Rule XXII, private bills and resolutions of the following titles were introduced and severally referred as follows:

By Mr BELL: A bill (H. R. 3463) for the relief of William L. McClure—to the Committee on War Claims.

By Mr. CLARK of Missouri: A bill (H. R. 3464) granting a pension to John P. Clark—to the Committee on Invalid Pensions.

By Mr. DAVENPORT: A bill (H. R. 3465) granting a pension to Ida Wiederhold—to the Committee on Invalid Pensions.

By Mr. JOY: A bill (H. R. 3466) for the relief of Martha A. Murphy—to the Committee on War Claims.

By Mr. KULP: A bill (H. R. 3467) for the relief of William Ogden, Shamokin, Pa.—to the Committee on Invalid Pensions.

Also, a bill (H. R. 3468) to remove the charge of desertion from the military record of Milton McPherson, of Northumberland, Pa.—to the Committee on Military Affairs.

By Mr. LACEY: A bill (H. R. 3469) granting a pension to George M. Gibson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 3470) granting a pension to George W. Scott, jr.—to the Committee on Invalid Pensions.

Also, a bill (H. R. 3471) restoring the pension of Mahala A. Dahlman, formerly Brumley—to the Committee on Invalid Pensions.

By Mr. MAHON: A bill (H. R. 3472) for the relief of Mary Isabella Krebbs—to the Committee on Invalid Pensions.

By Mr. MEYER of Louisiana: A bill (H. R. 3473) for the relief of certain employees of the United States mint at New Orleans, La.—to the Committee on Claims.

By Mr. SHAFROTH: A bill (H. R. 3474) granting an increase of pension to James S. Wiggin—to the Committee on Invalid Pensions.

By Mr. SETTLE: A bill (H. R. 3475) to relieve John W. Barnes of the charge of desertion—to the Committee on Military Affairs.

By Mr. SIMPKINS of Massachusetts: A bill (H. R. 3476) for the relief of Andrew Morse, jr.—to the Committee on Invalid Pensions.

By Mr. SAMUEL W. SMITH: A bill (H. R. 3477) to correct the military record of Wesley B. Coon—to the Committee on Military Affairs.

Also, a bill (H. R. 3478) to correct the military record of Henry Berry—to the Committee on Military Affairs.

By Mr. SOUTHARD: A bill (H. R. 3479) to pension Orilla Chadwick, widow of John Henry Chadwick—to the Committee on Invalid Pensions.

Also, a bill (H. R. 3480) to pension James Ross Johnson—to the Committee on Invalid Pensions.

Also, a bill (H. R. 3481) to increase the pension of Wilson W. Brown—to the Committee on Invalid Pensions.

Also, a bill (H. R. 3482) to correct the military record of Wayne Mapes—to the Committee on Military Affairs.

By Mr. CHARLES W. STONE (by request): A bill (H. R. 3483) granting a pension to John W. Smoot—to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, the following petitions and papers were laid on the Clerk's desk and referred as follows:

By Mr. ADAMS: Resolution passed by the select and common council of the city of Philadelphia, adopted June 10, 1897, urging the immediate passage of the tariff bill—to the Committee on Ways and Means.

By Mr. BELFORD: Petition of citizens of Queens County, N. Y., remonstrating against the proposed increased tax on beer—to the Committee on Ways and Means.

By Mr. BINGHAM: Resolutions of the Grocers and Importers' Exchange of Philadelphia, Pa., recommending the enactment of the Torrey bankruptcy bill—to the Committee on the Judiciary.

Also, resolutions of the select and common council of the city of Philadelphia, Pa., urging the immediate passage of the tariff bill—to the Committee on Ways and Means.

By Mr. BULL: Petition of citizens of Providence, R. I., for a more rigid restriction of immigration—to the Committee on Immigration and Naturalization.

By Mr. DALZELL: Resolutions of Local Union No. 131, Journeymen Tailors' Union of America, in favor of limiting tourists to $100 worth of clothing for exemption from duty—to the Committee on Ways and Means.

Also, resolution of the select and common council of the city of Philadelphia, Pa., in favor of the speedy passage of a tariff bill—to the Committee on Ways and Means.

By Mr. DOVENER: Petitions of E. B. Criss and 57 other citizens of Mount Union; Thomas Leyland and 68 others, of Twilight; J. L. McCoy and 52 others, of Palmer; N. W. Robinson and 18 others, of Burton; T. T. Bonar and 51 others, of Marshall County, in the State of West Virginia, demanding a more rigid restriction of immigration—to the Committee on Immigration and Naturalization.

By Mr. ERMENTROUT: Petition of R. S. Heckman and other citizens of Reading, Pa., asking for the passage of a bill for a more rigid restriction of immigration—to the Committee on Immigration and Naturalization.

Also, protest of the Civil Service Reform Association of Philadelphia, Pa., against the repeal of the civil-service laws—to the Committee on Reform in the Civil Service.

Also, resolution of the Grocers and Importers' Exchange of Philadelphia, Pa., favoring the passage of the Torrey bankruptcy bill—to the Committee on the Judiciary.

Also, protest of the W. H. Keen Company, of Philadelphia, Pa., and other dealers in refined sugar, against increased protection upon refined sugar, and petition for amendment of the sugar schedule so as to admit sugar (yellow refined) not over No. 16 Dutch standard—to the Committee on Ways and Means.

Also, petition of the Wine and Spirit Association of Cleveland, Ohio, asking for the passage of the law recommended by the Secretary of the Treasury relative to tax on distilled spirits, etc.—to the Committee on Ways and Means.

Also, resolution of the Winter Wheat Millers' League, passed at St. Louis convention May 19 and 20, 1897, asking that burlap, burlap bags, and bolting cloth be left on the free list—to the Committee on Ways and Means.

Also, petition of Frederick Mead & Co. and other tea dealers in New York City, in favor of a specific duty on tea—to the Committee on Ways and Means.

Also, memorial of B. J. Hoffacker, of San Francisco, Cal., protesting against the abrogation of the Hawaiian treaty in the matter of beet sugar—to the Committee on Foreign Affairs.

Also, memorial of the American Chamber of Commerce at Paris, addressed to the Congress of the United States, asking for action by the United States in the matter of the coming Paris Exposition, etc.—to the Committee on Foreign Affairs.

By Mr. GROUT: Petition of W. H. Green and 213 other citizens of Montpelier, Vt., in favor of a law to further restrict immigration—to the Committee on Immigration and Naturalization.

Also, resolution adopted by the Winter Wheat Millers' League, requesting that burlaps and burlap bags be left on the free list, as they are at the present time—to the Committee on Ways and Means.

Also, memorials of Mrs. L. D. Dyer, president of the Addison County Woman's Christian Temperance Union, of Salisbury, Vt., and Mrs. Mary B. Cockle, of Starksboro, Vt., president of the Bennington County Woman's Christian Temperance Union, to forbid the transmission of gambling messages by telegraph—to the Committee on Interstate and Foreign Commerce.

Also, petitions of C. S. Hall and 78 other citizens of Randolph, Orange County, Vt., requesting that the free delivery of all mail matter be extended to every post-office in the settled portions of the country, with free collection of letters—to the Committee on the Post-Office and Post-Roads.

Also, memorials of Mrs. L. D. Dyer, of Salisbury, Vt.; Mrs. E. M. Denny, of Montpelier, Vt.; Mrs. Gratia E. Davidson and Miss Carrie E. Lowe, of Newfane, Vt., praying for the passage of Senate bill No. 1187, prohibiting kinetoscope reproductions of prize fights—to the Committee on the Judiciary.

By Mr. HARMER: Petition of Alexander Duguay, of Frankford, county of Philadelphia, Pa., for a pension—to the Committee on Invalid Pensions.

By Mr. HILBORN: Resolution of the Council of Labor of Los Angeles County, Cal., urging the abrogation of the Hawaiian treaty—to the Committee on Foreign Affairs.

By Mr. JOY: Paper to accompany House bill for the relief of Martha A. Murphy—to the Committee on War Claims.

By Mr. KERR: Petition of W. A. Rose, A. Burros, and other citizens of the Fourteenth Congressional district, State of Ohio, relating to the tariff on wool, praying for more protection in the interest of woolgrowers—to the Committee on Ways and Means.

By Mr. KULP: Petitions of George W. Metz and 53 others, and Charles F. Long and 96 others, citizens of Shamokin, Pa., favoring a more rigid restriction of immigration—to the Committee on Immigration and Naturalization.

By Mr. LACEY: Papers to accompany House bill granting a pension to George M. Gibson—to the Committee on Invalid Pensions.

Also, papers to accompany House bill granting a pension to Mahala A. Dahlman—to the Committee on Invalid Pensions.

Also, papers for the relief of George W. Scott, of Eldon, Iowa—to the Committee on Invalid Pensions.

By Mr. LOUD: Petition of merchants of San Francisco, Cal., relating to the time when the tariff bill should take effect—to the Committee on Ways and Means.

Also, resolution of the Council of Labor of Los Angeles County, Cal., relative to the abrogation of the Hawaiian treaty—to the Committee on Foreign Affairs.

By Mr. MAHON: Papers to accompany House bill for the relief of Mary Isabella Krebbs—to the Committee on Invalid Pensions.

By Mr. OLMSTED: Petitions of J. Blessing and other citizens of Harrisburg and Samuel Reed and others, of Steelton, Dauphin County, Pa., praying for the passage of a law to further restrict immigration—to the Committee on Immigration and Naturalization.

By Mr. OVERSTREET: Petition of James Dotson and 63 other

veterans of the late war, praying for the enactment of a law equalizing bounties—to the Committee on Invalid Pensions.

By Mr. SNOVER: Petition of William Canham and 100 other citizens of St. Clair County, Mich., asking for the appointment of a monetary commission—to the Committee on Banking and Currency.

By Mr. STEPHENS of Texas: Petitions of citizens of Wichita Falls and Abilene, State of Texas, asking for the passage of the bill for the relief of the book agents of the Methodist Episcopal Church South—to the Committee on War Claims.

By Mr. SULZER: Petition of citizens of the United States, containing 6,000,000 names, favoring the granting of belligerent rights to the Cuban patriots—to the Committee on Foreign Affairs.

By Mr. WANGER: Petition of Isaac S. Yeakle and 36 other citizens of Norristown, Pa., for a more rigid restriction of immigration—to the Committee on Immigration and Naturalization.

By Mr. YOUNG of Pennsylvania: Resolution adopted by the select and common council of the city of Philadelphia, Pa., asking for the speedy passage of the tariff bill—to the Committee on Ways and Means.

SENATE.

TUESDAY, *June 15, 1897.*

The Senate met at 12 o'clock m.

Prayer by Rev. L. B. WILSON, D. D., of the city of Washington.

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

AGREEMENT WITH CHOCTAW AND CHICKASAW INDIANS.

The VICE-PRESIDENT laid before the Senate a communication from the Secretary of the Interior, transmitting, in connection with Department letter of the 18th ultimo, a copy of a letter of the 12th instant and accompanying copy of a memorial from certain freedmen of the Choctaw Nation, relative to their rights as members of that tribe, in which they complain that they are not given any interest in the schools and moneys of the Choctaw Nation; which, with the accompanying papers, was referred to the Committee on Indian Affairs, and ordered to be printed.

PETITIONS AND MEMORIALS.

The VICE-PRESIDENT presented memorials of P. H. Woolsey & Co., of Livingston Manor; of N. Duin's Sons, of Peekskill; of Thomas Showos's Sons, of Newburg; the Hawley Box and Lumber Company, of New York City; the American Lumber Company, of New York City; Douglass L. White & Co., of Albany; the New Rochelle Coal and Lumber Company, of New Rochelle; the Inman Manufacturing Company, of Amsterdam; J. C. Hubbell, of Albany; R. D. Clark, of South Fallsburg; W. M. Crombie & Co., of New York City; the Manhattan Trunk and Box Factory, of New York City; Frederick W. Starr, of Brooklyn; James H. Dykeman, of Brooklyn; the Cross, Ostend & Ireland Lumber Company, of Brooklyn; Lawrence Bros., of Yonkers; Darmat & Pell of New York City; Sylvester Ross, of Brooklyn; Jimenis & Co., of New York City; Crane & Clark, of New York City, and of D. M. Rossequil, of Brooklyn, all in the State of New York, and memorials of the Florence Furniture Company, of Florence; of Holt & Bugby, of Boston, and of S. B. Dibble & Co., of North Adams, all in the State of Massachusetts, remonstrating against the imposition of the proposed duty of $2 per thousand feet on lumber; which were ordered to lie on the table.

Mr. SEWELL presented the petition of Edward Harding and 45 other citizens of New Brunswick, N. J., and the petition of John R. Radcliff and 23 other citizens of Millville, N. J., praying for the early passage of the pending tariff bill; which were ordered to lie on the table.

He also presented petitions of Herman Strauss and 149 other citizens of Jersey City; of Thomas Flannery and 146 other citizens of Bayonne; of John Jacobson and 59 other citizens of West Orange; Emil Baumann and 99 other citizens of Hoboken; Henry Taft and 32 other citizens of Perth Amboy; W. T. Matthews and 49 other citizens of Passaic; William J. Raab and 24 other citizens of Bloomfield; Charles Bender and 11 other citizens of Manhattan Park; D. F. Smith, jr., and 23 other citizens of Hackensack; Neil J. Lynch and 1,431 other citizens of Newark, and of sundry citizens of Jersey City, all in the State of New Jersey, and the memorial of Robert G. Rankin, jr., and 13 other citizens of Philadelphia, Pa., remonstrating against the proposed increase of the tax on beer; which were ordered to lie on the table.

Mr. PLATT of New York presented sundry petitions of citizens of Brooklyn, Antwerp, Hagaman, and Schaghticoke, all in the State of New York, praying for the early enactment of a protective-tariff law; which were ordered to lie on the table.

He also presented sundry memorials of citizens of New York City and Brooklyn, in the State of New York, remonstrating against the proposed increase of the tax on beer; which were ordered to lie on the table.

Mr. FAIRBANKS presented sundry petitions of citizens of Goodland, North Indianapolis, Milford, Shipshewana, Muncie, Cicero, Middletown, and New Albany, all in the State of Indiana, praying for the early enactment of a protective-tariff law which will adequately secure American industrial products against the competition of foreign labor; which were ordered to lie on the table.

Mr. GALLINGER presented a petition of the Woman's Christian Temperance Union of Dover, N. H., praying for the enactment of legislation prohibiting the reproduction of pugilistic encounters by means of the kinetoscope; which was ordered to lie on the table.

He also presented memorials of the Drake & Sanborn Shoe Company, of Pittsfield, N. H.; of N. B. Thayer & Co., and of W. S. Pillsbury, remonstrating against any increase in the present rate of duty on tanned skins for morocco or a duty on raw goatskins; which were ordered to lie on the table.

He also presented a memorial of the Presbytery of the city of Washington, indorsing the recent action of Congress relative to the distribution of money appropriated for charitable purposes in the District of Columbia; which was referred to the Committee on the District of Columbia.

Mr. CAFFERY presented a memorial of the Sugar Planters, Association of Louisiana, remonstrating against the statement made by him that the Wilson tariff act affords enough protection to sugar; which was ordered to lie on the table.

Mr. HOAR presented a memorial of sundry citizens of Massachusetts, remonstrating against any increase in the present rate of duty on tanned skins for morocco or the duty on raw goatskins; which was ordered to lie on the table.

Mr. MCMILLAN presented a petition of sundry citizens of Detroit, Mich., praying for the passage, at the earliest possible date, of such protective-tariff legislation as will adequately secure American industrial products against the competition of foreign labor; which was ordered to lie on the table.

He also presented the memorial of O. H. Blackman and 101 other citizens of Michigan, remonstrating against the enactment of legislation intended to destroy the present system of ticket brokerage; which was referred to the Committee on Interstate Commerce.

He also presented the memorial of R. M. Power, of Holyoke, Mass., remonstrating against the proposed increase of the duty on leaf tobacco; which was ordered to lie on the table.

Mr. FRYE presented the petition of N. J. Lamb and sundry other citizens of Sangerville, Me., and a petition of 463 citizens of Sanford, Me., praying for the early enactment of a protective-tariff law; which were ordered to lie on the table.

Mr. SPOONER presented the petition of H. W. Meyer and 41 other citizens of Appleton, Wis., praying for the early passage of the pending tariff bill; which was ordered to lie on the table.

Mr. TURPIE presented the memorial of Joseph J. Little, of Attica, Ind., remonstrating against the proposed increase of the duty on granite; which was ordered to lie on the table.

He also presented a petition of sundry citizens of Brazil, Ind., praying for the early enactment of a protective-tariff law; which was ordered to lie on the table.

Mr. CHANDLER presented petitions of Hon. David Harvey Goodell, ex-mayor, and 108 citizens of Antrim; of Hon. John B. Smith, ex-governor, and 64 citizens of Hillsboro, and of Charles T. Page and 24 other citizens of Concord, all in the State of New Hampshire, praying that active cooperation be given toward securing protective tariff legislation at the earliest possible date; which were ordered to lie on the table.

Mr. ELKINS presented sundry petitions of citizens of West Virginia, praying for the enactment of legislation restricting immigration; which were ordered to lie on the table.

Mr. BURROWS presented petitions of H. T. Emerson and 21 other citizens of Menominee; of H. J. Holmes and 38 other citizens of Hart; of Dr. Earl Fairbanks and 61 other citizens of Luther; Don C. Henderson and 172 other citizens of Allegan; Amy Kinney and 142 other citizens of Eastlake, and of Dwight Warren and 23 other citizens of Threeoaks, all in the State of Michigan, and the petition of R. C. Griffin and 42 other citizens of Valleyhead, Ala., praying for the early passage of the pending tariff bill; which were ordered to lie on the table.

Mr. COCKRELL. I present a resolution of Lodge No. 32, Brotherhood of Boiler Makers and Iron Ship Builders of America, in regular session convened at Kansas City, Mo., on the 12th of June, 1897, stating the insecurity of national and State banks under our present laws as a source of large loss to them, and praying Congress for the enactment of a law for the establishment by the General Government, without delay, of Government savings banks in connection with the Post-Office Department. I move that the petition be referred to the Committee on Post-Offices and Post-Roads.