PROMOTIONS IN THE ARMY.

INFANTRY ARM.

Second Lieut. H. H. Arnold to be first lieutenant.

MEDICAL CORPS.

Lieut. Col. Charles M. Gandy to be colonel.
Maj. Frederick R. Reynolds to be lieutenant colonel.
Capt. James M. Phalen to be major.

PROMOTIONS IN THE NAVY.

TO BE REAR ADMIRALS.

Capt. George S. Willits.
Capt. Walter F. Worthington.
Capt. William N. Little.

POSTMASTERS.

ALABAMA.

S. J. Griffin, Cullman.
R. D. Williams, Opelika.

ARKANSAS.

J. E. Pringle, Hoxie.
John D. Wilbourne, Pine Bluff.
Mrs. L. H. Hall, Pocahontas.

FLORIDA.

E. J. Roux, Fernandina.
A. B. Brown, Fort Pierce.

GEORGIA.

S. D. Cherry, Donaldsonville.
M. S. Cornett, Lawrenceville.

INDIANA.

W. S. Pugh, Greenfield.
W. Kostbade, Hobart.
J. Davidson, Lyons.
W. E. Aydelotte, Sullivan.

LOUISIANA.

W. G. Chapman, Lake Arthur.
C. De Blieux, Natchitoches.
H. H. Schindler, Sulphur.

MASSACHUSETTS.

George T. McLaughlin, Sandwich.

MICHIGAN.

E. C. Maxwell, Carleton.
F. B. Carr, Dundee.

MISSISSIPPI.

C. W. Carr, Newton.
E. T. Butler, McComb.

MISSOURI.

R. H. Moran, Clarksville.
M. W. Spurling, Higbee.
W. G. Pike, Martinsburg.

MONTANA.

W. Crofft, Chouteau.

NEBRASKA.

F. Cox, Sutherland.

NEW JERSEY.

E. T. Lanterman, East Orange.
James P. McNair, Paterson.

OHIO.

Albert Schnell, Morrow.

OREGON.

J. A. McMorris, Condon.
A. Longwell, Echo.

PENNSYLVANIA.

C. S. Lichleiter, Elk Lick.

TEXAS.

B. M. Burgher, Dallas.
D. A. Paulus, Hallettsville.
R. H. Newton, Midlothian.
I. J. Wright, Mission.
J. W. Shaw, San Diego.
T. Durham, Wellington.
T. H. Hood, Wortham.

VIRGINIA.

P. W. Pugh, Broadway.

WITHDRAWAL.

Executive nomination withdrawn from the Senate April 28, 1913.

POSTMASTER.

TEXAS.

Norman H. Martin to be postmaster at Weatherford, in the State of Texas.

HOUSE OF REPRESENTATIVES.

MONDAY, *April 28, 1913.*

The House met at 11 o'clock a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

We come to Thee, O God our Father, with glad and thankful hearts that we are involved in a plan which can not fail of its ultimate purpose because of Thine infinite wisdom, power, and goodness. Yet history, observation, and experience teach emphatically that we may retard its progress as individuals, as a Nation, as a race, by opposing the will of its projector. Teach us, O God our Father, how to work together with Thee for the end which all true men long for, hope for, pray for, that Thy will may be done in earth as it is done in heaven. Through Jesus Christ our Lord. Amen.

The Journal of the proceedings of Saturday, April 26, 1913, was read and approved.

SPEAKER PRO TEMPORE FOR EVENING SESSION.

The SPEAKER announced the appointment of Mr. CLINE to preside at the session this evening.

THE TARIFF.

Mr. UNDERWOOD. Mr. Speaker, I move that the House resolve itself into Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 3321—the tariff bill.

The motion was agreed to.

Accordingly the House resolved itself into Committee of the Whole House on the state of the Union for the further consideration of the bill (H. R. 3321) to reduce tariff duties and to provide revenue for the Government, and for other purposes, with Mr. GARRETT of Tennessee in the chair.

The CHAIRMAN. The House is now in Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 3321, of which the Clerk will report the title.

The Clerk read as follows:

A bill (H. R. 3321) to reduce tariff duties and to provide revenue for the Government, and for other purposes.

Mr. UNDERWOOD. Mr. Chairman, I yield to the gentleman from Mississippi [Mr. SISSON].

Mr. SISSON. Mr. Chairman and gentlemen of the committee, it is not my purpose this morning to talk about the tariff, but to briefly discuss the alien ownership of land in this country.

I maintain as a principle of good Government that a nonresident alien should not be permitted to own a foot of land in America. The situation in California is a very critical one, and I trust that I may not say anything that will in the least tend to prevent a friendly settlement or embarrass our State Department in its effort to retain the friendship of Japan, but before I would surrender the right to control a foot of American soil to Japan or any other nation on earth or to permit any other nation to dictate the land laws to one of these sovereign States, I would fight. I hope that this administration will take a firm stand on this question and settle it for all time, by telling the whole world that we will not tolerate any interference with our domestic concerns.

I am not at all in sympathy with the view taken by some of the courts that the treaty-making power is absolute and unlimited. If this is the correct view, then the President and the United States Senate can by the exercise of the treaty-making power amend, alter, or repeal any of our State laws, and the will of the President and the United States Senate is supreme and not the will of the people of the States, as expressed in their statutes and constitutions.

I maintain that it is the sacred duty of the President and United States Senate not only not to make a treaty that would infringe upon the constitution and law of the State, but it is their highest duty to sustain the States in their rights and to prevent this very unwarranted interference on the part of other nations with the State constitutions and with the State laws. This is one of the principal reasons for the very existence of our Federal Government. If now our Federal Government shall in spite of the will of the people of these States force them to submit to the dictates of foreign powers, the love and regard which our people now have for the Federal Government will cease and in its place will be kindled a spirit of hatred.

It is just as much the duty of the Federal Government to protect these State governments as it is the duty of the Federal Government to protect itself. The destruction of the States by the treaty-making power means the destruction of the entire Federal system, and we substitute a national central control for a local State control. The coercion of the people of California in this right is a precedent for any coercion, however

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drastic, when in the future the demand shall be made by a powerful Government. It will be a miserable piece of cringing cowardice for us to yield now, and I am with the good people of California in their fight, and I am willing to vote the last dollar in the Treasury for the defense of her right to control her sacred soil.

What is involved in this controversy? Is it not the right of the people of the State to protect themselves and their citizens in the control of their soil? The land of a nation is the foundation upon which all her hopes and prosperity must rest. Shall a Japanese subject demand the rights of a citizen of the State of California? Shall he enjoy all of the benefits of our civilization and not be compelled to defend it? Shall he enjoy the use of all of our highways and other Government institutions and be permitted to drain the soil of all of its products, thus causing the burden to be in that proportion greater upon the citizen who will live and die in California and leave an estate which he has drawn from California lands to be taxed to maintain our high state of civilization? Does Japan complain because her people want to leave her shores and swear allegiance to our Government and to take up arms, if necessary, to defend California against Japan? No; she complains because her people can not come and remain with us and draw from our soil its riches and send them to Japan to sustain her people and her Government across the sea, subject all the while to His Majesty the Emperor of Japan and protected by him, and who can in the event of war assemble all of his loyal subjects already in this country, and with their substance which they have drawn from our soil wage war against us. I say if we must have war or submit to this indignity, then I am for war. What would Washington say under such conditions—war or submission? What would Andrew Jackson say—war or submission? What would Cleveland say—war or submission?

Mr. Chairman, I accord to Japan all the equal rights with ourselves. I would as quickly resent a demand from our Government upon Japan to permit an American citizen to own land in Japan contrary to the laws of Japan as I do now resent Japan's effort to compel us to submit to her demands.

The question as stated by Gov. Johnson is just this: If the proposed anti-alien land laws give offense to the Government at Tokyo, the California executive absolves the State from all blame on the ground that Federal statutes have already drawn the line which the State now seeks to establish. The proposed law only bars from ownership of land an alien who can not or will not become a citizen of the State, and if Japan is affected, then that is due to the fact that a Japanese can not become naturalized. How, then, can the United States Government complain? She and not California is to blame. If Japanese are denied citizenship because the United States will not permit them to become citizens—and the proposed legislation simply provides that no alien who can not become a citizen can own land—there is no discrimination because of the California law but because of the law of the United States, for if the United States shall remove this restriction, then the proposed law of California will not prevent a Japanese owning land. I think it the duty of every loyal citizen of all of our States to stand for California and her rights in this fight for her own citizens and their descendants.

The power to make treaties is conferred upon the President of the United States, provided two-thirds of the Senators present concur therein. The Constitution also provides that all treaties made, or which shall be made under the authority of the United States, shall be the supreme law of the land, and the judges in every State shall be bound thereby, anything in the constitution or laws of the States to the contrary notwithstanding. But every treaty, as provided in the Constitution, shall be made in pursuance of the Constitution of the United States. In other words, the right to make a treaty must be in accordance with the Constitution itself. The purpose of this clause in the Constitution was to take away from the States the right to make treaties or to deal with foreign powers as a State.

Right here I may say that at the time the Constitution of the United States took effect, and when the members of the Constitutional Convention were assembled, many of the States, or so-called Colonies, not only had made but were then engaged in making treaties with foreign nations in respect to their own affairs. Therefore the mere conferring on the Federal Government of the right to make treaties was no inhibition upon the States, unless the States were specifically deprived of that power in haec verba, because if you will note the discussions of the members of the Constitutional Convention at that time you will find that they discussed the concurrent powers of the States and the Federal Government, and the mere conferring upon the Federal Government of the right to make a treaty without depriving the State of that right would mean that there might be all sorts of complications arising in dealing with foreign powers. So that it seems to have been an afterthought during the discussion of the treaty-making power, and was not included in the original draft of the article providing for the President to make treaties by and with the advice and consent of two-thirds of the Senate.

The States, by this clause of the Federal Constitution, have delegated all of their treaty-making powers to the Federal Government. It is my contention that the treaty-making power is to be exercised by the Federal Government with foreign powers in reference to purely international matters which do not affect our internal domestic concerns. The States did not delegate any power to the Federal Government to control the land in the State. As soon as a Territory is admitted into the Union as a State all of the lands in that State immediately pass under the control of the State government, except the public land of the United States.

Now mark you this: The Federal Government, with the House of Representatives, with the Senate, and with the President all giving solemn consideration to a bill, can not deprive a State of the right to make her own land laws; and I say it is absurd to contend that the President of the United States, with only two-thirds of the Senate concurring in making a contract with a foreign power, can do what both branches of Congress and the President combined can not do under the Constitution. And yet the courts have intimated that the treaty-making power is unlimited and absolute. This I emphatically deny. As soon as the land is entered and disposed of by the Federal Government the Federal Government never acquires any right or control over such lands. It was never dreamed by the fathers of the Constitution that there would ever be a demand, either on the part of the Federal Government or any foreign power, to control the method, manner, and right to acquire land in any State or to dictate her method, manner, and right of descent and distribution.

It will be conceded that where the States have permitted an alien to acquire title to land that then the alien government, in order to enforce the rights of its citizen, must deal with the Federal Government through the President and the Secretary of State. Even then the President and Secretary of State should only assure the alien government that the alien shall be dealt with fairly and honestly and in accordance with the laws of the State. If this were not true, then we would be in this absurd and anomalous situation that the alien would have rights superior to the rights of the people of the State who were citizens thereof, because it will not be questioned that every citizen of the State is absolutely under the control of the laws of the State and so is all of the property which he owns in the State, but the alien would enjoy rights superior to the citizen and could appeal to the President and the Secretary of State to invoke a treaty and have the Federal courts enforce his rights under the treaty irrespective of the laws of that State.

Mr. MANN. Mr. Chairman, will the gentleman yield for a question?

The CHAIRMAN (Mr. CLINE). Does the gentleman yield?

Mr. SISSON. Certainly.

Mr. MANN. Of course the State can not make any treaty. Is there any way in which foreign Governments can, by any process whatever, secure to their citizens rights of property in the States?

Mr. SISSON. Absolutely none, except——

Mr. MANN. What is the exception?

Mr. SISSON. My contention is except that the State itself shall make land laws which shall permit the alien to acquire lands.

Mr. MANN. That is not a matter that a foreign Government can secure—that is a matter purely for a State to determine?

Mr. SISSON. Yes.

Mr. MANN. We claim that we have a right to make treaties with foreign Governments under which we shall secure to American citizens property rights in foreign countries?

Mr. SISSON. That is true.

Mr. MANN. And we exercise that right?

Mr. SISSON. Yes.

Mr. MANN. I understand the gentleman's contention is that that is a one-sided arrangement. We have a right under the Constitution to make a treaty with a foreign nation which will secure to American citizens property rights in foreign lands, but conversely can not make a treaty which will secure to foreigners in our own country?

Mr. SISSON. Yes; but the gentleman should not lose sight of this fact, and that is that the Government of the United States has no right, nor has the Government of any country,

where the treaty-making power is limited, either by an unwritten constitution or by a written constitution, to exceed that authority, and no Government but a despotic government—and the gentleman will find this to be the universal rule—has ever sought through the treaty-making power to break the laws where the laws are made in conjunction with the treaty-making power.

Mr. MANN. The gentleman will pardon me. I know the gentleman has given this subject considerable study heretofore, and I am interested in his views, although I do not desire to be considered as expressing my own views on the subject. But is it not a fact that somewhere there must be lodged in every Government complete sovereignty, and if we insist that a foreign Government has complete sovereignty to grant certain rights in that country there must be lodged somewhere in the United States complete sovereignty of equal character?

Mr. SISSON. That is true in so far as the treaty-making power has obtained the right and the power from the Government or the people of the country to make the treaties, and it is a universal construction of international law that those parties making the treaty shall be cognizant of the power of the party making the treaty. Now, Chief Justice Marshall lays down this rule—and I am glad the gentleman called my attention to that, because I want the committee at this time to understand the rather curious difference in the right of the United States Government to make treaties, and all other nations in the world, at the time that Marshall delivered that opinion. There have been some changes in some of the Governments since that time, owing to the fact that they, too, have adopted constitutions, but that is quite a long story. Chief Justice Marshall laid down this rule and said that all of the international lawyers and all the countries contended, and it was admitted to be a fact, that a treaty made between two nations prior to the time that the United States Government entered the treaty-making world was considered to be a contract between the treaty-making powers of the two Governments, and had no operation infra-territorially unless it was promulgated by the proper authority and the proper power in the Government to compel the citizens to observe the treaty. The responsibility for the violation of the treaty rested entirely with the party that made the treaty for the Government; but, said Chief Justice Marshall, in the United States a peculiar thing happens. Immediately upon the treaty being ratified by two-thirds of the Senate it becomes the supreme law of the land, and every citizen, without promulgation of it except the mere publishing of our laws, becomes amenable to that treaty and can be punished criminally for violation of the treaty if its terms so provide. And yet, according to Chief Justice Marshall, that rule did not apply in any other country of the world at that time.

This is one of the most interesting fields of investigation that I have gone into, and there are many more intricacies and difficulties than I dreamed could arise from the treaty-making power. But I will say here now that my opinion is that a stream can not rise higher than its source, and that the reserved powers of the State specified in the tenth amendment can not be exercised by the entire Congress of the United States with the President; and if that be true and the Constitution is the supreme law of the land it is utterly impossible for the President and the Senate to acquire a right or a power superior to the right of the entire Congress, because the entire Congress can repeal any treaty. I presume that is admitted by every Member of the House. If the contention of some of the State courts—not of the Supreme Court of the United States but of some of the State courts—is correct and true, the only supreme power and the only power in the Federal Government that can be unrestrainedly exercised is the treaty-making power. It is against that opinion and contention that I am to-day making protest. I think it is highly dangerous in a Republic like this for that sort of a power to be vested in the President and one branch only of the Legislature. I take the position that no patriotic court, no Congress, or President who loves an American citizen above that of every alien would entertain even for a moment the view that the alien could have, through the President and the United States Senate, rights and privileges under the Federal Constitution superior to the rights and privileges of an American citizen under that same Constitution. In other words, that an alien would have the right to go into a forum and have his claims upon a piece of land adjudicated, not under the laws of the State, but under a treaty made by the President and United States Senate in conjunction with a foreign power. If that foreign power could thus dictate the land laws and policies of a State in reference to her lands through a treaty with another nation, then why could not the President and the Senate dictate the election laws of any State through the treaty and compel the State to give the ballot under such terms as the treaty provides? Why could not the President and the Senate provide that an alien within a State committing the crime of murder should not be subject to the laws of the State and tried by the State courts but be tried by a tribunal provided for in a treaty? It seems to me that such contentions are absurd. If such contention is sound, then the President, with two-thirds of the Senate present ratifying his action, would have it in their power to overturn every State constitution and to abrogate every State law.

By the way, I will state that in discussing that matter I am not discussing the probability of the United States Senate and the President ever doing such a thing. I am discussing their power to do it, and if I am right in my contention the President and Senate can exceed their powers, and when they do such treaty is null and void. One of the reserved powers of the States is to control the lands within the State, and it must follow that the Federal Government has no power of denying that right.

I therefore conclude that the people of California have the absolute and unquestionable right to pass just such laws in reference to the acquisition, alienation, and devise of lands as in their judgment is proper and best for them, provided that in the administration of these laws they are applied to all of the citizens of California and of the United States alike and do not infringe upon the fourteenth amendment to the Federal Constitution.

No alien has the right to invoke the protection of the laws of this country, except where he is traveling with the proper passport or where he is permitted in the Government under some permission granted him by law, and further, where he is assaulted or imprisoned without provocation on his part. He is simply safe in his person and property and is entitled to protection simply as a human being while he domiciles with us. His presence here ipso facto does not give him the right to acquire property, to devise property, or to transact business. The only way in which he can acquire all the rights of a citizen of the United States is by declaring his intention to become a citizen of the United States and renounce all allegiance to any foreign prince or potentate or Government, and more especially the prince, potentate, or Government from which he comes.

The word "domicile" I use in its technical sense. That is that right which a human being has of remaining on God's earth, and because he happens to be for the time being on a portion of this earth which has been set apart by a certain people and controlled by them, and those people have appropriated that portion of the earth, they have no right under the modern and humane international laws to lay violent hands upon him or his property. That is an inherent, inalienable right which is respected by all the civilized nations of the world. It was not true a few generations ago.

No greater curse could befall the people of California or the people of any State in this Union than to have the lands fall into alien hands and for such State to be reduced to the alien landlord domination which is the curse of Ireland to-day. Give me a country where the land is owned wholly by the people that are citizens of that country. Every foot of American soil has been purchased with the blood of our fathers, and they have bequeathed it to us, their children, as a sacred heritage, and we should preserve every foot of it for our American citizens and their posterity to the furtherest generation. [Applause.] I want the American flag to always float over American soil owned by Americans and not to float as a mockery over soil owned and controlled by aliens.

I might say, by way of parentheses, that if we shall throw down the gates of immigration, if we shall by treaty or statute law permit the yellow race to have equal rights in this Government with the people of the United States, then in a few years the Government of China and the Governments of the East could duplicate every citizen in America, and it would not in any way injure that country or those countries, but would be a relief to them and would render less troublesome the congested condition of their population, and our population in America would be doubled by aliens. We should preserve the soil for America and Americans, and that through our State laws. I am unwilling that we should begin now, upon the demand of the Japanese Government, a friendly Government—and I hope we will always remain friends—to recede from our policy of permitting our States to control their own domestic concerns.

I agree with the statement made by Senator ROOT, who has gone carefully into this question and who is quoted in the press as saying, in substance, that there is nothing in any treaty now existing between Japan and the United States which will prevent the State governments passing any land laws in reference to the Japanese, or any other people so situated under treaties as

the Japanese people are, as the States may deem proper unless in conflict with the Federal Constitution. We not only do not violate a treaty, but, he says, we violate no international law and no principle of international government. What right has the Government of Japan to complain when a citizen of any other country has no right to own a single foot of land in the Empire of Japan, because under the laws of Japan the only rights that another citizen has is the right of lease, the right to use and pay rent for land; but the title to the land will never pass from a Japanese subject to the subject of any alien, and it ill becomes her now to complain because the good people of California are seeking to do practically the same thing. [Applause.]

The highest evidence of the wisdom of the people of California in taking this early step—and the step is not taken too early; probably they have already waited too long—to prevent the alien ownership of her soil is the present attitude of Japan.

What better evidence do we need that we should take a step early, as I shall show you in a moment if I have the time. The dangers of alien ownership of the soil are admitted by all of the great lawyers of England. I shall show, if I have the time, that the cause of the dismemberment of Poland was the alien ownership of land. Theirs is a beautiful but sad history of a patriotic struggle for liberty. At every doorstep there was stationed a so-called patriot who himself had acquired money from the Czarina to buy the land in Poland. Everyone who reads Chitty's Blackstone will recollect in the footnote how beautifully that great lawyer, Mr. Archbold, described the dangers to a people who permitted alien ownership of land.

When vast numbers of aliens from any country own vast quantities of our land, that causes such nation to make an effort, through the Federal Government, to force the people of such State to surrender greater rights and privileges to such alien landowners. Just in proportion as aliens own our land, just in that proportion will the alien governments control our lands and the fruits thereof. Because if Japan raises the question seriously at this time and threatens us with war, what will she do in the future, when millions of her subjects shall be permitted to acquire land in this country? When an alien acquires personal property he can dispose of it or take it with him; but when he owns land and upon this land builds his home, owing allegiance all the while to the alien government, he is a constant and fixed menace.

Every student of the law is first taught in book 1 of Blackstone's Commentaries on the Laws of England that if an alien could acquire permanent property in lands, he must owe allegiance equally permanent with the property to the King of England. In other words, if the alien was willing to defend the Government which was then the Government of the King, he could be admitted to all the rights of any other subject of the King, because upon "office found" his allegiance was true and sincere to the monarch from whom he sought to own land. If this were not true, the King might find himself surrounded at any time by men who were not true to him, but were true to some foreign prince or potentate. For this reason the common law has always been jealous of foreigners owning land. In Chitty's edition of Blackstone's Commentaries we find in a footnote that Mr. Chitty himself says that—

from the Conquest till upward of 200 years afterwards it does not appear that strangers were permitted to reside in England, even on account of commerce, beyond a certain time, except by special warrant, for they were considered only as sojourners coming to a fair or a market, and were obliged to employ their landlords as brokers to buy and sell their commodities; and we find that one stranger was often arrested for the debt or punished for the misdemeanor of another, as if all strangers were to be looked upon as a people with whom the English were in a state of perpetual war, and therefore might make reprisals on the first that they could lay hands on.

Every young attorney also, when he studies Chitty's Blackstone, will find in book 1, chapter 10, "Of the rights of persons," on page 278, that among other reasons which might be given for not permitting aliens to own land it is intended to be—

by way of punishment for the aliens' presumption in attempting to acquire any landed property, for the vendor is not affected by it, he having resigned his right and recived an equivalent in exchange.

But Mr. Archbold, in footnote 8, on the same page of this edition of Blackstone's Commentaries, says:

A political reason may be given for this which I think stronger than any here adduced. If aliens were admitted to purchase and hold lands in this country it might at any time be in the power of a foreign State to raise a powerful party amongst us, for power is ever the concomitant of property. This may be more easily illustrated by briefly stating the measures taken by Russia prior to the dismemberment of Poland. For a considerable time previous to this act—an act which has certainly cast an indelible stain upon the powers concerned in it—the Czarina sent several of her subjects with large sums of money into Poland to purchase all of the estates that offered for sale, at the same time professing publicly the greatest attachment to the interests of that devoted Kingdom. This had a double effect, for it not only raised in that country a powerful party completely devoted to her interest, but it at the same time and in the same ratio divested a large proportion of power and influence from the nobles. This proved a solid foundation for her subsequent acts, for afterwards, when she laid aside the veil which covered her designs, the country was so enfeebled by the measures she had taken that notwithstanding the glorious and persevering struggles of a Kosciusko it fell an easy prey to her rapacity.

The English Government, up until a few years ago, considered every alien in England as a common enemy, and, as I have shown, students of the law will remember that an alien found in any portion of England coming from the same country as another came who had committed a crime was held responsible for the crime of his escaped brother alien, the law holding that all aliens were common enemies and that they had no rights.

So you will find that the principle I am discussing is not a new one but an old one. If the United States Government yields to the demand on the part of Japan, every other nation, including China, would have the right to make the same demand, and our Nation would be humiliated and disgraced in the eyes of all the world. Our first and highest duty is to protect American citizens against this alien domination of our soil.

God knows there is not an American here that would permit the horde of Chinese to leave their shores and invade this country, depriving labor of its wage and the farmers of America of their land, because no farmer in America can own land, with our standard of living and our standard of wages, in competition with a Chinaman, who would live on what the American farmer throws away.

I know that Lincoln, when he made his argument in reference to slavery in the United States, appealed to the people of the North, not upon the abstract proposition of liberty and freedom, not upon the abstract rights of colored men, but he made the appeal which found lodgment in the hearts of the laborers of the North that was like this: "Do you laboring people want to work in competition with slaves, when the owner brings them here and gives them nothing but victuals and clothes? Do you bricklayers want to lay brick in competition with slaves? Do you farmers in Illinois want to own land in competition with slave owners of the South?" And he won the election on that very sensible and rational and high ground.

I take the same ground with reference to the ownership of the soil by our own people, and in this way only can we maintain our high standard of living and our high standard of manhood. I would not surrender this standard until we had spent the last life and the last drop of blood that could be spent in so righteous a cause and impoverished our country for a hundred generations. [Applause.]

Mr. BUCHANAN of Illinois. Will the gentleman yield?

Mr. SISSON. I will.

Mr. BUCHANAN of Illinois. I do not know that the gentleman intended to, but I am afraid that he left the impression he does not want to leave. From my knowledge and information I do not think the Japanese are less objectionable to the American people than the Chinese. I think the standard of living is similar.

Mr. SISSON. It was not my intention to draw odious comparisons. My own reason for calling especial attention to the Chinese is that they have from four to five hundred million people and Japan has only forty-odd million people. In other words, the danger of Chinese immigration is just in proportion greater than that of Japanese immigration owing to the vast disproportion of the population in the two countries. My contention is that a special duty rests upon the Federal Government, and that the highest duty and the highest obligation which it owes to the States is to protect them in their rights. [Applause.]

Our first and highest duty is to protect American citizens against this alien domination of our soil. I want the United States Government to hold up the hands of these States so long as they are using every effort and every means to prevent the alien ownership of land by strong and drastic laws. This is the duty and obligation which the Federal Government owes to the States. It is a duty I am willing to perform. I do not shrink for one moment from the obligation, nor should any Member of Congress decline to fulfill this obligation to the very letter. The President of the United States and the entire Senate ought never attempt to make any treaty with any foreign power which would repeal one jot or one tittle of a State constitution nor one statute law which she has passed.

If the State has trespassed upon the rights of the Federal Government, there is only one power on earth with which any of these States have to reckon, and that is the Federal Government itself. I maintain that every law, either in the State constitution or in her statutes, that does not conflict with the Federal Constitution, is sacred. No power on earth, not even the Federal Government itself, has the right to lay its hand in violence upon the State and deny her this sovereign right. Every Government dealing with the Federal Government through the Federal

authorities should understand now and for all time to come that the Federal Government is one of delegated and not of inherent powers, and that all powers not specifically granted to the Federal Government in the Federal Constitution are reserved to the States, and that the President of the United States and the Senate of the United States not only do not have the right to coerce these States but it is the most sacred obligation which they have assumed to preserve inviolate the rights of these States, and that every life in America and the last penny of her vast resources are forever pledged to the maintenance of these rights under our glorious Federal system—an indissoluble union of States, possessing every sovereign power except that which is specifically granted in the Constitution to the Federal Government—and that all of the people and all of the States and all of the property of all of the people and of all of the States, as well as their sacred honor, is pledged to the maintenance of this system, and that no power, prince, or potentate, and no combination of all of these, shall ever be permitted to in any way interfere with these sacred and blood-bought rights.

Mr. LEVY. Will the gentleman yield?

Mr. SISSON. Yes.

Mr. LEVY. The gentleman stated that Japan allows no ownership of land. I have an article here which states that they allow ownership for 999 years.

Mr. SISSON. The matter that the gentleman speaks of is a lease which is granted to a subject upon the very same doctrine that used to prevail in England on the system of "office found," if the gentleman knows what that is. Now, you may acquire through special permission of the Emperor of Japan at certain ports, at certain landing places for goods, title for commercial purposes, and you can acquire land for doing a banking business by special permit, but no alien can acquire the fee simple title to land in Japan, and if the gentleman from New York has investigated the subject he knows it. I do not care what the gentleman's newspaper clipping shows.

Mr. TOWNER. Will the gentleman yield?

Mr. SISSON. I will.

Mr. TOWNER. Is there anywhere in any treaty provision between Japan and the United States any statement that either party can acquire and own real estate?

Mr. SISSON. None at all, so far as I have been able to consult the treaties. I will be very frank with the gentleman. I have looked for all the treaties, but I do not know whether I have found every one or not, but I have not been able to find it in those that I have found, and if Senator ROOT is correctly quoted in the newspapers, he says identically the same thing.

Mr. TOWNER. The gentleman is a first-class lawyer, and I want to put in the language of this treaty and——

Mr. SISSON. I will be very glad if he will.

Mr. TOWNER (continuing). What the then understanding was.

And they may there own—

That is, each party in the land of the other—

And they may there own or hire and occupy houses, manufactories, warehouses, and premises which may be necessary for them, and lease lands for residential and commercial purposes.

And so forth.

In other words, they may buy houses and warehouses, but not the land on which they stand. They may, however, lease the land upon which they stand.

Mr. SISSON. And that is the only treaty I have ever found where they even have that right.

Mr. TOWNER. Yes.

Mr. SISSON. And that was a right which was granted after Japan became one of the commercial nations of the world, and it became to their commercial interest to permit men to have residences there in order that they might do business with those very men. They gave them that right for the establishment of business houses, the establishment of branch houses. They could lease the land for warehouses, for certain water frontage, for commercial purposes.

Mr. LEVY. Will my colleague allow me? The second way for foreigners to hold land in Japan is by the forming of a "shadan." This is a group of three or more foreigners, legally incorporated and constituted to hold land in fee simple anywhere in Japan for the purposes mentioned in the articles of incorporation.

Mr. SISSON. I do not understand exactly what the gentleman means. The only right they have to own land at all is practically the ownership that is indicated in the treaty, except by a special permit from the Emporer of Japan you may lease land for a certain number of years.

Mr. LEVY. Nine hundred and ninety-nine years.

Mr. SISSON. Now, Mr. Chairman, to continue my argument where I was interrupted.

If Congress should pass a law abrogating the land laws of any State, such a law would be unconstitutional and void, and the court would so hold. In other words, Congress can not enact a law giving a citizen of Virginia a right to acquire lands in North Carolina in violation of the land laws of North Carolina, and yet it is contended that the President and "only two-thirds of the Senate present" concurring can make a treaty with a foreign power which will not only abrogate the laws of North Carolina but will annul any constitutional provision of that State notwithstanding that the State was within her rights under the Federal Constitution prior to the treaty.

Let us see where this contention will lead us. Suppose the President and two-thirds of the Senate present should make a treaty with Japan that all of the subjects of Japan should have the right to move to California and become citizens thereof and should have the right to vote the day they landed there and an election was being held, will it be conceded that they could vote? They certainly could, unless it is admitted that the President and Senate must be controlled by the specific powers conferred upon them and can not invade the reserved powers of the State. If the power to make a treaty is an absolute power and unlimited except as to the will of the President and the Senate, then the Constitution is a farce and Article X is a mockery. Absolutely no power is reserved to the States.

Suppose the President and two-thirds of the Senate present should make a treaty with the King of England that he should take over all of the New England States and that they should become a part of the British possessions and all of the property of the citizens of those States should be divided among such English subjects as His Majesty might name. No one will contend that the President and the Senate would have such a right. It is absurd you say. Yes; but if the President and the Senate are to be the sole judges of what they may or may not do under the treaty-making power of the Constitution, then they, if they determined upon so radical and absurd a position, might do such a thing and enforce it if you concede that the power to make a treaty is absolute.

My contention is that the President and Senate can do no such thing, because they have not the power under the Constitution, and not because they have the power and will not do such a thing. If the President and the Senate are not restrained by the Constitution, then they are possessed of a despotic power. If they can make a treaty on any subject and bind the people of the States and abrogate one law which the States have passed and had the right to pass, then they could make a treaty abrogating the entire constitution of that State and all of her statute laws, and have the power to destroy by this method all of the States, whose creature the Federal Government is, and by this very lawful method make themselves supreme. I contend that no such power is conferred by the treaty-making clause to the President and to the Senate. Their right to make a treaty under that clause, "anything in the constitution or laws of any State to the contrary notwithstanding," meant only to take away from the States the right to make treaties, because at that time the States had made treaties and had passed laws to enforce them. The sole purpose of that clause was to place power to make treaties in the hands of the Federal Government and to divest the States of that power. It was never intended that through and by this clause the President of the United States, with the consent of the Senate, should invade the sacred reserved powers of the States and to give to the President and two-thirds of the Senate more power over the people of the States and of the United States than the entire Congress could have—more power even than Congress has to extend rights and privileges to our own citizens—because Congress as a whole is limited by powers granted in the Constitution in their activities and powers of control of the States and the citizens thereof; but not so with the President and the Senate if the treaty-making power is an absolute one; because under a treaty, rights superior to the rights which a citizen enjoys, might be conferred upon an alien, which to my mind is absurd. So I am impelled to the conclusion that the treaty-making power can never deprive the State of a reserved power, because I can not believe that the States ever conferred more power upon the President and Senate than they did upon the President, Senate, and House of Representatives combined. Nor do I believe that the power exists under the Constitution to permit the President and Senate to destroy our Federal and State Governments through the treaty-making power. I therefore deny the right of the treaty-making power to invade California and compel her to permit aliens to own her own lands in spite of California's desires and wishes.

If such power does exist under our Federal Constitution, we should at once amend that instrument and take away such power. If it exists with us, it is the only Government except

the absolute despotisms, because Chief Justice Marshall, in Foster v. Neilson (2 Pet., 313), says:

A treaty is in its nature a contract between two nations, not a legislative act. It does not generally effect, of itself, the object to be accomplished, especially so far as its operation is infraterritorial, but is carried into execution by the sovereign power of the respective parties to the instrument. In the United States a different principle is established. Our Constitution declares a treaty to be a law of the land.

Now, I submit that before it can be a law of the land it must not trespass upon the reserved power of the States. If it does not and is within the power of the President and Senate to make, it is the law of the land by virtue of the fact that the President and the Senate have not exceeded their authority. If they have, then to that degree the treaty is null and void and the court should so declare. It can not be contended that the President and Senate can not exceed their authority in making a treaty; and if they do, then the people of the States and of the United States are not bound by it.

But, Mr. Chairman, notwithstanding the fact that the position which I have taken is one which has not always been accepted by the courts of the country I think it is the soundest and the best policy. I am unwilling that the present generation should be bound by precedents of the past to such an extent that the people of this day must slavishly follow the precedents of the past laid down by courts long since dead. I am unwilling that the fleshless fingers of dead judges shall reach up out of the grave to hold the present generation in their bony grasp to the extent that we can not do our own thinking and act in the light of the glorious present.

This California question is far-reaching and important in its results. Nearly all of the States of the Union have statutes regulating the rights of aliens in reference to acquiring real estate. Some of the States have removed all disabilities, but the majority of the States have some limitations of some sort upon the rights of an alien to acquire an interest in land. It would be impossible in a discussion like this to show the various degrees of limitations expressed in the laws of the various States. Nearly every State has some limitation as to the right of an alien to own land. Some limitations are very, very mild, and are graded, as it were, up to the most drastic limitations, which prevent an alien owning land at all, unless he becomes a citizen of the United States or declares his intention of so becoming a citizen. These State laws have been passed for the protection of the respective States; and even though the courts of the country should slavishly follow the wicked precedents of the past, and should sustain the President and the Senate in making a treaty with a foreign nation enabling the citizens of such Nation to own property just as a citizen of the United States could own property, the principle is so unsound that I am unwilling to submit to it without a protest.

This Democratic administration should announce the doctrine to the world, with no uncertain tone, that the Congress of the United States proposes to recognize the right of the people of these States to determine who shall own the lands within the State, and that the Government of the United States will not prevent the States from making such land laws as they see fit and proper, provided they do not discriminate against citizens of the United States; and we should further announce that the Government of the United States will not interfere with a sovereign State because it does not desire citizens of a certain foreign nation to own lands in that State unless they can become citizens of the State and amenable to the laws thereof. If the President and Senate should commit themselves to any other proposition, we will have internal broils at home and endless international complications and intermeddling in our domestic concerns occasioned by the constant complaint of the alien landowner to his home Government.

It is the attribute of sovereignty of any nation to exclude from its borders any citizen or citizens of any other nation in the world. It has the right to admit the citizens of a friendly nation and to deny admission to the citizens of an unfriendly nation. It has the right to decide for itself whether it is for the best interests of its people to admit a certain race of people or not. The Supreme Court of the United States has decided in numerous cases that it is the inherent sovereign right of any nation to exclude from its borders any race of people that can not be assimilated, and that the sovereign power of the Government has the right to make such discriminations as it sees fit and proper, and that no immigrant from such foreign nation has any right to complain because the laws of the country require them to be transported whence they came. So even, if the Members of Congress do not agree with me in the opinion which I entertain in reference to the treaty-making power in the Federal Constitution, they certainly will not disagree with me in the conclusion, that we should, in our sovereign capacity as a people, permit the people of the States to determine who their friends and associates shall be.

No Senator should vote for any treaty that would give to the citizen of a foreign nation the right to acquire land in a sovereign State contrary to the laws, interests, and wishes of the people of that State. I think every treaty entered into should provide in haec verba that it will not interfere with the constitution or laws of any State which are made in accordance with the Constitution and not in violation of any of its provisions. An alien who has acquired rights to property under existing laws should not be deprived of these rights by any law enacted after such alien had acquired such title, but I would stand for the principle that the sovereign State shall be protected in so far as the laws which she enacts affect the rights of aliens in the future.

My own opinion is that every State in the Union should forbid the alien ownership of lands, and that Congress should never pass any treaty that would annul, change, or modify such laws. I believe that the people of California know more about the conditions in California than the people in Maine, and I do not believe that the Senators from Maine or Mississippi or any other State should ever cast their votes to take away from the people of California their sacred right to control their domestic concerns and to determine who their associates and the associates of their children shall be.

Now, gentlemen of the committee, there were many other matters in reference to this treaty right that I would have liked to have analyzed, but my time will not allow. Since I can not conclude my remarks, I would like to call attention to the fact that the crowded conditions throughout the Asiatic countries may bring about the very conditions which the great Emperor Napoleon looked forward to when those people should learn the arts of war and lay aside their old religion and doctrine of contentment and when they become restless and ambitious. On one occasion he pointed to the map of the world and said, "There lies China, a sleeping giant. Let the world beware how she awaken him." And right now is the time for this Congress and this administration to be fair with all the world. We have the inalienable right, every nation has the inalienable right, to admit a friendly alien or exclude an unfriendly alien. Every nation has the right to say, We are willing to permit a certain class or a certain color or a certain race of people to come and live with us, because we have determined that we can assimilate them, but if we should determine that a race different in color to ours will be inimical to us and our happiness it is our highest right to exclude them altogether. Let us maintain this principle with our lives and sacred honor. [Loud applause.]

The CHAIRMAN. The time of the gentleman from Mississippi has expired.

Mr. MURDOCK. Mr. Chairman, I would not be entirely frank in this presence this afternoon if I did not at the outset speak that which is uppermost in my mind. The youngest of a family, a daughter of 6, city born and bred but curious always about the country, came at last to a visit on a farm and had her first view of a cow and a cow's most valuable function.

The daughter came home in the evening silent and philosophical; but at last she spoke. She said, "Well, I have found out where milk comes from; and I am not pleased."

I ask every Member here, Do you think we would be revising the tariff as we do if all the people of the United States understood the method of our procedure? If each of your constituents understood that tariff debate here was merely "talk," that it altered no opinions, changed no votes, corrected no inequalities in the measure, do you think your constituency would be entirely gratified? If the man from home could come into this presence, the adherent who sits on the front seat at the campaign meetings and blisters his palms in applauding you, if he could understand that after the committee and the caucus have decided on the omnibus measure that all amendments will be voted down, without rhyme or reason, whether they are meritorious or not, I do not think he would be exactly happy. If the constituents knew that the leader of the majority—the able, courteous gentleman from Alabama—is as supreme here as Napoleon after Austerlitz and that their Congressman is a helpless indorser, that and nothing more, I do not think the folks back home would joy in your presence here or enthusiastically insist upon your vindication and triumphant return. If they knew that should a man appear here and offer to mankind for the first time the Ten Commandments as an amendment they would be promptly voted down as not having originated in the Ways and Means Committee or the Democratic caucus——

Mr. MANN. They would not be adopted on their merits now on that side.

Mr. MURDOCK. I do not think they would be particularly overjoyed. And if this is your first experience with an omnibus bill, and you are finding out where a tariff bill comes from, I do not think that you are exactly hilarious.

Never fear. It will never be known. It is spoken in confidence, not to go beyond those doors.

The gentleman from Massachusetts [Mr. GARDNER], who occupied the floor on Wednesday last, has spoken with some doubt as to the future of the Republican Party. His utterance was significant in this: That he and those who think with him are not typical of the leadership of their party. For the leadership of the Republican Party has no doubt; it indulges in no self-analysis; it still has the attitude of dominion; still speaks with the voice of authority; still dallies with its pride in the past, and clings to life in the happy hope of a day of national misfortune, when, through Democratic error or ill luck, a chastened people will turn submissively again to them, and to them not only, but, with contrite heart, to their chief doctrine—a prohibitive tariff. Theirs is a condition of mind that reads nothing significant in the humiliating achievement in a national election of only 8 electoral votes, a condition of mind that sees no evidence of fatality in a loss in four years of 4,193,000 votes. It is the Bourbon mind that, long accustomed to power, can not learn and never will learn; for the Republican leaders, those who perverted the purpose of that great party, have no real compromise with the embarrassments of their day, and this is best shown not by their attitude in the cocksure days of dominion, when the Payne-Aldrich bill was framed; nor yet in this latter day, when they are waiting for an ungrateful people to apologize, but it had its best illustration in that time which followed the passage of the tariff law, when the Republican leadership, calm eyed and serene, faced a nation in revolt.

Said the eminent gentleman from New York [Mr. PAYNE] in that day, upon this floor on May 12, 1910, six months after the passage of the Payne-Aldrich bill, when popular revolt against the broken platform pledge of a downward revision was raging:

> I am here to-day to say that we did keep our pledge to the very letter, both of the platform and of the speeches of the presidential candidate.

In indorsement of that sentiment there was applause upon the Republican side.

"Ah," but some one may say, "it was not the House that sinned; it was the Senate." Let us see about that. In defense of his law Mr. PAYNE said:

> I want to say right here, having been through the third conference report on these tariff bills, that at no time under any circumstances about any bill has the House had as much its own way in settling the disputes in conference as it had in this very bill which is now the law of the land.

And again, in indorsement of this statement, the RECORD shows "Applause on the Republican side."

And did the author of the bill expect defeat for his party? Not at all. With political disorder on every hand and popular protest crying aloud and revolution raging everywhere, the gentleman from New York, concluding his encomium on the Payne law, hurled this defiance at the Democrats:

> We will meet you next November. We will meet you with this law. We will meet your food prices. We will meet you with lower food prices, notwithstanding what you may say about this law. You exult now. You always do in May. We celebrate in November.

There was applause again on the Republican side. It is violating no confidence to say that he did meet you in November—but he did not celebrate. [Applause on the Democratic side.]

The Democrats celebrated. The northern Democrat, however, celebrated with considerable reserve. In many instances the Democratic candidate for Congress in the North had the feeling that he had been elected through a determined popular purpose not to elect him but to defeat his Republican opponent. He had a sense of weakening obligation to his Democratic brethren, a sense of broadening responsibility to the voters of all parties. He did not overuse the party name in his speeches or dwell too fondly on the superiority of his party's faith.

The party lines were down. Rings were collapsing and bosses of both parties were being sent into exile. The voter was becoming independent and the old methods of machine control were passing. The Democratic Congressman conformed. In many instances he wanted to conform, but whether he wanted to or not, he conformed to public sentiment. And inasmuch as the Republican defeat had seemed in part, at least, a rebuke for a failure to revise the tariff downward, the Democrats in Congress set out on the revision of the tariff. How did they set out to revise the tariff? A schedule at a time. There was no omnibus tariff bill then. There was no talk of rules to cut the right of amendment and debate and separate votes. There was little of the haughty spirit of control. They did not offer many schedules. They offered a few. The schedules were not all good. But their details were all visible. They could be examined. And a representative of the people could vote intelligently.

A year, two years, have passed, and now comes the most significant development of the hour—the Democratic assumption of partisan control of public sentiment. They have the White House and the Congress. They gained them through a dissolution of old party lines and old party prejudices. And now they have set out to restore them again. In the midst of a day when nearly every precinct, county, and State has turned against its boss, its ring, and its machine, the Democratic Party, the beneficiary of the new order of things, has set out heart-free and sedulously to restore them again. The work begins here. Here is the inauguration of the process which puts party success above the public weal. Secrecy in caucus here, the gag, the omnibus bill, and unfair methods of legislation here precede and point the way to the restoration of the machine in the State, the ring in the county, the boss in the precinct out over the country. [Applause on the Republican side.] In two years the Democrats, come into power timidly after long absence from place, have grown quickly bold, and we have as the dominant, striking, significant note of our hour the air of absolute Democratic assurance of successful control, by machine methods, of the electorate.

How soon will the assurance that has departed from correct legislative methods to unjust ones, how soon will it turn to arrogance? How soon will follow fast on the heels of arrogance the inevitable fall? Let some of the Democrats consider. The waters of the political passions and prejudices of the past have gone over the old partisan wheel in this land. They will never turn that wheel again. A goodly proportion of the Democrats in Congress were elected by the votes of men who had been outraged by the performances of the Republican bosses, and who in asking for relief from obviously excessive tariff duties desired and still desire to retain what is best in the protective policy. And let the Democrats remember that as the revolt against a prohibitive tariff grew, there was simultaneously a movement among Democratic voters away from the old free-trade view and toward the belief in a policy of sufficient protection to put the American on equal terms with his foreign competitor in the world's markets. This merger of formerly antagonistic elements in the country has been a potential factor in confusing old party lines. Surely many Democratic Congressmen know the extent of that sentiment in their districts, and some of them must sympathize with this view. And yet, after two years of power granted conditionally upon their ability to respond to public demands, regardless of party, these Democrats propose to vote for an omnibus tariff bill, of which the author, the gentleman from Alabama [Mr. UNDERWOOD], said last Wednesday, "The Democratic Party stands for a tariff for revenue only, with the emphasis on the word only," and that this bill was written with no idea of protection.

The same Democrats, blindly responding to the same partisan machine methods, are indorsing the promise to the consumer of lower cost of living. In May, 1910, the gentleman from New York said: "We will meet you with lower food prices in November." So to-day the Democrats are making the same old promise in the same old way. It might have been a profitable political promise 30 years ago, or 20 years ago. But it was not a profitable promise three years ago, and it will not prove profitable now, for the greater part of the people of the United States have come to know that other elements besides the tariff enter into the higher costs, the operation of middlemen, transportation charges, waste, overcapitalization, our credit system, storage, manipulation of markets, the urban congestion, the gain in gold supply, the excesses of unregulated trade, among them.

The greater part of the people of the United States know this fact, and they no longer consider the tariff as the one fundamental social problem, convenient as the party candidate may regard it. On the contrary, the electorate is turning to a survey of all the factors involved in the problem and with especial eagerness to the great economic, humanitarian questions which the Progressive Party has essayed to identify and solve.

Few men, if any, know this tariff bill. There are men who have knowledge of single schedules or paragraphs in it, but as a rule even that knowledge is not technical and therefore is to a degree uncertain. If the bill passes—and it will—before next Christmas its sponsors will be preparing amendments to it. No man can grasp an omnibus tariff bill. A single schedule is difficult enough, heaven knows. And yet a measure of this kind, needing always light, was drawn first in a committee sitting behind closed doors. The information the committee had was incomplete, unreliable, and chaotic, the typical jumble of data

characteristic of unscientific tariff hearings. Finally adjusted on a compromise of the unknown differences among the majority members of the Ways and Means Committee, it was placed before a secret caucus for conventional consideration. It was not changed much there. It will not be changed much here. It is a long measure, containing thousands of items, each of them presenting its own peculiar problem, and hundreds of them touching intimately, vitally, and in many instances technically the daily life of our 90,000,000 people. This measure, a giant switchboard connecting every home and store and factory in the land, is to be set up under the gag and duress of caucus rule. There is to be no opportunity to correct its inequalities, should they be discovered, by separate record votes, and record votes here are the potential votes. This is the haphazard way of an omnibus tariff bill. It is unfair and it is unwise. No man would treat his own business thus, no man would treat his own family thus, and no man ought to treat his Nation so. [Applause.]

I shall vote against this omnibus measure. I have voted for and against Democratic tariff bills in the past when they were presented separately, so that discriminating and intelligent votes could be cast. There is no man here who can say that I have voted against any measure because it was of Democratic origin.

If the Democratic Party should break this omnibus bill up into parts and give time for intelligent consideration and separate record votes on each of the schedules and the income-tax feature, a principle which I strongly favor, I would vote for those schedules which I thought to be right and just and founded on information and I would vote against others. In my legislative experience, where the good and the bad are mingled in an omnibus measure, I have always tried to cast a vote based on my best judgment and information. If the good predominated in a measure, in my opinion, I voted aye; if the bad, I voted no. In this bill I believe the bad predominates. [Applause.]

The gentleman from Illinois [Mr. STRINGER] challenges the Progressives to carry out that part of the national platform which pledges downward revision. Let me say to the gentleman from Illinois that the Progressive Party stands for a downward revision of the tariff with wisdom, justice, and reason. It has pledged no one to stand for an omnibus bill that will necessarily and admittedly cause injury to thousands. The Progressive Party is for revision to a competitive protective basis and industrial growth; it is not for free trade and injury and destruction. [Applause.]

Mr. BORLAND. Mr. Chairman, will the gentleman yield?

Mr. MURDOCK. I regret I can not. I must go on. The Progressive Party stands for a true competitive tariff, a protective tariff which shall equalize the conditions of competition between the United States and foreign countries, for the manufacturer and for the farmer, and which shall maintain for labor an adequate standard of living, and it believes in proceeding scientifically, upon information, with the presumption in favor of the consuming public, and with fair legislative methods—a schedule at a time.

What information has the House upon this bill?

Let me give a single instance of the injustice of the methods we are pursuing.

Paragraph 202 of the bill reads as follows—under dutiable list:

Wheat, 10 cents per bushel.

Paragraph 648—under free list—reads as follows:

Wheat flour and semolina, provided that wheat flour shall be subject to a duty of 10 per cent ad valorem when imported directly or indirectly from a country, dependency, or other subdivision of Government which imposes a duty on wheat flour imported from the United States.

Note now that the duty on wheat is specific, a stationary duty, and that the duty on wheat flour is an ad valorem, a fluctuating duty. Canada levies a duty against flour from the United States. Now read a letter from a miller in Wellington, Kans., George H. Hunter, under date of April 14, 1913:

DEAR MR. MURDOCK: We have no objection to the duty being entirely removed on wheat and flour.

If there is a duty, it should be specific and on both wheat and flour alike.

If a specific duty of 10 cents a bushel be placed on wheat, a specific duty of 50 cents per barrel should be placed on flour and not an ad valorem duty on flour.

If a specific duty of 10 cents a bushel be placed on wheat and a 10 per cent ad valorem duty on flour, it would work out just the same, provided wheat would be worth $1 in Canada, but in case wheat should be worth only 50 cents per bushel in Canada, then Canadian mills would have an advantage over American mills of 25 cents per barrel on flour.

Is he right? It appears to me that he is. Do you know that he is wrong? You do not. And if he is right, do you call that a competitive rate?

Here is another instance:

Paragraph 190 of the bill reads as follows:

Under the dutiable list: Cattle 10 per cent ad valorem.

Paragraph 552 of the bill reads as follows:

Under the free list: Meats; fresh beef, veal, mutton, lamb, and pork, bacon and hams; meats of all kinds prepared or preserved, not specially provided for in this section.

Now, listen to a letter from John A. Edwards, a cattleman of Eureka, Kans. In his letter to me he says that free cattle is of little concern to the cattle raisers, but that they are opposed to the entrance of meat, because inasmuch as the foreign packer happens to be the American packer also, he will use the provisions to the injury of the cattle raiser. Then he adds:

But should there be foreign, but not American butchers, who might have meat they wish to ship to our shores and sell, they would be prevented by still another insurmountable obstacle. Our packer either owns or controls or has leased all the ocean space of meat-carrying refrigerator vessels. No one can import except our packer. We are very certain of this fact, because during the history of the cattlemen of Kansas exporting has been tried. At every foreign market we found that our American packer was guarding the foreign entrance. So strong is he in his control that he can absolutely prevent any cattle man in America from shipping abroad. It certainly follows, then, that the American packer can prevent the foreign butcher from entering our ports.

Is this cattleman right? It seems so to me. Do you know he is wrong? You do not. And if he should be right, what will your provision amount to?

These are but two views of the least technical items among thousands. Nearly every item in the bill has as many angles. In each of them are controlling facts. But Congress does not know them and can not know them under present methods.

There is a way to revise the tariff correctly, and that is in the open, with time for consideration, with full right of amendment and debate, a schedule at a time, and upon data scientifically gathered by men specially trained for the work.

Therefore the Progressive Party stands for the creation of a scientific nonpartisan tariff commission, to be advisory to Congress, with power and authority to elicit information and collate data upon which to base a competitive protection tariff.

The Democrats are against such a commission; and the Republicans who dominate their party, are they for it? Some of the Republicans have spoken favorably of it. But what does the record show?

I have in mind two scenes, both of them on this floor. Both are illuminating, for they show how futile it is for the people to expect tariff relief from the old parties. The first scene was on May 23, 1910. There was pending an appropriation in connection with the action of the President in carrying out a provision in the act of August 5, 1909—the Payne law—for the appointment of a tariff board under the maximum and minimum clause of this act. The gentleman from New York [Mr. FITZGERALD] reserved the point of order. Mr. Dalzell, of Pennsylvania, for the Republicans, explaining what transpired in conference with the Senate, said:

The House conferees said to the Senate conferees, "You have a provision in here that looks to the creation of a tariff commission, and the House is opposed to a tariff commission and will never agree to the bill in that shape."

Mr. Dalzell also said:

I am opposed to a tariff commission. For practical purposes a tariff commission would be utterly worthless. I can not conceive of a more mischievous scheme to unsettle the business conditions of the country than is to be found in the proposal to establish a permanent tariff commission.

The point of order was sustained, with Mr. MANN, of Illinois, in the chair.

For while the board, now no longer in existence, had been established with limited powers, there was still a widespread public demand then that a permanent tariff commission be established. The agitation of the question by Senator Beveridge and others had awakened the Nation to the actual necessity of light upon the subject of the tariff. In our long tariff history, a history of recurring periodic fear, distrust, agitation, unrest, business disturbance, and disorder, every party which had offered and defended a random, guesswork tariff had finally paid the penalty to an indignant public. The people had wearied of the system which made the business of the country the football of the politicians.

For 30 years there had been a demand for a scientific revision upon data adduced by a nonpartisan commission. There were those in the Republican Party who feared to resist that public demand longer, and under this pressure, in January, 1911, a tariff commission bill passed the House. This bill was made the unfinished business of the Senate February 28, 1911. Finally Senator Beveridge was able to force action and the bill passed the Senate on the morning of March 4, 1911. There followed in the House that morning one of the most curious scenes in the history of the American Congress. The people

were about to come into possession of a law that would bring justice to producer and consumer and peace to business and equity to domestic commerce and expansion to our foreign trade. The bill for a tariff commission was at last about to pass and become a law. At high noon the Congress would die.

Here and in many of the State legislatures it is not an infrequent trick to turn back the hands of the clock just before the hour of adjournment. The clock was not turned back that morning. The House went from one scene of disorder into another. After great difficulty that morning, with the gentleman from New York [Mr. FITZGERALD] and others making points of no quorum and demanding the ayes and nays, the gentleman from Pennsylvania, Mr. Dalzell, succeeded in placing before the House a resolution from the Committee on Rules providing that the tariff commission act should be acted upon at once, "the previous question being considered as ordered on a motion to concur in the Senate amendments 'en gross.'"

The measure was about to become the law of the land. If it had become the law, history might have—would have—been different to-day.

Mr. FITZGERALD, opposed to the measure, in the midst of the great confusion, made the point of order against the resolution.

The Speaker, Mr. Cannon, was about to rule when Mr. FITZGERALD moved to adjourn. Mr. Dalzell made the point that the motion was dilatory. This was argued in the midst of tumult. The precious moments were passing. But after a time the Chair sustained the point of order. Mr. FITZGERALD appealed from the decision of the Chair. That was held to be dilatory. Mr. Dalzell explained the resolution and asked for the previous question. After the viva voce vote Mr. FITZGERALD asked for a division. The ayes for the resolution were 127, the noes 77.

Mr. FITZGERALD demanded tellers. Then Mr. Dalzell demanded the yeas and nays. It took about 35 minutes in that day to call the yeas and nays. Every minute now was doubly precious. There was laughter in the House when Mr. FITZGERALD exclaimed:

Oh, well, if the gentleman wishes to filibuster, all right.

The yeas and nays were ordered and called. The question then came on agreeing to the resolution. And the record here becomes unusually interesting. Mr. FITZGERALD demanded a division, Mr. Dalzell called for the ayes and nays. And now the Clerk called the roll for the first time. At the end of that proceeding Mr. Tawney submitted a conference report on the general deficiency bill. The roll call, which is not interrupted as a rule, had been half finished. Upon Mr. Tawney's motion, the tumult in the Chamber grew. Points of order were made, Members were in great confusion. The vote was taken on the conference report, although the vote had never been completed on the tariff commission resolution. Division was demanded, and then the ayes and noes. The dry-as-dust CONGRESSIONAL RECORD, which indulges in no descriptions, says on that day "many Members rose." The Speaker cried, "The Sergeant at Arms will take the mace and see that the gentlemen are seated."

The RECORD says:

The Clerk proceeded with the calling of the roll. The Sergeant at Arms, bearing the mace, appeared at the head of the center aisle.

The yeas and nays were called. So the conference report was agreed to. Then, in a storm of renewed confusion, the half-completed roll call on the resolution was taken up. The motion on the resolution carried. Then Mr. FITZGERALD moved to recommit the Senate amendments to the Committee on Ways and Means. Mr. Dalzell made the point of order. The point was argued. The Speaker overruled the point of order. Mr. FITZGERALD demanded the previous question on his motion. Mr. Tawney, of Minnesota, made the point of order that it was dilatory. After great confusion, the previous question was taken. Mr. PAYNE and Mr. Tawney demanded tellers. Mr. PAYNE demanded the ayes and noes. The ayes and noes were ordered. The vote was now on the motion to commit. That roll call was never finished. In the midst of it high noon was approaching, the resolution was withdrawn by Mr. PAYNE, and the bill for a permanent tariff commission died.

There are some scenes in Congress that leave no adequate record behind them. On the day of this scene, on March 4, 1911, the Republican Party was passing out of the control of the House. The Democrats were opposed to a tariff commission openly. The Republican leaders were claiming to favor it. Here was the one chance to give the people of this country a great reform.

The resolution, which was delayed by a filibuster and finally withdrawn, if brought forward 12 hours sooner, or 6 or 4, could have been adopted and the measure passed. But the Republican leaders did not bring it forward in time. The people of the United States and a majority of their Senators and Representatives were for it. The leaders were not for it, and the tariff-commission bill died. There is sometimes written in a dreary page of obscure parliamentary wrangle the end of some great and worthy aspiration when the will of the many seeking to write itself into concrete law has been defeated by the machinations of a few. But there are times when it is not done without penalty, and the turn in fortune of a great party, proud, powerful, magnificent in its memories and achievements, but grown deaf to the voice of the people, has sometimes swung upon as small a pivot as this.

Eventually the Nation will have its way in the matter. If justice to the producer and wage earner and consumer can be accomplished through a tariff passed intelligently and based on data expertly gathered and understandably presented, every day under the old blind, haphazard, random method will bring the consummation nearer realization. And the Progressive Party stands for the earliest possible accomplishment of this reform. It is not for any halfway, sham-efficient, make-believe measure. It is for a commission with power and authority to adduce all the facts. It ought to be scientific; it ought to be nonpartisan; it ought to be authorized to report both to the President and to the Congress; it ought to have not merely the right of statistical survey of a situation but the right to bring to its task all the faculties which will develop helpful information. With such powers it will be of value not only in revisions of the tariff where they are undertaken a schedule at a time and abreast the industrial changes of the day but also in the production of data in conjunction with the regulation of excesses of domestic trade, which are not due alone to the tariff.

The political and economic view of the tariff by the Progressive Party is grounded in a belief that a prohibitive protection tariff, as advocated by the Republicans, isolates American industry and weakens it for contest in foreign neutral markets; that a Democratic for-revenue-only tariff exposes the American producer to injurious competition and robs American industries of the strength necessary for the conquest of foreign fields; that a Progressive tariff, equalizing conditions of competition between the United States and foreign countries, maintaining for labor always an adequate standard of living, will, without weakening industry by giving it too much help or too little, put the American where he belongs, by his efficiency, his energy, his genius, and his deserts—out into the markets of the world equipped to win his rightful share in a fair contest for the world's business.

Necessary to that achievement are facts. And a nonpartisan scientific tariff commission can produce the facts. And with the facts once in hand and with the help of the other measures for industrial growth and economic justice which the Progressive Party advocates there will come, with the period of exclusiveness past under a Progressive tariff, peace and plenty and prosperity at home, not for a few but for all, and abroad for America and Americans world-wide commercial conquest. [Applause.]

Gentlemen, I thank you. [Applause.]

I append the minority report on the Underwood bill made by me as a member of the Ways and Means Committee:

MINORITY VIEWS.

(To accompany H. R. 3321.)

If there had been wanting in the tariff experience of the past proof of the absolute necessity of a tariff commission, as proposed by the Progressive Party, the present measure, H. R. 3321, alone would supply it. As a result of the methods used in the preparation of this bill the few men who drafted it are not warranted in feeling certainty as to its effects and most of those who have indorsed it in caucus as a party measure can not have in the nature of things other than a superficial knowledge of its provisions. This view is addressed not to the income-tax feature of the bill, a most commendable method of raising revenue if the statute be equitably drawn, but to the determination of the rates of import duties and the preparation of the free list. The rates of duties and the free list embrace 4,000 and more items and touch directly or indirectly every line of industry, husbandry, and trade in the country. All the provisions of the bill in the matter of the tariff, in greater or less degree, enter into the delicately interrelated adjustment of the Nation's industrial life. Yet this task of revision, admittedly difficult always, has been undertaken again with the old disregard of correct methods for the collation of accurate information and in defiance of a universal popular demand that the tariff shall be revised scientifically, a schedule at a time, upon data that is not ex parte, with full right of debate and amendment and without secrecy in caucus or committee and without cloture in Congress.

The error which characterized the earlier stages of preparation of the Payne-Aldrich Tariff Act, framed by the Republicans in 1909 and now the law of the land, was repeated in the preparation of this measure. As before, the information elicited by the Committee on Ways and Means at hearings was largely the ex parte evidence of the manufacturer or the importer, information which is unsystematic and which as a rule obscures rather than illuminates. As a result the rates based upon such information either in friendly credence of it or in antagonistic disbelief, while they may approximate the estimated revenues they are expected to produce, can not and do not make for a just tariff as between the producer, the wage earner, and the consumer. The rates in the bill were

made in secret and the adjustment of differences between the majority members of the Ways and Means Committee, an adjustment which is basic and vital in the construction of any tariff measure, took place behind closed doors. The measure was then passed on to a secret party caucus where the fact that only a few changes were made in the committee draft is not proof of the measure's invulnerability but evidence of a perfunctory consideration given the long technical bill. If the history of the bill to this point should be followed by caucus gag rule in its consideration in the House, the measure will lack in its method of construction in the House none of the indefensible features which have marked the course of previous tariff legislation and which have caused the whole Nation to look upon tariff revisions as either selfish or inexpert and to view every tariff change with anxiety and distrust.

The Democratic Party has proposed a tariff which will be injurious to many industries and may be destructive to some. Under the guise of reducing the cost of living it may destroy the very basis of our industrial prosperity. Proposing and promising to cheapen the food and clothing of the workingman, it may take from him the very means by which he can earn his livelihood. Proclaiming in one statement that it is cheapening the articles used by the farmer, in the next statement it opens the American market to foreign agricultural and dairy products. As a Progressive, I agree with the principles of an income tax; I agree with the effort wherever it has been exercised wisely to reduce excessive duties, but I dissent with all emphasis to the assertion that in the majority of instances the rates of duty in this bill are based on data sufficiently full, accurate, and reliable to make certain that justice will be done the consumer, the wage earner, and the producer. I believe that the tariff can be revised with justice to the consumer, the wage earner, and the producer if the plan proposed by the Progressive Party is followed. This plan contemplates a policy of trade expansion. It stands for the extension of our foreign commerce. It would have the American producer develop that measure of strength which will enable him to maintain himself and to prosper in foreign neutral markets as in the new Orient and in other fields which are opening to him. The Progressive Party believes that that measure of strength can not come to him if, on the one hand, he is the dependent of weakening prohibitive tariffs or if, on the other hand, he is exposed to unrestricted foreign competition.

The Progressive Party's position on the tariff is therefore distinct. It does not believe in the Democratic position as outlined in the Baltimore platform of 1912, which proposes to remove all protection. It does not believe in the Republican position which, as evidenced by the last Republican offering, the present Payne-Aldrich tariff law, proposes to keep the duties prohibitive. The Progressive Party believes in a protective tariff which shall equalize conditions of competition between the United States and foreign countries, both for the farmer and the manufacturer, and which shall maintain for labor an adequate standard of living. This would be a true competitive tariff, and the Progressive Party maintains that in the framing of such a tariff consideration of all factors affecting the competitive strength of an industry here and in foreign lands is prerequisite. Therefore the Progressive Party would bring to the task complete machinery for the development of data in regard to all those factors through the creation of a nonpartisan scientific tariff commission. This commission should be empowered to report as to the cost of production, efficiency of labor, capitalization, industrial organization and efficiency, and the general competitive position in this country and abroad of industries seeking protection from Congress; and as to the effect of the tariff on prices, on operations of middlemen, and on the purchasing power of the consumer; and as to the revenue-producing power of the tariff and its relation to the resources of government; and it should be given power also to prescribe a uniform system of accounting for the protected industries.

Upon all facts collated by the tariff commission the Progressive Party would construct a tariff bill, one schedule at a time, in the open, not upon haphazard information, but upon facts adduced by scientific research and free from the distortion of designing interests and selfish purpose. Without such facts and such data as a basis for levying duties no tariff measure can be just. Without the assistance of such a tariff commission any omnibus tariff measure must continue to be a leap in the dark.

The Progressive Party proposes to let in the light. It stands for an effective tariff commission with power to elicit information. The history of the recent Tariff Board and the manner of its destruction, the history of a bill for a permanent tariff commission which passed the House in the last session of the Sixty-first Congress, was held back in the Senate by the Republicans until March 3, and finally killed in the House on March 4 by a Democratic filibuster, show plainly how vain it is to hope for relief along the lines of effective tariff commission reform from either the Republican or the Democratic Party.

The continuation of the old method of tariff construction has become a national scandal, unjust alike to consumer and producer, unfair to labor, and destructive of the peace to which legitimate business is entitled. Therefore the Progressive Party offers its plan of an effective tariff commission.

Asked to choose between extortion on the one hand and injury to industry on the other, I, as a member of the Progressive Party, believe that in the consideration of this bill, if opportunity be offered, support should be given to any proposition, whatever its origin, effecting a reasonable reduction of a duty obviously excessive; but that support should not be given to radical reductions offered wholesale and not founded in reason or on adequate information and presented in an omnibus bill.

VICTOR MURDOCK.

Mr. PAYNE. Mr. Chairman, I wish the Chair would notify me when I have consumed 50 minutes.

The CHAIRMAN (Mr. GARRETT of Tennessee). Fifty minutes?

Mr. PAYNE. Yes.

The gentleman from Kansas [Mr. MURDOCK] has entertained the House with a prophecy which I put into the RECORD, it seems, in May, 1910.

Well, when I said that, one Theodore Roosevelt was hunting lions in Africa [laughter] and I did not dream, and the gentleman from Kansas [Mr. MURDOCK] did not dream that he would go back on his promise to the people of the United States, and come back and ask for a third term of the Presidency, and then attempt to break up his party which had honored him, by running independently or on another ticket, with the sole purpose and effect of putting the Republican Party in the minority. If my friend from Kansas had dreamed of that he would not then have joined in the applause on the Republican side with which my prophecy was greeted. [Laughter.] He voted for the "infamous" Payne measure when it came into the House, and, if I remember correctly, he voted for the conference report after that came to the House. If I am wrong about that, I will accept his correction.

Mr. MURDOCK. I did not vote for the conference report.

Mr. PAYNE. I accept the gentleman's statement as to that.

Mr. MANN. He followed my lead at that time.

Mr. PAYNE. But he voted for the bill as it was first reported to the House.

But, Mr. Chairman, the gentleman from Kansas [Mr. MURDOCK] is making prophecies himself to-day. He ought to have profited by my example. [Laughter.] He ought to have remembered the recent election in Chicago, where, while his present party had two to one over Taft last November, they were beaten this spring by three to one by the Republicans; and in St. Louis, where Roosevelt made that famous effort to rally the 25,000 people who voted for him last fall, but he only got 4,200 of them to vote his ticket this spring. In Michigan, where he went this spring with his lieutenant, Mr. Beveridge, to annihilate the Republican Party, Michigan that gave him 60,000 and more plurality over Taft last fall, Michigan this spring, after his effort and his monopoly of effort in campaigning, turned to the Republican Party and elected the very judges whom he had denounced personally upon the stump. [Applause on the Republican side.]

But, of course, the principal portion of the so-called Progressive Party now in this House have simply a loose-jointed prophetic view which they are taking of the situation, and they seem unable to realize that like the bumblebee their party was the biggest in the borning and has been losing ground ever since. [Laughter.]

Mr. Chairman, was the revision of 1909 a revision downward? Does any man ask that question to-day? If he does, I take up the majority report, signed by all the Democratic members of the committee, at page 481. These figures come from the official records of the Treasury Department, and from this majority report it appears that the average ad valorem duty on all imports the last year of the Dingley law, and the lowest year of the Dingley law or the next to the lowest, was 23.88 per cent; and in 1912, under this much maligned, slandered, and lied-about existing tariff law, it was 18.58 per cent, a reduction of 22.2 per cent on the Dingley ad valorem rates.

And then, reading a little further from that report, I find that the present committee estimate the duties to be raised the next year under their bill at $267,000,000 on the same imports that came in in 1912, when the average ad valorem was 18.58 per cent; and on the same calculation their average ad valorem would be 16.27 per cent, an average ad valorem reduction of 12.5 per cent from the last year of the present law. After all this holloing and shouting and lying for four years the committee come in with that official report, which is correct. The only doubt I have about the correctness of it is as to the ad valorem under the present bill, because it is upon importations which will be greatly changed in the first year that they barely cut down the ad valorem 12.5 per cent as against 22.2 per cent by the present law.

Why, the revision was downward, Mr. Chairman. No man that ever read the bill with sufficient intelligence to have broken into Congress ever doubted it in his heart after he had gone through the bill. Oh, the extravagance that was indulged in! Why, my genial friend, the Speaker of the House, honest as he is, with an honest exuberance of imagination which sometimes leads him away from the straight and narrow path, indulging his imagination in extravagant statement, said soon after the bill was passed that our maximum duties, adding 25 per cent ad valorem in case we did not get fair trade relations, were put in there knowing that we would not get any fair concessions from the countries across the water, and were intended as a joker to raise the duties 25 per cent ad valorem above what they were in the minimum tariff. His thinking apparatus was not working at that time. I laughed at him about it the other day, and he said, "Oh, well, you would have done it if you had dared to." Did it ever occur to him that being men with some sort of sense we would not dare to add 25 per cent ad valorem to the rates in this bill as a joker to come in on all imports? We knew that Great Britain would give us fair trade relations and that she would get the minimum rate of duty. Knowing that, we knew that her rivals—Germany, France, and Russia—would give us fair trade relations, and they did, and now come in here with their imports at the lower rate of duty. They all took advantage of our concessions. Every unfair trade discrimination has been removed under this maximum and

minimum provision, and our exports have increased by leaps and bounds. But, Mr. Chairman, let us come down to a little later history of this subject, and this is in the history of the last four years. My Democratic friends have been experimenting with the making of tariff bills. They came in here and said they did not need any information to write a revenue-tariff bill. My friend from Alabama, Mr. UNDERWOOD, has had a change of heart within two years. He made a speech in the House of Representatives on the Tariff Board bill, in which he said he was for it, and the Democrats should be for it. Why? Because in writing a Democratic revenue bill it was more necessary, he said, than in writing a protective-tariff bill to have accurate information that would come from a tariff board.

When he got into power he went at it with blacksmith's *tools*, as was correctly described by the Senator from Wisconsin, in forming a tariff bill, and with no more information than he could gather from what we left him two years before.

He started out to make a revenue bill, but the committee failed, and they confess in their report that it will fall short $68,790,000, and this in addition to the present corporation tax of $30,000,000. They are compelled to provide for a deficit of $99,000,000, including the corporation tax. As a tariff-for-revenue measure it is a signal failure. If the threatened stagnation in business should materialize there will be a material falling off in customs revenue and in income-tax receipts, creating a large deficit.

He made a metal schedule, and they have criticized Mr. Taft because he vetoed that metal schedule. Why, one Woodrow Wilson made a speech in the campaign in New Jersey in which he solemnly told the farmers that Taft had vetoed the metal schedule, which gave all agricultural machinery free entrance into the United States without the payment of duty.

Now, agricultural implements were not in the metal schedule at all. I do not blame Mr. Wilson so much for that, because he was busy with other matters and could not get down to that. [Laughter.] Agricultural implements were in the farmers' free-list bill, where you put the farmers' products on the free list and agricultural machinery as a sop to the farmer. Then Mr. Wilson went on to say that "You have to pay $125 for a binder in this country, and the same binder sells in England for $100. My farmer friend, why do you have to do it? It is because if you go there to get one of those binders and bring it into the United States you have to pay 15 per cent duty."

He did not know that there was no duty on any agricultural machinery coming from Great Britain into the United States by a provision in what is called the Payne-Aldrich bill, four years ago written with my own hand. He did not know that; he was not to blame for it. Who could expect him to understand the tariff? [Laughter on the Republican side.]

Of course, he is making bills now. The gentleman from Alabama, who has had some experience in the matter, is brushed aside, and Mr. Wilson makes the bill and the caucus follows Mr. Wilson. He has learned an awful sight since the campaign, and has just now become a tariff expert.

My friend from Pennsylvania [Mr. PALMER] criticizes Taft for vetoing the metal schedule. On what ground did he veto it? Why, because many of the rates would stop the wheels of American progress and close the factories. The gentleman from Pennsylvania criticizes him, but he has consented to various changes in the metal schedule since the bill went up to Mr. Taft to be vetoed. The original Underwood bill that went to Mr. Taft provided for a duty of 35 per cent ad valorem on cutlery, including razors. Why? When we were making the tariff bill we put 35 per cent on razors that did not cost over a dollar a dozen—not a dollar apiece, but a dollar a dozen—a little sentiment in favor of the poor man's razor. I do not know as that would do him any good, but the razor that cost 8 cents apiece was sold to him for $1.50. They got the price of a dozen and 50 cents besides for a single razor. On razors above that price we put a specific duty amounting to 70 per cent ad valorem. What was the result? These people who had been making cheap razors, under the high duty, under the Dingley law, lost their business. One concern told me that they had been selling 30,000 dozen of them, and after the change in the law they did not make any under it and had to buy cheap German razors because they had to supply some with every bill of goods they sold.

Then Mr. UNDERWOOD and Mr. PALMER came along and saw it, and so they put 35 per cent duty on all cutlery, including razors. These cutlery people went before the Senate committee, which then had a hearing, and it appeared in these hearings that that would destroy the industry, but the Senate, if they heard, did not heed, and the bill passed and went to the President at 35 per cent duty on all razors and cutlery.

But it seems these gentlemen have been reading up on the subject of cutlery, and they come in here now with 35 per cent on articles that do not cost exceeding $1 a dozen, and 55 per cent on all that cost exceeding $1 a dozen. Did you vindicate Mr. Taft when you did that, and you applied it to all the cutlery schedules? Oh, how you have talked about him on the stump. Will you ever go around and correct it and apologize for what you said?

On grit shot you put a duty of 20 per cent in your bill you sent to Mr. Taft, and you raise it 50 per cent above that. What did you do it for? You got the information last spring after your campaign that Mr. Taft had over a year ago when he vetoed your bill and saved the American manufacturer.

Let us take umbrellas. These people complain they could not make any umbrellas at 30 per cent, because you had put more than that on the raw material. You raised it and make a duty ad valorem equal to the duty on the raw material in this present bill, and so on. I can not take my time in showing you all of the things. You know about it. Get up here in the House and apologize to William Howard Taft for the injustice you have done him on the stump and let the American people know that you were not telling the truth then, although you thought you were, because of your imperfect knowledge of the subject. [Applause on the Republican side.]

For reasons to which I may allude later, you put printing presses on the free list in that bill that you sent to Mr. Taft. They had carried a duty of 45 per cent. We lowered the duty to 30 per cent, and you put them on the free list in the bill Mr. Taft vetoed. When you wrote this bill you put them in at 15 per cent. Why did you do it? Was any industry jeopardized?

If you thought you were not injuring any business by putting them on the free list, why did you put on a duty of 15 per cent? Of course you knew that the magazines and the newspapers would a little prefer to have them on the free list. Why did you not still insist upon doing what the magazines and the newspapers wanted done? Why did you dare put on 15 per cent in the face of their antagonism, if it was not because you knew that Mr. Taft was right and that if you left them on the free list it would simply stop the business in the United States?

Gentlemen talk about the ample time we have had in respect to this bill; that it was published three weeks before it was introduced into the House. Oh, yes; the caucus print was published three weeks before, but that was subject to the decree of the White House and the decree of the caucus, and changes were made in the bill. We did not get the bill that was introduced into the House until late in the day the day before it was called up in the committee for the action of the committee, and the next day it was called up here, and we were expected to engage in debate upon it. There were so many things in the bill to criticize, however, that he who runs may read, and we have had something of a lively debate from that time to this on this side of the House. For some reason or other gentlemen on the other side do not care or do not dare to discuss the bill. They are afraid they will meet their speeches when they get into the next campaign, and they are exhibiting a good deal of discretion in the matter, and I commend their judgment. [Laughter on the Republican side.] Why in the world did you change your views in regard to a tariff board or a tariff commission? My friend from Kansas [Mr. MURDOCK] comes in and thinks, apparently, he is the whole thing at this blessed moment in respect to a tariff commission—he and his party. I supposed that I had had some connection with that matter before. [Laughter.] I introduced a bill in the House that passed both Houses. I suppose the gentleman voted for the bill. I do not know that he did, but I presume he voted for it then. His views were different then from what they are now on some subjects. I do not know whether he voted for that bill at that time or not.

That bill met with the commendation of nearly the whole House, the Democratic Party included. All but a baker's dozen of Democrats voted for that bill. The gentleman from Alabama [Mr. UNDERWOOD] indorsed it in a speech, as did the present Speaker of the House. It was just the thing they wanted. I had introduced the bill after consultation with half a dozen gentlemen who had introduced similar bills, harmonizing their views and getting, with their aid, a better bill than any one of them had introduced, in my judgment. That bill failed of passage because of a filibuster, and now the gentleman from Kansas [Mr. MURDOCK] comes in and seems to blame me and the Republican Party for that failure. We promptly sent the bill over to the Senate, and with their usual fast movements there they got it back on the very day we adjourned with a half dozen amendments. I tried to get an agreement in the House upon those amendments, and then we introduced a gag rule—the best gag rule we could get under the circumstances—to accomplish the business. If I had had my way, we would have had a gag rule that would have compelled Members to vote for these five amendments en bloc, and then we would not

have had any trouble; but the only trouble and friction came from such men as now represent the Progressive Party, because they said they could not vote for such a gag rule.

Mr. MURDOCK. Will the gentleman yield——

Mr. PAYNE. So we had to take the best we could—no; I can not yield now. He says we had a yea-and-nay vote on every proposition. Well, the Constitution did that; we could not prevent that, and I made the best fight I could every minute, but I was beaten at the last moment by the Speaker recognizing a gentleman to move to concur in the amendment, I think, on the sundry civil bill.

Mr. MURDOCK. Will the gentleman yield for a correction of his statement?

The CHAIRMAN (Mr. CRISP). Does the gentleman from New York yield to the gentleman from Kansas?

Mr. PAYNE. I do not propose to answer questions.

Mr. MURDOCK. This is not a question; I want to correct the gentleman's statement. The rule did provide for an agreement to the Senate amendments in gross. The gentleman stated it did not.

Mr. PAYNE. It did not; we had to vote on each separate amendment.

Mr. MURDOCK. The rule says in gross.

Mr. PAYNE. The rule did not say "en bloc"—that is the way it read when we did things in that sort of a way—and I hope the gentleman will learn his lesson from what happened to the tariff-board bill, and hereafter will not be so conscientiously scrupulous about doing business in the House when it is necessary even to vote for half a dozen trivial amendments en bloc in order to get a bill through so as to accomplish a greater good. So it failed. The filibuster came on the other side of the House from a few Democratic Members, and they were responsible for its defeat. Well, we did get a clause in an appropriation bill, and under that clause the President was enabled to appoint a tariff board; and it turned out, most fortunately, that while that Tariff Board did not have the authority to subpœna witnesses and compel the attendance of witnesses and get a look at their books, still they got gentlemen to come before them by request and submit their books to inspection, and the board reported that this lack of authority was not any particular handicap. And then we fought for another appropriation that should continue the Tariff Board in existence; and lo and behold, a change! The Speaker of the House now and the leader of the majority now had changed their views overnight on the subject, and they were opposed to the Tariff Board and they were opposed to any appropriation. Oh, they did not want the light let in; that is all. Now, I am in favor of a tariff board. Why? Because we spent all the time for nearly two years in getting information to make the law of 1909; and with this great subject, with the diversified interests that have multiplied in this country, we were not able to get all the light on the subject we wanted. Oh, how I wish we had had a report of the Tariff Board on the wool schedule in 1909! If we had had that you would not be here now. I could not convince the majority of the committee, although my ideas have not changed much now on the wool schedule since 1909, and they are reflected in the bill I have introduced in the House after hard preparation. It will stop the criticism some day, because it will become a law and be on the statute books substantially as introduced, and when it is free wool will be gone. [Applause on the Republican side.]

How you have progressed on wool, upward and downward—like a crawfish, backward and forward. I was in hopes you would leave a monopoly of that business to our Progressive friends. They make better progress when they are going backward than when they are going forward. [Laughter and applause on the Republican side.] Two years ago you had a wool bill, which was brought in by Mr. UNDERWOOD, at 20 per cent duty "to meet the depleted and depleting revenues." You remember that kindergarten lesson which I was enabled to give the gentleman in regard to the daily reports of receipts and disbursements in the Treasury, showing him there was not a shadow of excuse for any revenue duty on wool to meet a "depleted or depleting Treasury." The revenues were abundant. That has been one of the good qualities of the present law—it is a revenue producer. We do not have to borrow money to help out the revenues. Nay, nay. The revenues have been good and so large that for the last two years we have been paying cash for building the Panama Canal [applause on the Republican side] and have not issued bonds, although we have ample authority under the law. Twenty per cent on wool for revenue! And it went over to the Senate, and Mr. LA FOLLETTE said 35 per cent. In the conference committee the Senator said 29 per cent. That was his ultimatum, and the gentleman from Alabama, as mild and bland as ever he did anything in his life, with a smile on his countenance, said, "Twenty-nine per cent, Mr. LA FOLLETTE." Twenty-nine per cent seemed to be the proper caper that should be the duty on wool according to the gentleman's idea then.

Mr. LA FOLLETTE. The rate of Senator LA FOLLETTE's was 35, the conference rate was 29 per cent.

Mr. PAYNE. Yes; the conference rate was 29. They jumped the difference in some way between 20 per cent and 35. That was the gentleman's view of it then. Then he starts in this year, and according to all the newspaper reports from the secret meetings of the majority committee—and I am not complaining about the secrecy; that is the only way a majority of a committee can make a tariff bill, and if the gentleman from Kansas ever should be in charge of one he would be convinced of that before he was 15 minutes older.

My good Lord, what a crowd he would have around him all the time; he would not even get a chance to eat; and all of them professing to be honest, and showing what the rates would do to them, one claiming they were prohibitive and the other ruinously low.

And in the secret conference, I understand, they voted at one time for 15 per cent duty on wool. And then it was reported that the chairman had been outvoted and we had to have free wool, and then it was reported it was left to the President as the only man in the United States who could fix the proper duty on wool, or lack of duty, and that he said we must have free wool. And they have been shouting free wool ever since. [Laughter.] Now, that is not all of it. The hair of the Angora goat has always been rated with wool since the time when the memory of man runneth not to the contrary, and the same duty has been put on goat hair as on wool. If wool should be free, goat hair should be free, too. They raise some goats in the United States. There are 3,000,000 of them. They say that 2,999,999 of them are in Texas [laughter and applause on the Republican side], and Texas must have a duty on goat hair. Texas is quite a State, and has a good many Democratic Representatives. I do not know how it was done. The Speaker used to say that the tariff of 1909 was the Payne-Aldrich-Smoot bill, and I expect he will get up and shout some day from his place, "All those in favor of the Underwood-Wilson-Garner bill will say 'aye,'" just from the force of habit and from his devotion to the truth of history. [Laughter on the Republican side.] And then all the products made from goat hair were put on at a higher rate of duty, as compensatory duty to the goats in Texas. Oh, what a record you have on wool! A man who has been traveling in Ohio stopped me on the street car this morning. He says the farmers there are all up in arms about the Underwood free-wool bill? They relied on you last fall when you said you would not injure any business. They thought you really meant it. They do not think so now. Those farmers do not think so up in Ohio. They have it in for the Ohio Members if they vote for free wool. I suppose they will so vote, because the average new Member thinks that his position here depends on the number of jobs that he can get for his constituents. I could tell them differently. They expect a man to be honest to his convictions and stand up to his duty, and when he does, and tells them so, and tells them why, they have confidence in him.

I had the first serious fight in my campaign last fall that I ever had. I went out on the stump in my district, into every village and every hamlet, and made speeches in the afternoon and in the evening, rode around to see my constituents, and told them I was ready to give an account of my stewardship. And when the old soldiers gathered in the audience, I told them I voted against the Sulloway bill and against the Sherwood bill, because I thought they were unjust; that the Treasury could not stand and the soldiers did not need such extravagant pensions. I got the soldier vote in my district, too. They like a man who is square and honest in his convictions and is not afraid to state them to his constituents. Most of the votes I lost, which went to the Bull Moose Party, were lost on account of the reciprocity with Canada. I told them I informed the President that I would stand by that agreement. I did. I was kept out of the House by sickness, and could not even come here and explain my vote on that subject. I told them what my views were. I knew they did not correspond with theirs. Many of the farmers of my district live right along on Lake Ontario, near the Canadian market, and the farmers there would be affected if they were affected anywhere in the country. Well, they thought they were going to get enough Bull Moose votes to beat me. They got some, a little over 8,000, in the district for their candidate. But I am here yet.

Gentlemen, do not be so terribly afraid of your shadow. Do not think that patronage is going to help you out. Why, most of the postmasters in my district have been appointed and reappointed for the last 15 years, and until recently the fourth-

class postmasters. They were a faithful lot, and wherever they were faithful, the administration wanted to appoint them. Now, honestly, have I gotten any patronage out of that? It does not come that way. I do not know how it is in your districts, but the people in mine have too much sense to be bought that way. I have been voting against your seed distribution ever since very soon after I came here. The seeds belonging to the people of my district have been distributed to them by me, but I have not failed to tell them on the stump that I voted against the appropriation. A Member of Congress came to me and wanted to know how I dared to do it when the majority of my constituents were farmers. I told them I did not believe the farmers of my district could be bought with 10 cents' worth of seeds, but, if there were any, I did not want them to vote for me. I never lost any votes on account of that.

If you are against this bill, say so; if you want it, say so, and let your constituents know it. I am spending some time on the wool schedule, but it will go through the House as you have it. The rumor is that there will be trouble with it in the Senate. I do not know.

The Senator from Nevada is a pretty vigorous sort of man, but he has more sense than the average Democrat. [Applause on the Republican side.] And there are other people talking like him over there as to what they will do. I do not care what he will do or what they will do. It is their business. It is your funeral, not mine. [Laughter on the Republican side.] I want you to have it according to your own program. I may offer some suggestions for the betterment of the bill, but I know you will not adopt them. If you would follow my advice on wool, I would offer more suggestions.

Oh, no; the caucus has decreed! [Laughter on the Republican side.] By the way, I have had experience with a number of tariff bills, and this is the first time that any party met in caucus every time they had a tariff bill to get all the members to pledge themselves to vote. It is not a good way to legislate. [Applause on the Republican side.] Why, if you brought your wool bill in here, instead of into the caucus, it would have given us some chance to tell you that the revenues under the present law are neither depleted nor depleting, but that, on the contrary, we have an abundance of revenues, as we have ever since the enactment of the present law.

We should have over $50,000,000 surplus this year, and I think we shall have that much surplus at the end of the year, anyway, although we shall not have as much as we otherwise would on account of this bill that you have introduced, because people are now holding back importations in order to flood the country with importations at a lower rate of duty, and that may make some difference in the revenues from this time on to the 30th day of June.

Referring to the Tariff Board, I know that many of you are in favor of it, but you were led off by your party. Why should the establishment and maintenance of a tariff board be a party question? If the information to be obtained by such a board is needed by the Members on either side to make up a tariff bill, why should it be made a party question?

Of course my friend from Kansas [Mr. MURDOCK] needs it for his vanishing party, in order to keep it on the surface of things. [Laughter.] But you on the Democratic side do not need it, because you have a majority of two to one here. You should vote your honest convictions on that subject and give us a tariff-commission bill. You have the power. Amend it to suit yourselves, but first give us one that will elicit information. Great heavens, you will need it before this bill has been on the statute books a year. [Laughter and applause on the Republican side.] You will see the necessity for it.

Oh, how you have tried to play to the farmer in this bill! You pledged yourselves to take off the duties from provisions and food and to cut them away down; yes, put them on the free list. Then you ran up against the farmer. You put a bill through here, taking the duties off farm products, over a year ago. They amended it in the Senate so that it should apply only to contiguous territory—Canada—but not to the whole world. You heard from the farmer then, and since then you have been trying to hedge. If not, why did you put a duty of 10 cents a bushel on wheat, while you put flour on the free list? You heard from the millers, and so you put 10 per cent on flour from countries that put a duty upon our flour.

Now, you knew that did not mean anything. There is not an intelligent member of that committee—and in that list I include all the 14 Democratic members, as well as the gentleman from Kansas [Mr. MURDOCK]—who does not know that that duty of 10 per cent does not amount to anything. The Canadian Council can meet 15 minutes after President Wilson has signed this bill, and will meet, and take the duty off flour. The great milling industries of this country, some of whom are making 5 and none of them over 10 cents a barrel on flour, will have to pay from 45 to 55 cents duty on the wheat they buy to make a barrel of flour.

Do you suppose the farmers do not understand that little joker? Do you suppose there is a farmer who can read and write—and most of them can—that takes the papers, who does not know that a duty of 10 cents a bushel on wheat does not do him any good if Canadian flour is to come in free of duty? Why, the Canadians would rather export it into this country in the shape of flour. I understand they have a milling capacity there not two-thirds of which is now utilized, and they are waiting for you to make this blunder; and you seek to appease the farmer by putting a duty on his wheat that will do him no good as long as you have flour on the dutiable list at 10 per cent or let it come in free.

The committee adopted the same policy on buckwheat and rye and the flours made from them, but the pressure of the buckwheat flouring mills, nearly all located in the State of Pennsylvania, was too great, and so buckwheat and buckwheat flour are on the free list. Of course, the farmers who raise buckwheat will be enthusiastic over this provision.

You are playing the same trick with respect to meats, taking off the duty of 1½ cents a pound on meats and keeping the duty on cattle and animals that produce the meats.

How much good does that do the farmer, the honest, horny-handed tiller of the soil? You know it does not do him any good. You know that he knows it will not do him any good. Why try such a subterfuge as that? You try to appease him by putting agricultural implements on the free list. Yet the manufacturer's prices of agricultural implements in the United States are less than what they get for them abroad, and I can prove it to the satisfaction of any one of you. If you will give me a tariff board, I will prove it to you. The farmer of the United States gets them just as cheaply as anyone else, unless the retailer charges more here for his services than he happens to charge in some foreign country. Why, I read Mr. Wilson's speech in New York, I think, just before the election, when he was not talking to the farmers, but talking to the dwellers in the city. He had seen, as I had seen, in the New York Times the day before that American beef sold in London at 13 cents a pound less than it did in New York City, and he gravely told them it was all on account of the tariff. He did not know that the tariff on beef was only a cent and a half a pound. Of course he never taught mathematics at Princeton [laughter], but that was not necessary to enable him to know that a cent and a half duty taken off the article would not make 13 cents difference in the price.

And so it goes. How are you coming out on this thing? You are putting sugar on the free list in the course of three years. Sugar is a great farm product. There are 625,000 tons of beet sugar produced in this country and over 300,000 tons of cane sugar in Louisiana. Add to that the Hawaiian and the Porto Rican and the Philippine Islands output, aggregating 1,900,000 tons, against the 1,800,000 tons we import from Cuba, which constitutes our entire sugar supply.

Who wanted the duty taken off of sugar? Was it the ultimate consumer? Why, if he is intelligent he knows that the retail price of sugar in the last 20 years nearly all the time has been as cheap and as low in this country as in Great Britain—5 cents here and "tuppence ha'penny" there.

Mr. HELGESEN. It is only 4½ cents here.

Mr. PAYNE. I am talking about the retail price.

Mr. HELGESEN. That is the retail price.

Mr. PAYNE. I am speaking of the period of 20 years. I know it is sold generally by the grocers without a profit, and it is the only thing I know of that they do sell without a profit. The wholesale price here was a little more than it is in Great Britain. They do not produce any sugar there. They do not have this 1,000,000 tons of sugar coming in from their own producers every year as we do here in addition to that coming from our island possessions.

The CHAIRMAN (Mr. CRISP). According to the gentleman's request, the Chair advises him that he has used 50 minutes.

Mr. PAYNE. I will take 10 minutes more than I gave myself in the first place. [Applause.] I want to say this: The demand for free sugar came from the refiners in this country, and they came before the Hardwick committee. I want you to read just what they said. They told them why. They said this beet sugar comes in and destroys the market for their product once a year, lasting from three to six months. They are experiencing it now. It has lasted longer this year, and the pesky beet sugar comes into the market at a lower price, and they have to lower their price to the people to whom they sell. They said they wanted the duty taken off, and some of them said frankly that taking off the duty would destroy the beet-

sugar industry. I quote from the hearings of the Hardwick committee:

Refiner Claus Spreckels, president of the Federal Sugar Refining Co., said before the Hardwick committee:
"I would have free trade—absolutely" (pp. 2277 and 2278 of the hearings).
Charles R. Heike, secretary American Sugar Refining Co.:
"That (free trade) would destroy the industry absolutely in this country, and I would approve of that" (p. 292).
William G. Gilmore, of Arbuckle Bros., refiners:
"The thing to do is to take off the duty, and personally I would advocate it" (p. 1169).
James H. Post, president National Sugar Refining Co.:
"If Congress did not need the revenue from sugar, I would like to see free sugar" (p. 527).
William A. J. Jamison, of Arbuckle Bros.:
"If there was no tax on the importation of sugar, we would be able to run more constantly and sell more sugar. I think a cent a pound should be taken off at present, and later a little more, until the duty is entirely removed" (pp. 1195, 1196).
Edwin F. Atkins, vice president American Sugar Refining Co.:
"I think the independent refiners say truly that it is for the refiners' interest to have a low rate of duty rather than a high rate of duty, and reduce the basis of value upon which they can sell (p. 174). Beet sugars are taking away the trade of the refiners year by year" (p. 48).

Now, I had rather take their opinion on that subject against themselves than the opinion of the whole 247 Members sitting on the other side of the aisle, or anybody else who does not know a sugar mill from a stable. The sugar refiners know what they are talking about. You did this under the supposition that you were going to reduce the price of sugar. When your three years are up and you have passed through another congressional election and you get within sight of a presidential election—it is very strange that you should fix this at three years, is it not? Nobody can understand that. Nobody can see the reason why. You say it is in order to let the sugar producer "brace up" in this country. Brace up against what? Why, get a job somewhere at $2 a day, if there are any jobs hanging around loose by that time, or crowd somebody else out by competing with him at $1.50 a day. You want to let the farmers brace up and accommodate themselves to the conditions and the circumstances. Now, sugar may go down for a while. In this bracing-up process everybody will want to sell before the duty is taken off; but when you have ruined the sugar-beet industry you will have done what the refiners asked you to do—destroyed that industry—and you will have given the refiners the market, so that they can keep it "balanced" by getting the same price for sugar at the time when beet sugar should be in the market that they do when it is not. [Applause on the Republican side.]

Do you remember what happened a few years ago? There was a scare, and they said that the sugar crop had failed in foreign countries; that the crop would be short six or eight hundred thousand tons. There was a very serious condition of things, and they got sugar up to 7½ cents a pound at retail. The price went up all over the world. What will happen when you have a real shortage of a million tons which is now produced in the United States? Oh, how it will rise; how it will rise! The price will rise because there will not be enough to supply the demand, and you had better think about the law of supply and demand.

Are you going to get any reduction in the price of sugar by reason of your tariff cut? I have made a good many of them, and I did not succeed in getting any reduction in price. Why, I remember things like lumber. We reduced the duty on it, and the price went right up. We put a little more duty on shingles and laths and started up the shingle mills, and the price of shingles and laths went down. We put a little more duty on ladies' stockings, a subject of which you are ignorant. [Laughter.] It started up the American mills in competition, and women have been getting their stockings cheaper ever since that day. Why? Because it brought in competition. You cut down the duty on stockings, knowing nothing about it, and you will see the price of women's stockings go up, too. [Applause.] Oh, you will have a sweet time reckoning with the people on these foolish things that you have put in this bill. [Laughter.] The price of hides went up after we put them on the free list.

Now, you put a duty of 20 per cent on diamonds, and you will make it free for every smuggler that wants to get them into the United States. That has been the experience in the past. Prof. Wilson in 1894 put a duty of 25 per cent on diamonds, and what was the result? In 1895 $2,000,000 worth of diamonds was imported; in 1896 $2,700,000, and in 1897, when they had learned the art, there was only $625,000 worth imported. Then it was put back to 10 per cent, which is the highest duty that can be collected. Some men would like to put 100 per cent duty on diamonds, and I would not object to it if we could collect it, but as a revenue producer it is only a revenue producer when you put the duty at 10 per cent.

I was told by the representative of an American firm in Paris in 1895 that they did not import any diamonds into the United States. Why? Because they said there was 25 per cent duty which was not collected, and they would have to pay that duty if they imported them, and they could buy them in the United States for the foreign price with a trifle of about 10 per cent added, and no questions asked.

Now, we imported under the Dingley and Payne laws an average of $21,393,000 worth of diamonds against your average of $1,600,000 worth. We collected annually about five times the duty at 10 per cent that you collected under the Wilson bill at 25 per cent.

You play the demagogue, do you? Why do you not come out with honest statements? There is no excuse for you not knowing about this thing. I left you the documents showing it all through, and you had them to refer to. [Laughter on the Republican side.] You ought to have brought them down to date. You had the exports and imports and the duties, and it was a great object lesson to you. [Laughter.]

Then you take the duty off from paper and pulp to the extent that it is used by newspapers and magazines. What do you do it for? You cut off the revenue. This is a revenue bill. What do you do it for? Was there any demagogism about that? You took it off from printing presses and restored it at 15 per cent. What did you do that for? It can not be possible that you are expecting any honorable publisher of a newspaper or a magazine to indorse your bill or praise you because you have done that and look kindly upon it. Are you not old enough to know that gratitude is but a lively expectation of favors to come? [Laughter and applause.]

Then your 5 per cent reduction on goods brought in foreign vessels, seeking by this bill to repeal the treaties which you mention in another section and copy from former laws by this 5 per cent reduction. You who have hollered against subsidies now walk right into it and vote a subsidy of 5 per cent duty to the shipmaster who brings it in, instead of having it paid into the Treasury of the United States.

And I see that while foreign nations complain of this, my friend from Alabama [Mr. UNDERWOOD] has the same answer to them that he has to those whose industries are facing impending ruin. He says that we are not going to hurt their treaties and that we are not going to destroy any industries in the United States.

The CHAIRMAN (Mr. CRISP). The gentleman's time has again expired, unless he desires to occupy more time.

Mr. PAYNE. Have I used an hour, Mr. Chairman?

The CHAIRMAN. Yes.

Mr. POWERS. Mr. Chairman, I will suggest to the gentleman from New York that he take the five minutes that have been allotted to me.

Mr. PAYNE. The gentleman from Kentucky very kindly says that he will grant me the five minutes that have been allotted to him.

The CHAIRMAN. The Chair understands the gentleman from New York controls the time upon his side, but was simply notifying him in accordance with his request as to the time that he had used.

Mr. PAYNE. Yes. Then I shall yield myself five minutes more. Mr. Chairman, I want to get down to that interesting statement made by the distinguished gentleman from Pennsylvania [Mr. PALMER]. He says theory can put a statute upon the statute books, but that it can not keep it there. Well, he had better be worrying over that. [Laughter on the Republican side.] It can not. He says this bill must have the united support of the political party that is responsible for it, and it must permit American industry to proceed toward the capture of a larger share of the world's market without causing embarrassment or bringing distress to any large body of people. Mr. Chairman, it has not won the approval of the party that is enacting it, neither in Congress nor by a large majority out of Congress, for they are complaining of this bill. [Applause on the Republican side.] It will embarrass industry from one end of the country to the other. Why are these people meeting in organized meeting, why are they appealing to the Senate for hearings, and why is the Senate committee wavering on giving them hearings?

Why is it that this universal disapproval comes up from the body of the people who are in any way interested in business? Embarrass business! Oh, how easy it would have been to make a tariff bill that would not have injured business if you had only had a tariff board, if you had only given diligent attention to what facts you did have before your committee. In the last campaign you told the people that you would not injure business, and many of them were foolish enough to believe you. It was a promise then. It must be fulfilled in this bill. They will not

take any more promises after that. What are they told? That they must go out and perfect their shops and perfect their methods of manufacturing, and put themselves in a position to pay the biggest wages in the world and meet the greatest competition from the cheapest labor in the world. Our President echoes this idea. Let him tell it in his own way:

(Woodrow Wilson at Gloucester, N. J., Aug. 15, 1912, Associated Press report.)

There is one label that I often see on goods sold in our shops that makes me blush a little bit. That label is "made in Germany." Why should that be a commendation? Why should you prefer to buy something made in Germany rather than something made in the United States? The only conceivable reason is that you believe that the hands that made that in Germany were better trained than the hands that made the similar article in the United States. And what I don't like to admit, but must admit, is that in some instances that is true. We don't give our lads a chance to learn how to do the work as well as it is done in Germany, because the German Government long ago saw the signs of the times, saw that they must live by science, by knowledge, by skill, by the infinite dexterity of their hands, and that if they were to be masters in the world of commerce they must also have supremacy in the world of knowledge.

Mr. Chairman, he did not know that in 1890 the manufacturers of the United States appeared before our committee and said that the foreigners were stealing our trade by falsely labeling their goods as having been made in the United States, and that they, the manufacturers, wanted printed and stamped on every imported article the country of its origin. That was the reason that the mark "made in Germany" was put on those goods, which so shamed our good President. If he had only had the explanation, he would not have been shocked, and he would not have had to exhibit his shock to the people of the United States. They wanted it put there, and why? Because our people were making the best goods in the world, as they are to-day. They have gone forward in the front ranks and no nation can excel them. But the labor costs more here and you can not hide behind your proposition that they accomplish more. We are paying double on the piece rate, for the unit produced, that they pay in the Old World, and there is no way to make that up unless we make up the difference in the tariff rates. Go on, gentlemen, the time is soon coming for your reckoning. Go right on, and the distinguished gentleman from Pennsylvania [Mr. PALMER] will find that he has not a united Democratic Party behind this bill, and that the people of the United States will not stand peaceably by and see their industries and their factories injured and destroyed, or permit them to remain idle. [Applause on the Republican side.]

I take advantage of the leave to print to add the following brief notes:

The worst feature of the whole bill is the ad valorem feature, and although they have copied the new system of valuation verbatim from the present law—section 11—they will never be able to do away with the frauds that are so universally practiced by dishonest importing firms the country over.

The committee have very wisely retained the provisions for the issuance of bonds, copied from the present tariff law. In all human probability the administration will need to avail itself of this provision in the not distant future, if this bill becomes a law.

As the gentleman from Pennsylvania says, it is true that theory may write a tariff law, but it can not keep it upon the statute books. It is especially true of the present faulty and un-American measure, constructed on the lines of free trade, which does not even attempt to carry into effect the assurance, so often repeated in the late campaign, that no business would be injured.

The committee are evidently fearful of the effects and results of their own bill, as is also the President. The President suggests that some manufacturers may stop business for effect. If he looks deeper he will see it is an effect wholly legitimate, the cause of which is written into every page of the present bill. The manufacturers are closing down their works, expecting that goods will be bought abroad cheaper than they can sell them under the provisions of this bill. They are going into liquidation in order to save what little they have, and the President may well be alarmed at the outlook.

The insulting suggestion that our factory people must learn to do better work comes with ill grace. It is an insult to the American manufacturer, who to-day is leading the world. Our methods are everywhere better than those abroad; our tools are better, our factories better equipped, and run on better lines than those of any other country. It will be impossible for our people, with all their inventive ingenuity, to pay the high wages they have been paying, when this ruinous competition begins, which not only cuts off profits, but threatens most serious cuts in the price of labor and the frequent stoppage of machinery, putting factories on one-half or one-third time in many industries

It is a matter of extreme regret that the committee have stricken out the maximum and minimum provisions of the present law, under which so much has been obtained in the way of smoothing out difficulties and giving us equal trade relations with other countries. We are getting the minimum provisions of foreign tariffs wherever we are entitled to them, and the restrictions on the products of the United States have been changed to a sensible basis, so that there is no cause for friction.

It is regretted that no provision is made for the minimum duty. Paragraph 4-A simply gives the President the power to do what he already had the power to do. President Taft used this power in enacting the Canadian reciprocity agreement, which was not binding until submitted to and approved by Congress. The President has always had the power to do this without any such provision as in this bill.

The dumping clause, copied from the Canadian tariff, is purely and simply a protective measure. It is somewhat ridiculous that after all the condemnation of the protective policy the committee should adopt it in this bill by a new provision so drastic as they have made it in their dumping clause. I fear it will not accomplish its purpose. The same difficulties surround it that surround the question of the market value on articles imported which carry the ad valorem duty.

The most commendable things in the bill are those copied verbatim from the present law. It is gratifying to note how largely this committee has approved of the act which they have so roundly condemned, but seldom criticized. Whole schedules are adopted without change. The administrative features have few amendments, and fewer still of any importance.

Mr. UNDERWOOD. Mr. Chairman, I yield to the gentleman from Illinois [Mr. RAINEY].

Mr. RAINEY. Mr. Chairman, I always listen with great interest to the gentleman from New York [Mr. PAYNE], especially when the gentleman from New York discusses the tariff. He has been longer a member of the tariff-making committee of this House than any other Member, and he is better posted on tariff questions than any man I know on the Republican side of the House. He speaks always for the Republican theory of a protective tariff. I was surprised at the opening of this debate, however, to hear from the gentleman from Massachusetts [Mr. GARDNER] that the gentleman from New York [Mr. PAYNE] for four years had submitted in silence to the criticisms of his bill, and that certain obnoxious features of the Payne bill against which the people of this country have rebelled were inserted in the bill in opposition to the wishes of the gentleman from New York whose name the bill bears. The country, therefore, for the first time is now told that the tariff measure which has been so overwhelmingly repudiated at the polls did not even meet with the approval of the gentleman who drew it; that he was even against his own bill. This admission takes away from the Payne law its last friend, and we are told that even the author of the bill is against it and always has been against it. Now the gentleman from New York [Mr. PAYNE] occupies considerable time upon this floor in prophesying all sorts of disasters to the industries of this country, the breaking down of our foreign trade, the lowering of wages, a less manufacturing output, if our bill becomes a law; and then he closes by announcing that the day of reckoning is almost here. Why, the day of reckoning is here. The day of reckoning in this country commenced some 10 months ago, when it was evident that the Republican Party, divided against itself, could no longer stand.

In the month of July of last year, when the people of this country knew and when the manufacturers themselves knew that we would have a Democratic revision of the tariff, a tariff which would strike at the profits of the eastern manufacturers, a real revision downward, such a revision that it would require no experts to determine whether it was down or up, just as soon as the people of this country found that out, just as soon as the manufacturers found that out, there commenced a period of increased output of the factories of this country, and for nine months the increase has been going on. For the nine months ending with the month of March of this year we exported $1,908,006,372 worth of goods, while during the nine months ending with the month of March, 1912, we only exported $1,711,408,267 worth of goods. In other words, during the nine months ending with the month of March of this year, during that period when the country knew and the manufacturers knew that this awful blow described by the gentleman from New York was to be struck at our industries, we increased our exports $200,000,000. The country has known for a month, or more than that, the character of this bill. The hearings were completed before the commencement of the month of March, and the manufacturers knew what to expect. We have heard no voice of disapproval—the kind of disapproval

described by the gentleman from New York—from any section of this country. Why, during the month of March of this year we only exported in crude materials for use in manufacturing a little over $36,000,000.

During the month of March of last year, before it was evident the Democrats would win the election this last fall, we exported over $73,000,000 of crude materials for use in manufacturing. In other words, during the month of March, 1912, when the manufacturers had every reason to believe the Republicans would win, had every reason to believe that the same kind of tariff they had always been getting would continue, we exported of crude materials for use in manufacturing from this country over $73,000,000. During the month of March of this year there was only exported from this country about half that amount of crude materials to be used in manufacturing. That is the kind of blow we are striking at the manufacturers of this country. When they knew exactly what was going to happen, instead of transferring the manufacturing business of this country across the seas to the factories of England, Germany, and France, they go to work and buy up the crude materials we have been sending abroad, and they get ready to use them here in our own factories. Does that look like hard times for the manufacturers of this country? For the nine months ending with the month of March of this year we imported $1,401,000,000 worth of goods of various kinds. During the nine months ending with the month of March, 1912, we imported only $1,203,000,000. In other words, during the nine months which have passed since it became apparent to the country and to the world that the Democrats proposed to control the various branches of this Government we have imported $200,000,000 worth more goods than we imported in the same nine months of the previous year. Trade conditions have improved; the balance of trade is now and will be on our side in the future.

We have imported more goods, we have exported more goods, and we have done this in face of the fact that we are going to have this awful tariff revision downward—this disastrous blow to the industries of this country—described so vigorously by the gentleman who has just taken his seat. In no uncertain terms for years the people of this country have been demanding a revision downward. They have demanded it always just before an election, and it got to be a sort of habit on the part of Republicans to promise it always just before the election and to break their promise just after the election, and to say we have been returned by such an overwhelming majority to power that it indicates the people still have confidence in us and that they still want us to go on administering the affairs of this country in the same old way. Finally the Republicans were compelled to promise more definitely than before, and they were compelled to pretend to keep their promises to revise the tariff downward.

The result of their pretended revision downward was the bill of the gentleman who just took his seat, which revised the schedules, not downward, but upward. Against that sort of revision the people of this country rebelled, and on account of that kind of Republican failure to keep promises the Democratic Party was swept into power in all the branches of this Government. Talk about the Democratic Party getting into power on account of a split in the Republican Party! Talk about this country being in favor of a protective tariff! The Progressive Party would never have been able to get the number of votes they did get in this country—and they seem to have obtained more than the Republican Party—if they had not denounced the bill of the gentleman from New York [Mr. PAYNE], who has just taken his seat; if they had not promised reforms and revisions downward, and if they had not promised to continue no longer in the footsteps of the old Republican Party.

The people of this country want this tariff revised downward; they want competitive conditions reestablished in the relation this country bears to all the world. And we have tried to do that. They want the tariff made lowest upon the necessaries of life, and they want it made highest upon the luxuries, and in this bill we have honestly tried to do that.

The bill we are considering and which will soon become a law represents the dawn of a new era in the fiscal policy of this Government. For over a quarter of a century a contest has been waged throughout the country for a national income tax. The people have overturned, by a referendum vote of the States, a decision of the Supreme Court of the United States by writing into the Constitution an amendment making possible income-tax legislation, and to-day we are able to place upon the statute books a scientific revision of our taxes, carrying out the Democratic theory that luxuries shall be more heavily taxed than the necessaries of life. The bill we are considering makes lighter the burden of taxes upon the consumers of the country and compels great wealth to contribute its fair share toward paying the expenses of our National Government.

Wherever a nation has adopted an income-tax system and given it a fair trial it has never been repealed. A tax upon incomes becomes now an important part of the fiscal policy of this Government. We make it highest upon the great incomes and lowest upon the small incomes. We tax 126,000 incomes amounting to between four and five thousand dollars per year, and upon these incomes we collect only $630,000, an average of $5 per income. On the other hand, this tax will reach 100 incomes amounting to over $1,000,000 each per year, and upon these 100 incomes we expect to collect nearly $6,000,000, $60,000 per income. We tax 425,000 incomes in all, and we expect to collect upon all of them the sum of at least $70,000,000. It may exceed that amount, but we feel confident it will not be less than that.

I know of no swollen fortune which has not been made possible by the favors of government. Swollen fortunes are based nearly always upon franchises—national, State, or municipal—or upon tariff protection or upon patents. I undertake to say that very few, if any, great fortunes have been accumulated in any way except through the favor of government—national, State, or municipal. Under these circumstances there is a peculiar justice in compelling the recipients of large incomes to contribute a small portion of their incomes to the support of the Government. The great nations of the world are doing this, and when we pass this bill we are simply placing ourselves in line with modern methods and modern policies. During nearly all of the period of our existence as a Nation we have collected taxes in the most expensive way, based upon consumption. Back of tariff walls manufacturing interests have flourished and increased the amount of their dividends at the expense of the consumers of the country.

The effect of our system of taxation has been to increase the price of goods to the consumer, whether he buys goods manufactured abroad or goods manufactured at home. Nearly everything he buys is taxed, and the taxes he pays, if he buys American goods, do not find their way into the Treasury of the United States. In other words, a protective-tariff tax confers upon the protected interests the right not only to levy taxes but to collect them and distribute them in dividends to the holders of watered stocks.

This system during the period of the ascendency of the Republican Party became so firmly fixed that it seemed impossible to dislodge it or to modify it in any particular. Throughout the land were heard murmurs of discontent so unmistakable and so persistent that the Republican Party found it necessary repeatedly to promise to revise the tariff downward, but, controlled always by the protected interests, immediately after a national election, when the party found itself again intrenched in power, it forgot its promises, and when finally compelled by a thoroughly aroused public sentiment to pretend at least to keep its promises, it placed, as I have stated, upon the statute books a tariff law which revised not downward but upward the schedules against which the Nation had protested; and as a result, the Democratic Party, pledged to an unmistakable downward revision of the tariff, has been returned to power in all the branches of this Government. And it has kept its promises by presenting now this tariff bill for the consideration of Congress, which reduces the tariff average from 41 per cent to 24 per cent, which puts an end forever to the war tariffs of long ago. The bill we present furnishes to the people of this Nation the relief they have been demanding and the relief we have promised.

The people will understand for themselves in the near future that this is a revision downward and will realize the fact that under a Democratic administration the burdens of Federal taxation have been shifted and have been placed where they will bear lightest upon the toiling masses of the people.

The claim is made by many of our opponents that goods will be no cheaper to consumers than they have been heretofore, and that the people of the country will find when they purchase goods from retailers throughout the country that the prices will be no lower than they now are. Even if this statement is true, we still will have accomplished much if we merely stop the upward tendency and prevent further increases in the cost of living. However, the major portion of our opponents simply claim that the reductions we have made will not materially decrease the cost of goods to the consumer. The testimony of manufacturers recently taken before the Ways and Means Committee is to the effect that there has grown up in the country an expensive system of distribution, so expensive that when goods reach the consumer in a finished form and ready for consumption the price to the consumer will be so little reduced that the consumer will not get much benefit from

the reductions we have made. To illustrate what I mean, the manufacturers of clothing insist that the cloth in an average suit of clothes will cost the tailor who makes it up into a suit only 75 cents or $1 less per suit than he now pays, and they insist that this slight reduction will not be appreciable and the consumer will not particularly care for it. Makers of thread insist that the thread which goes into a suit of clothes made up by a tailor will, under our reduction, cost but little less than it costs now. The button manufacturers of the country insist that the buttons which go upon a suit of clothes will cost the man who makes up the suit but little less than they do now, not enough to speak of. Manufacturers of cotton and silks insist that the trimmings and the linings which go into the finishing of a suit of clothes will cost the tailor who makes the suit only a little less than they cost now. But I undertake to say that when all of these and similar reductions are added together we will find the present tariff bill will considerably reduce to the consumer the cost of a suit of clothes, and when the same rule is applied to his linen, his underwear, his overcoat, and hat and other articles of apparel, including shoes, which we place upon the free list, we will find a considerable reduction in the cost of living has been made possible. The testimony taken before us shows that a suit of cheap clothing made out of wool substitutes, costing now $10, will cost under this bill with wool substitutes on the free list and with the other items just a little cheaper than they now are $2 less than it now costs.

Dress goods will be cheaper. The amount that goes into one dress will not be appreciably cheaper they say, and admitting the claim that each of the materials which go into the manufacture of a dress will not be appreciably reduced in price, yet I undertake to say the aggregate reduction will be appreciable.

A miller said to me the other day free flour will not make much difference in the price to the consumer of one loaf of bread. In fact, the difference in the cost of the flour that goes into a loaf of bread would be so small as not to be noticed by the consumer, but they all agree that flour will be cheaper. In a year an average family will consume many loaves of bread, and the aggregate saving in this item alone will amount to something that is appreciable. We have reduced the taxes on all foodstuffs, and while the price of no one unit will be appreciably reduced, yet when the many food units necessary to maintain a family for a year are considered together we will find that the reductions which are small applied to one food unit will amount to something in the aggregate.

It is agreed that the price of sugar will be cheaper, a cent and a half cheaper per pound, at least. As a Nation we consume over 80 pounds of sugar per capita per year, and our consumption of sugar per capita per annum is increasing. In its sugar bill alone an average family of five persons will, when this bill goes into effect and when sugar becomes free, as it will three years from now, effect a saving on this article each year alone of a considerable amount.

We put lumber on the free list. We intend to make it easier for the people of the country to build homes. We can not reform all the evils for which high protective tariffs are responsible in a day. We do not promise at the outset to accomplish in a year all the reforms the people of the country are demanding, but we do claim that in the bill we are presenting now we are taking a long step in the right direction.

Originally the present high tariffs were levied for the purpose of meeting the tremendous obligations made necessary by the war between the States. They have until recently been continued in effect upon the theory that we were protecting infant industries against the competition of Europe. These industries, however, have grown so strong that they are able to compete successfully across the seas, and the argument in favor of infant industries is no longer advanced. The contention now is, and the argument used before the Ways and Means Committee recently by representatives of the protected industries was, that we must retain these schedules as they are, especially the textile schedules, in order to enable our manufacturers to pay to workmen the wages they are now receiving, and we have been seriously told that in order to maintain the American standard of wages in the textile industries and the American standard of living we must maintain the tariff rates as they now are.

It has been the policy of the Republican Party to write into our tariff laws in order, first, to protect infant industries and later on to protect the wages of laborers, the rates demanded by the protected industries. In other words, the manufacturers have been permitted by the Republican Party to write these schedules themselves. We have refused to extend to them this privilege. This bill has been written by the Democratic members of a great committee of this House and has been amended and approved as amended by a caucus of all the Democratic Members of the House of Representatives, and the result is a bill written in the interest of the consumers of the country.

The woolen schedule of Republican tariff bills from 1867 down to the present time has been controlled by William Whitman, of the Arlington Mills. The Arlington Mills are located in Lawrence, Mass. Mr. Whitman said recently that he was "a little more interested, if anything, in cotton than in wool." And the cotton manufacturers, under the direction of the Arkwright Club, have controlled the cotton rates. In order to ascertain to what extent the textile schedules of Republican bills have maintained wages in Lawrence it is only necessary to examine the report on the strike of the textile workers in Lawrence, Mass., in 1912, prepared under the direction of Charles P. Neill, Commissioner of Labor. On page 20 of this report Mr. Neill makes the following statement:

> It is obvious from the figures of earnings that the full-time earnings of a large number of adult employees are entirely inadequate to maintain a family. Thus the full-time earnings of 7,275 employees, or about one-third of the total covered in this investigation, are less than $7 a week. Of the 7,275 earning less than $7 a week 5,294 were 18 years of age or over, and 36.5 per cent of the 5,294 were males. These wages, however, are not peculiar to Lawrence. Wages of textile workers in that city are not lower than in most other textile towns.

The same report shows that these employees are huddled together in small apartments. In one case the commissioner found 17 persons occupying a 5-room apartment. Another household of 16 persons occupied a 5-room apartment, and another 5-room apartment was occupied by a household of 15 persons. The rent most commonly paid was from $2 to $3 per week for a 4-room apartment and $3 to $3.50 per week for a 5-room apartment. After the head of a family paid $2 to $3.50 per week rental for his rooms it can readily be seen how much he had left for food and clothing for his family.

The testimony taken before the Rules Committee at its recent investigation is fresh in the minds of all of us. Whole families lived without ever tasting meat, and when they rebelled against such conditions as this and attempted to send their children to other cities in order that the burden upon them might be less while they maintained their strike for higher wages, they were denied this right by the authorities of Lawrence, and long lines of police drawn up in front of the railroad station enforced the mandate of the mill owners. When the workers in the textile mills protested that they were not at work, and asked and insisted that they be permitted to send their children to homes of friends in other cities, where they could be taken care of, the answer, in effect, was, "Return to work at the wages we propose to pay, or see your children starve."

The evidence taken before the Committee on Rules is available, and shows the absolute falsity of the statement that tariffs in the textile schedules are maintaind at the request of manufacturers for the purpose of enabling manufacturers to pay high wages to their employees.

Down in Boston the Arkwright Club meets. The gentlemen who belong to this organization have been able to avoid so far the penalties of our antitrust laws. According to the testimony of Mr. S. B. Chase, a mill owner of Fall River, Mass., before the Ways and Means Committee, the cotton mills of Fall River had some sort of a mysterious sliding scale, under which wages were reduced in Fall River 17½ per cent in 1908. This particular reduction, however, he insists, was not brought about through the Arkwright Club.

Mr. Chase is the president of the King Phillip mills in Fall River, Mass., which paid in 1902 16 per cent on its capital stock, and which paid 6 per cent on its capital stock until 1907. In 1907 there was a 50 per cent dividend, payable either in cash or stock, and all the stockholders preferred to take stock. In that year and in each subsequent year down to the present time, including 1908, when the reduction in the wages of employees occurred, this mill has continued to pay 6 per cent on watered stock and all. In 1908 the Flint mills, of Fall River, watered their stock 100 per cent and paid 8 per cent on their stock, water and all, and at the same time reduced the wages of employees. The Davol mills, of Fall River, in 1908, watered their stock 25 per cent and paid their usual 6 per cent dividend and have been paying it ever since. According to the statement of the secretary of the Arkwright Club, in 1907 the vote for curtailment of the output of New England mills was almost unanimous, and according to the agreement they reached, 10,000,000 out of 13,000,000 spindles in New York and New England curtailed their products at least 10 per cent.

In the present bill we are not trying to protect profits of manufacturers. It might be advisable at this time to call attention to some of the profits New England mills are distributing under the present tariff laws. The Acushnet Mills, of New Bedford, paid 16 per cent in dividends from 1902 to 1910, and in 1910, in order to cut down their apparent profits, they increased their capital stock 100 per cent, and in 1911 their dividends amounted to 8 per cent. The Bristol Mills, of New Bedford, pay from 4 to 6 per cent in dividends every year, and

watered their stock 20 per cent in 1908, and in that year and in succeeding years they have continued to pay 5 to 6 per cent on their stock, water and all. The Butler Mills, of the same city, pay from 5 to 9 per cent each year in dividends. In 1910 they made a stock dividend of 20 per cent, and in 1911 they paid 8 per cent upon their stock, water and all.

The Dartmouth Mills, of New Bedford, paid on their common stock 8 per cent in 1902, 1903, and 1904. In 1905 they paid 20 per cent; in 1906, 26 per cent; in 1907, 66 per cent; in 1908, 66 per cent; and in 1909 they increased the amount of their common stock 100 per cent and divided it among their stockholders in order to keep down dividends. The same year they paid 13 per cent upon their common stock, water and all; and in 1910 they paid 16 per cent upon the common stock so watered, and in 1911 the same amount. In 1909 this company made a stock increase of 50 per cent on their preferred stock, and paid 5 per cent upon their preferred stock so watered in that year, and have been paying 5 per cent ever since.

The Gosnold Co., of New Bedford, watered their stock 50 per cent in 1909, and have continued ever since paying 6 per cent dividends on their stock so watered. Prior to that time, in 1906 and 1907, this company paid a dividend of 15 per cent. The Page Co., of New Bedford, made a stock increase in 1910 of 33⅓ per cent. They pay 4 or 5 per cent in dividends each year, and the fact that their stock is watered has made no difference at all in the amount of their dividends. The Soule Co. made in 1909 a stock dividend of 20 per cent. Prior to that time they had been paying 8 per cent in dividends, and they paid the same amount the next year.

Over in Fall River, Mass., the same condition of exorbitant profits prevails. In 1903 the Bourne Co. of that city watered its stock 40 per cent. In 1902 it paid 12½ per cent. After it watered its stock it paid 3½ per cent and pays 6 per cent now on watered stock and all. The Davol Co., of Fall River, made a stock dividend of 25 per cent in 1907 and kept on paying 6 per cent as usual on its stock so watered. The Laurel Lake Co. made a stock dividend of 100 per cent in 1907 and in that year paid 14 per cent on its stock. It paid 13 per cent the next year on water and all and has paid from 6 to 8 per cent ever since. The Merchants' Co., of Fall River, made a stock dividend in 1907 of 50 per cent and continues paying from 4 to 6 per cent upon its stock so watered. The Pocasset Co., of Fall River, watered its stock 100 per cent in 1907 and kept on paying 6 per cent. The Richard Borden Co., of Fall River, watered its stock 25 per cent in 1907, paid 20 per cent dividends in 1907 and 13 per cent dividends in 1908 upon its stock so watered. The Sagamore Mills, of Fall River, made a stock increase of 33⅓ per cent in 1909. Prior to that time they had been paying from 7 to 30 per cent per annum in dividends. Since that time they have been paying from 7 to 8 per cent on the stock so watered. The Tecumseh Mills, of Fall River, made a stock dividend of 50 per cent in 1906 and the next year paid 14½ per cent on the stock so watered. It has been paying from 6 to 9½ per cent since then. The Troy Mills, of Fall River, made a 100 per cent bond dividend in 1909 and in spite of this increased burden these mills have continued to pay from 8½ to 13 per cent on the stock and in 1907 these mills paid dividends of 67 per cent, and prior to that time dividends of 20 per cent per year were frequent.

I might continue this review of the profits of New England mills, but I have called attention sufficiently to their profits to indicate, I think, that if the rates we propose in this bill affect the earning capacity of these mills the employees who work in them ought not to bear the burden. I contend that the stockholders in these mills can afford to get along with less profits than they are now receiving, and we frankly admit that we have not attempted in this revision to protect the profits of mill owners.

The revision we propose ends the alliance between the protected woolen mills of the East and the wool-producing States of the West, and there never was a better time to do this than now. All arguments in favor of maintaining the sheep industry by protective tariffs fail under the conditions confronting us to-day. Protection upon wool is maintained upon the theory that it keeps up in this country the price of wool; that it maintains the sheep industry. Under the evidence taken by the Ways and Means Committee, Boston is at times the cheapest wool market in all the world, and to-day raw wool is as cheap in Boston as it is in England. Therefore, under a high protective tariff, the producer of wool is selling his wool in the cheapest of the world's wool markets. We are the only Nation in the world, except Russia, maintaining a tariff upon raw wool.

The sheep industry as conducted in this country depends for its extent and importance upon how far the plow has encroached upon sheep pastures. As agriculture increases in importance sheep disappear. To-day we have in the country 12,000,000 less sheep and lambs than we had 10 years ago. In Ohio we have 2,000,000 less sheep to-day than we had in 1880. In Illinois we have to-day only half as many sheep as we had in 1870. Vermont was a sheep-raising State in 1840, having at that time within her boundaries 1,600,000 sheep. To-day there are less than 100,000 sheep in the State. The large herds to-day are found in the mountain States, and in the last decade every mountain State except Montana and Nevada shows a decrease in the number of sheep, and Nevada is not yet a great sheep-raising State, having to-day considerably less than 1,000,000 sheep.

Under these circumstances who can claim that a tariff on raw wool to be carried into the finished product is of the slightest benefit to the sheep industry of the United States? Under the leadership of William Whitman, of the Arlington Mills, many of the farmers of this country in the States producing sheep have been persuaded that a protective tariff is a benefit to their industry and for that reason they have been following Republican leaders.

It is contended that during the free-wool period there was a falling off in the number of sheep in the United States. The falling off in those years was not greater than in the years which have followed. During the years the Wilson bill was in operation there was a falling off in the supply of sheep in Australia. If free wool here injured the sheep industry and brought about a decrease in the number of sheep in this country, Australia, our competitor in the wool markets at that time, ought to have profited by it. In Australia they had a hundred million sheep in 1894. In 1897 the number of sheep in Australia had decreased to 82,000,000 and in 1898 there were only 79,000,000 and in 1899 only 72,000,000. By 1900 the number of sheep in Australia had decreased until there were only 70,000,000 in the country. In the face of such facts as these every argument in favor of high-taxed woolen clothing in order to enable the sheep industry to thrive falls to the ground. The sheep industry in this country will thrive when wool becomes a by-product, and when that happens in the system of animal husbandry, which is being forced upon us by changing agricultural conditions, we will have more mutton and we will have more wool.

For years, ever since 1867, the wool schedule of the tariff bill has been the very keystone of the arch of protection and was so recognized by Republican tariff makers, and they have maintained it through the machinations of William Whitman and the Arlington Mills almost intact from 1867 to the present time, upon the theory that they were protecting the sheep growers of the country.

They have carried the tax upon raw wool into the manufactured product, and every man, woman, and child who wears woolen goods in this country has paid more for them on account of this alliance between the woolen manufacturers of the East and the woolgrowers of the West.

If it was maintained for the purpose of helping the sheep industry in this country, how does it happen at the present time that there are many million less sheep in the country than there were 10 years ago? How does it happen that in the old way, the way that has prevailed in the world from the time shepherds watched their flocks by night, that the plow has driven out the sheep? There was a time when New York was a great sheep-raising State. That time has passed. There was a time when Ohio was one of the greatest sheep-raising States. That period has passed, too, because the decrease in the number of sheep in Ohio is just as great proportionately as it used to be in the older States where they tried to raise sheep.

The only States in this country where there has been an increase in the herds in the last year, or even in the last four or five years, have been Nevada and Montana and perhaps some slight increase in Utah.

Sheep are being raised now, as they always have been, as they always will be, in a highly cultivated country, upon the lands that can not be cultivated. As we decrease the area of the sheep pastures by diversified farming, by resorting to irrigation, by increasing the size and number of our farms, we drive the sheep toward the mountain States until to-day we find them on the mountain slopes of the West.

Why continue in this country this unholy alliance which taxes the people more for their woolen clothing, taxes the people more for their woolen blankets, in order to maintain an industry which decreases as the plow drives it out and which will always disappear as agriculture approaches? Is it maintained for the purpose of enabling the wool producers to sell their raw wool in a high market in order to enable them to obtain more for raw wool than they otherwise could obtain? Why, Boston is often the cheapest wool market in all the world, and at the present time there is hardly any appreciable difference in the price of wool in Boston and abroad.

They talk about the number of sheep decreasing in this country during the free-wool period of the Wilson bill; but they decreased no more rapidly then than they have since. If the number of sheep decreased on account of the Wilson bill, then Australia, our competitor in the world's market, ought to have profited by it, but during these years, when the number of sheep were decreasing in the United States, the number of sheep were decreasing also in Australia. Therefore there is no reason for a tariff on raw wool except the reason given by the prominent exponents of the protective-tariff policy—that it is the very keystone in the arch of protection.

We recognize that it is, and with all the force of a mighty party, with all the impact made possible by 20 years or more of waiting, we have kicked the keystone from the arch, and the arch is already commencing to crumble. [Applause on the Democratic side.] We are making the kind of revision we ought to make, the kind of revision the people of this country expect us to make.

This is not a free trade bill, but it will fail of its purpose if it does not bring about a freer and an easier exchange between the products of this country and the products of other countries.

Great natural barriers, rivers and lakes, oceans and mountain ranges, will continue through the centuries to separate nations as they do now. Within their own certain defined boundaries nations will continue to exist and develop each for itself its own ideas and ideals, its own theories of government, its own industries. But with the advent of new methods of transportation and communication over seas and under rivers and mountain ranges may we not express the opinion that these natural barriers still separating nations are not as formidable as they were even a decade ago? And as the nations of the world get closer and ever closer together, as mountains and seas and rivers lose their importance as agencies which separate nations, may we not hope that the time is coming—is almost here—when the artificial tariff barriers nations build against each other will prove to be less formidable than they have been in the past? May we not hope that the time is near when sugar cane will be produced in the Tropics and when the dwellers in tropical lands will trade it to us for the products of our colder North? May we not hope that the time is coming when the finer laces and the finer cotton fabrics will be produced in Ireland and England and France, where climatic conditions make possible their cheaper production, and may we not expect to trade for these goods the stronger, more durable fabrics which we can produce here cheaper and better than they can ever hope to do?

We have developed here in a little over a century a great Nation, and the rapid development which has startled the world has been possible because of the fact that each section of our country has been producing what it was best adapted to produce, and across State lines, without any tariff obstructions, each section has been and is exchanging the products which it can best produce for the products which other sections of our common country can best produce. We have developed rapidly and quickly and well because trade routes have been free across rivers, lakes, and mountain ranges.

Nations will continue to exist within their natural boundaries, separated also by traditions and religions and prejudices, but may we not hope that with the establishment of peace tribunals, with the improved and quicker methods of communication, there will come a time—perhaps not so far off now as many think—when the commercial nations of the world will build fewer great fortresses along their boundaries, will no longer exhaust the productive energies of their citizens in expensive preparations for war and carnage upon land and sea, but will prepare to contend, each against the other, in the great trade markets of the world unhindered by towering tariff walls? May we not hope that a time is coming when each section and nation, unaffected and unhampered by unnatural trade conditions and restrictions, may be permitted to produce what it is best adapted to produce and may be permitted to trade its products for the products of other sections and nations? Men and nations do not work and produce best when protected, restricted, or stimulated; they grow strong and self-reliant and accomplish great results when they are free. Is it not peculiarly appropriate that we, the greatest of the nations, should take the first long step in this direction?

Oh, East is East and West is West, and never the two shall meet
Till earth and sky stand presently at God's great judgment seat;
But there is neither East nor West, border, nor breed, nor birth,
When two strong men stand face to face, tho' they come from the ends of the earth.

[Applause on the Democratic side.]

Mr. UNDERWOOD. Mr. Chairman, I yield to the gentleman from Texas [Mr. HARDY].

[Mr. HARDY addressed the committee. See Appendix.]

Mr. UNDERWOOD. Does the gentleman from Massachusetts [Mr. GARDNER] desire to use some of his time?

Mr. GARDNER. I yield to the gentleman from Iowa [Mr. GREEN].

Mr. GREEN of Iowa. Mr. Chairman, the resources of our country are so numerous and so varied as to surpass those of any other nation. The boundless expanse of our prairies with their marvelous fertility of soil; the vast deposits of ore and coal so abundantly provided; the cascades and waterfalls which furnish so cheap and abundant a power to supplement that derived from coal; the noble rivers which constitute natural arteries of commerce; a varying climate, which is adapted to the production of the fruit and vegetation of nearly every clime—in these and many other respects too numerous to mention, nature has given facilities for the accumulation of national wealth and the advancement of individual prosperity which are unrivaled in the broad world and which no other people can hope to acquire.

But a nation can have and keep no more than it produces or brings into form which is useful to man. Axiomatic as this statement is in its truth, simple as it is in expression, clear as it is in thought, it has not always been regarded, but all attempts to ignore it have met with disaster. Unfortunately for us to-day the experiences of the past do not prevent new teachers arising, with promises which never have been and never can be fulfilled, but which are so seductive and alluring as to beguile the restless and entrap the unwary. Vast as these resources are, if undeveloped they remain but curiosities which attract the gaze of the idle. The blessings of the Almighty will have been conferred upon us in vain if we ourselves turn to other climes and other races for the creation of all those innumerable things which supply our wants and for which nature has furnished us with the material in such abundance. Great as is the loss which we would sustain by discarding or neglecting these inestimable benefits, the injury is small compared to that which we would suffer if those priceless possessions, the brains and hands of the American people, were left inactive and idle. A freedom such as ours leaves untrammeled for the highest usefulness both thought and labor, and only the want of opportunity for their use can prevent the development of the keenest brain and most productive hand. Opportunity being wanting the qualifications become as nothing, and the wealth and comfort that might have been produced for each other are never created. But it is not sufficient to give the laborer an opportunity to work. This is much, for the day has been under policies similar to those brought forward by the bill before us when he was denied even that privilege. So, too, will those days come again when this bill becomes a law. The opportunity to be offered him must be one that brings him a reasonable degree of comfort for himself and family, in short a living wage, which can only be obtained for him by creating and maintaining conditions which will permit its payment.

There are different theories as to how these great economic questions should be determined. I do not here intend to analyze them. Systems avail but little as against results.

The Republican Party presents to the Nation to justify the protective principles which it has advocated a balance sheet showing the profit which has resulted from their application. With each succeeding decade in which our party has been in power wage standards have advanced, the comforts of life have been more widely distributed, the wealth of the Nation has increased until we reached a condition of prosperity beyond the hope or dreams of years not far away.

Under its wise guidance we have developed our manufactures, agriculture, and mines until the wants of 95,000,000 people are nearly all supplied by an exchange of native commodities created from native resources. In 1910 our factories added $9,000,000,000 in value to the material which they used. Our farmers created nearly as much. Our forests yielded lumber to the amount of $684,000,000, and our fisheries supplied $54,000,000. From agriculture and manufacturing alone there was a grand total of $20,000,000,000, the product of American soil and American hands. This vast sum staggers calculation and baffles the most acute mind in estimating the extent to which we have availed ourselves of the resources of our land, but as a result more than one-third of the wealth, daily accumulated by the whole world, is acquired by the United States, and more farms and more homes are owned by our workingmen than all the laborers of the rest of the world combined.

Permit me here to digress a little. The gentleman from Pennsylvania [Mr. PALMER], in his speech last week, told us that American saws were sold all over the world as the best in their line that could be produced. This may be true, but if true, how has it been brought about? The answer is that this

condition could never have existed had not this industry been built up, sheltered, and fostered through years of trial by a protective tariff. The very statement that the gentleman makes is in itself a tribute to one of the many and magnificient triumphs of the protective policy and the economic genius of the Republican Party. [Applause on the Republican side.]

But all these splendid achievements count for nothing with the Democratic majority of this House; and by the pending bill they submit a proposition to close to a large extent our factories, to stop the development of our natural resources, and invite the world to share on favorable terms the profit and resulting wealth of the greatest and best market in the world—the market of the United States. The distinguished gentleman from Alabama has said that this bill will inaugurate a new fiscal policy. Its policy is widely different from that now prevailing, but it is not new. It is the same old plan in worse form and carried to greater extent, and it will bring the same or worse results than heretofore. It is not merely a tariff-for-revenue measure, but such of its provisions as may properly be called protective are generally so imposed as to be injurious rather than beneficial.

It is admittedly drawn for the purpose not of increasing the development of our native resources but of increasing the use of foreign products. The extent to which this would be carried and our manufactures thereby displaced, they undertake to tell us in the tables presented with the report on the bill. But our Democratic friends are singularly unfortunate in the selection of their statisticians. Two years ago when they presented the wool bill, with a 20 per cent duty on wool, they then estimated that under it the increase of importations of wool would be over $40,000,000 and of manufactured goods over $19,000,000. When it was expected that the rate in the present bill would be 15 per cent on wool they got out a handbook estimating that the additional importations of wool would be $27,000,000. Now, proposing to take the duty off of wool entirely, they estimate in these tables no increase whatever in its importation and only a slight increase in manufactured goods upon which they have made great reductions. Such statistics are worthless, and it would be idle to total them, but it is safe to say that an enormous increase in importations will take place upon the enactment of the bill. Under the Wilson bill of unhappy memory and Democratic rule, the balance of trade theretofore existing in our favor as against foreign countries was reversed and our gold supply drained to pay the debts incurred by purchases of foreign goods. The stimulus since given manufacturing by protection has so developed them that we now have a balance in our favor of $500,000,000 annually. Large as our balance now is, I have no hesitation in saying that this bill is so drawn that when in full operation it will disappear, and foreign creditors to whom we owe millions in interest will call for our gold in payment. These increased importations must displace American goods of equal value and every day's work put into them deprives an American laborer of his daily wage. When the manufacturer sees his market slipping from him and the laborer loses his job; when, in order to retain any considerable portion of our trade the wages of our workingmen must be decreased, their standards of living lowered, and their purchasing power reduced, the same blight that spread over our industries under the Wilson bill will again paralyze business.

A discussion may fairly arise as to whether a tariff should be levied for revenue only, or for revenue when needed and also for protective purposes; both rules can not be right, and in this illogical bill neither is adhered to. There was a time when what is called the principle of free raw material was good Democratic doctrine. It may be now in spots, but it has been little regarded in making up this bill. It is said that if the manufacturer gets his raw material free, he can compete in the markets of the world; but this is true only when his costs and wages are reduced to the lowest world prices.

Notwithstanding there is some protection in this bill, it is not necessary to state that in making it up the question was not considered as to whether the duty imposed on imported goods would equal the difference in cost between that at home and abroad. No one pretends that any examination as to wages was made or that any duty was based on the difference in wages or any other costs which are higher here than in foreign countries. The Democratic report accompanying the bill itself states, in large type, that the "cost of production theory" is "rejected." In one sense this was a superfluous statement. But few of us expected our Democratic friends to be so candid. At last they confess to the owners of factories that in framing this bill they cared nothing about his manufacturing costs, and to the wage earner that they did not consider his compensation.

It is somewhat of a surprise to have the members of a party which has always professed to be so friendly to the workingman now not merely admit, but boldly assert, that in fixing a tariff rate they were wholly indifferent to his wages, and that they would not take them into consideration. I know, of course, that some fine-spun theories are given as a reason for making this declaration; but the workingman will not be much interested in the reasons for the rule as in its application. The stern logic of its consequences in lowering his pay will soon convince him, through resulting poverty, that theories will not buy clothes or fill the dinner pail.

Mr. Chairman, I have not long been a Member of this House, but I have been here long enough to see our Democratic friends continually shift their ground until I know not where to find them. Two years ago it was the tariff-for-revenue principle that was to be adopted, next the new competitive-duty theory was advanced, and now we are told that all figures as to the cost of production are to be cast to the winds in making up a tariff. As the last theory is the newest, I wish to briefly pay my respects to this astonishing declaration.

Some critical gentlemen upon our side have complained of the lack of hearings or of their exceeding brevity. But why have hearings at all when costs are immaterial? For what purpose were such hearings as did take place? They were not needed under this new theory. Is it possible that they were held simply for the purpose of attempting to satisfy the producer with mere form while denying him the substance? Some other gentlemen, still more critical, have suggested that at a previous session, by a large majority of this House, a statute was enacted providing for a tariff board, and among those who then favored it were the distinguished gentleman from Alabama, leader of the majority, and our honored Speaker, who presides with so much urbanity, ability, and fairness. But why have a tariff board? A tariff board is primarily established for the purpose of ascertaining costs; and what have costs to do with the question, anyway? The new gospel answers "Nothing."

The Republican Party has committed itself irrevocably to the principle that a commission should be appointed to ascertain the cost of manufacture at home and abroad, and that when these costs are so ascertained our platform declares that the difference between them will measure the tariff rate which should be applied. If there ever was a day when the manufacturer was permitted to determine the rates for and by himself, that day is past and gone. If there ever was a day when the only question to be determined in fixing a particular rate was whether it was sure to be high enough to practically exclude all importations and competition, that day is also past and gone. I believe that I voice the sentiments of the Republican Party to-day when I say that the rates should neither be so low as to abandon to the foreigner our own market—the finest market of the world—nor so high that the unscrupulous may have an opportunity to take advantage of it to monopolize any branch of trade or unduly advance the price of any commodity.

The Tariff Board already created, although not with powers as full as we could desire, and, unfortunately, discarded by a Democratic House before its work had been carried to anything like the extent we desired, rendered two reports of great value, one of which—that upon wool and manufactures from it—is so full and complete as to be a model in its way and to be acknowledged as a world-wide authority. But this report presented facts conflicting with Democratic theories and Democratic legislation. So, although our Democratic friends had joined in the creation of this board, no sooner had this report been produced than they became vociferous for the abolishment of it. To avoid the inevitable conclusions from the facts presented in it they were obliged to invent the new theory that the costs of production should be rejected. We welcome the issue thus presented and invite the earnest consideration of the American people to be given to the bill providing for such a commission, which we have introduced, confident that their sober judgment will be in its favor.

But once reject all consideration of cost of production, how easy it becomes to make a tariff. This explains some of the most singular provisions in this bill. Everyone knows that Congress has been flooded with letters containing protests against provisions in the bill whereby a raw material is made dutiable and the product manufactured therefrom left free of duty, or a partly finished product is given a higher duty than the completed article. "Surely," said the writers, "this is a mistake—a clerical error; it never could have been intended; as soon as the Democratic members of the Ways and Means Committee have their attention called to it it will be corrected. It is absurd to put a tariff on our raw material and expect us to sell our

product duty free." Vain hope. The most damaging of these provisions were not and will not be corrected. Why? Because any scientific reason can be given therefor? No. Scientifically they are blunders, egregious and monumental. But they were not and will not be corrected, because they were put into this law for political effect.

There has been some talk about the classifications of this bill. The real classification of it depends upon the location in which the article was produced—upon the necessity of pacifying some particular class of voters by leaving to them some shadow of the provisions under which they have heretofore been so prosperous. In other words, its classifications are political and geographical. Witness the effort to retain the farmer's vote by putting a duty on wheat, while at the same time offering the consumer flour duty free—by putting a duty on cattle and leaving meats of all kinds, fresh and cured, absolutely free. True, flour is not free from countries that impose a duty on it when exported, but the Canadian duty was simply imposed in retaliation for ours; and how long after the enactment of this bill will it take Canada, where a duty can be changed by executive order, to get its flour on the free list? When this is done the American miller can only pay the Canadian price for wheat, and the farmer's protection will only exist in theory and not in fact.

With reference to cattle the farmer's situation will be even worse. There is no possible way in which this duty on cattle can be of any benefit to the farmer, for in any event the finished product of his pastures must be offered for sale in a market free of duty. The price of his cattle and hogs, when fattened and sold, will be determined by the price of meats, and meats are to be free. In many ways this duty on cattle is an actual damage to the farmer. Young cattle are relatively his raw material, but if he wishes to replenish his herds from Canada or Mexico, he must pay a duty on his supplies, and sell his finished product in the open market of the world. Thus this bill, as regards cattle, exposes the farmer to competition on meats of the cheap lands and cheap labor of Canada and Argentina, but handicaps him in addition by this duty.

Every product of the fields and forests of Canada is admitted free of duty or at a greatly reduced tariff. Mr. Chairman, I never had been able to understand why the Canadians rejected the reciprocity treaty, when it was such a good bargain for them. I understand it now. They had the political foresight to see that the Democratic Party was coming into power and would give them everything they wanted without asking anything in return. [Applause on the Republican side.]

What excuse can be given for some of the rates in the agricultural schedule? If wheat flour is to be free, why put a duty on rice flour? As the bill puts potatoes on the free list, why should a duty be put upon peanuts? Can anyone suggest a reason, except the latitude where these products are, respectively, raised. Never was so much latitude taken in the preparation of a bill as in the one under consideration, and it is not all geographical as in the instances mentioned. Seriously, Mr. Chairman, it appears to me that the Democratic pilots of the tariff ship have lost their bearings entirely and without helm or rudder, compass or light, are drifting aimlessly on an economic sea—their motto: Any port in a political storm.

It is impossible, in the short time that is allotted to me, to analyze fully even the more important schedules of this bill, but since gentlemen on the other side usually talk in generalities, I wish to call attention to some of its remarkable provisions that I may further justify the position which I have taken.

The metal schedule is treated largely upon the geographical and political lines. Band iron for cotton ties used in the South is to be free. All other band iron and steel is to have a 12 per cent duty. Pig iron made in Alabama—and elsewhere, of course—bears a duty, but steel rails made from it in Pennsylvania and Illinois are free. Perhaps the most peculiar of the political classifications is that which puts smooth wire on the dutiable list, but when it is further developed by being twisted and barbed, to make barbed wire, it is made free, as another bid for the farmer's vote. Is it any wonder that a bill containing such provisions is framed in secret caucus and behind closed doors?

The wool schedule—Schedule K—ought to be revised, and the Republican Party is not only desirous of making this revision, but is ready promptly to perform it. Let it be conceded that the rates on raw wool in the present law do not work out equably. This is corrected in the bill which we will offer. It may as well be admitted that the cloth rates of the present law cover duties which render them too high, especially on the cheap grades of cloth. But this, too, is corrected in the bill which we have offered and will again offer. We know that its presentation at this time is a thankless and a fruitless task. If our votes had been sufficient it would have passed at the last session. If our votes were sufficient it would pass now. We give it to the American people as an evidence of how ready and willing we are to place upon the statute books tariff rates in accordance with the facts found by an impartial board. It would give reasonable protection to the American manufacturer and laborer, while obviating every objection to the present law which could be made by any person who believes in protective principles. At the same time it has been so carefully drawn as to prevent any undue advantage being taken by means of its rates.

When we come to consider how this schedule was framed for the proposed bill, we find it was originally intended by our Democratic friends to put a 15 per cent tariff on wool, and the first edition of their handbook so stated; but for some reason, possibly pressure originating at the White House, in the final draft of the bill wool was made free, and the woolgrower found that the doctrine of free raw materials was to be rigidly applied to him. In the expressive slang of the day the sheep raisers were to become the tariff "goat." Time forbids that I discuss this particular provision, but it has been completely analyzed by others, and I pass to the manufactured articles covered by this schedule.

Fortunately for us now, but unfortunately for the country at the time, we have an experience to guide us in the workings of somewhat similar provisions under the Wilson bill. Not satisfied with the provisions of the Wilson bill, however, and seemingly fearing that something connected with the woolen industry might escape destruction, the framers of this bill have reduced the rates far below the havoc-creating provisions of that destructive statute. Scarcely anything has escaped from the beginning to the end of the bill. But stay! I had almost forgotten. There was the Angora goat to be taken care of; an animal which roams by the thousands in the Southern States pasturing on gulch and brush land worth at least 25 cents an acre. Here protection and protective theories were invoked. Angora wool, tops, yarns and cloth made from goat wool or hair, bear a duty ranging from 20 to 40 per cent ad valorem, and this "infant industry," if I may use that term so much derided, is most comfortably protected and preserved.

Let us for a moment compare the duties on cloth in this bill with those of the Wilson bill. Both this and the Wilson bill make wool of the sheep free of duty, but this bill puts a duty upon cloth in which the wool content is the chief value at only 35 per cent. The Wilson bill gave a 40 per cent duty on cloth not worth over 50 cents a pound and over that value fixed a duty of 50 per cent. Cloths worth not to exceed 50 cents a pound would not have their chief value of wool unless made of shoddy, which is cheaper even than cotton. Thus the low rates of the Wilson bill were imposed upon a class of goods which under the proposed bill would go mostly in the cotton schedule, and for all practical purposes we can compare the 35 per cent rate of the bill before us with the 50 per cent rate upon cloth of the Wilson bill. Notwithstanding the rates of the Wilson bill were so much higher than this bill, the stagnation of the woolen industry was such under its operation that in one year 7,000,000 pounds of American-grown wool could not be used at home and had to be exported. Is there any reason given why the American manufacturer can better compete now than then? On the contrary he is suffering under additional disadvantages, for since that time his wage scale has increased 35 per cent, and the excess of the cost of his machinery above that abroad has also increased. It takes no prophet to predict how this bill will affect the cloth manufacturers.

The Wilson bill sent our sheep to the slaughterhouse, left wreck and ruin in the woolen industry, and deprived men of employment in the mills by thousands. I can now but admire the daring with which the Democratic majority now flings through this schedule its defiance to both capital and labor, but I humbly yet firmly condemn their judgment.

The cotton schedule is too important to pass without special notice. The rates of the present law are unnecessarily high—so high that, in my judgment, they might be safely reduced an average of one-third, if averages supplied the proper method of making reductions, as they do not, although often used in framing this bill. The report of the Tariff Board shows that so far the American people have not suffered by reason of these rates; but that, on the contrary, by reason of a depressed condition of the trade, cotton manufactures have often been sold by the mills below cost. Competition has ever been strong in cotton goods, and no trust or combine has ever fixed the mill prices. This, of course, does not show that the rates ought not to be revised, and we are willing and ready to revise them if a reasonable time is given, and the rates should accord with the report of the Tariff Board in respect to this schedule as elsewhere. We ask again that they consider the report on

the cotton schedule, as we have asked heretofore. The action of their secret caucuses gives us little hope or expectation that this will be granted, but the refusal makes an issue between us and them upon which we are quite willing to go to the country at large.

The details of this schedule are so numerous as to prevent in my limited time anything like a complete view. Here the rates in this bill are, as elsewhere, upon an ad valorem basis, with a new classification not heretofore attempted. Cotton is a commodity which varies so much in price, having fluctuated from 9 to 16 cents a pound, that any application of ad valorem rates to materials composed of it must result in extreme fluctuations in the duty, in many instances doubling the amount of it and in many cutting it in two. But it is unnecessary for me to dwell upon the advantages of having a specific rate in the cotton schedule, and I pass to the consideration of other items.

When we examine the provisions of this schedule we find that it also is framed upon geographic lines. The report of the Tariff Board shows that the low grades of cloth manufactured in the South need no protection, or at least only a nominal one. They are well taken care of in this bill. The same is true with reference to yarns. The higher grades of cloth manufactured in the North in many lines now largely imported are inadequately protected. No attention is paid to costs in the varied and numerous processes which are applied to the cloth in finishing it or in special processes of weaving.

All of these processes, whether those in which the American cost is no larger than the European or whether the most complicated and intricate weaves of the Dobby or Jacquard looms, in which the American cost of production is more than double that of the European, "with one fell swoop" are thrown into hotchpotch, and whether one of the simplest is applied or many of the most intricate, all are covered by an advance in the duty above the rate on the plain cloths in the gray of 2½ per cent. Mr. Chairman, such a method of tariff rate making is not simply a blunder; it is an economic crime. In law gross negligence that results in the destruction of human life is called manslaughter. The provisions to which I have referred ought to be called trade slaughter.

It is said that this bill will make goods cheaper. I think it will; but when goods become cheap labor becomes cheap, and if the housekeeper buys cheaply the farmer must sell cheaply. Never can our opponents, by any method, make purchases cheap and sales dear. They will bring about fewer sales and fewer purchases. There will be less work. Less work means not only more idle men but lower wages, and the more men that become idle, the poorer they will become individually, and the poorer the Nation will become.

What country is there among the great nations of the world that uses the system, so far as there is a system, upon which this bill is prepared? England and England alone.

One person in ten among the laboring classes in England is a pauper, and one out of five must at some time in his life receive assistance from the poor rates. So clear and so plain is it that its workingmen can never expect to lay up anything for their advancing years, that the principle of old-age pensions has been forced upon its Parliament and enacted into a law. And this is England. The land of free raw material, where the manufacturer gets everything that he uses duty free. I know that the sun never sets on its world-encircling territory. I know that by the exercise of this system it has reached out and gathered unto itself the markets of the world, but I know, too, what a fearful price she has paid for it. I know—and you know—that for the workingman in England the star of hope never rises; that the dark shadow of want never lifts from his habitation; and the gaunt wolf of hunger ever threatens at his door.

We of the Republican Party seek for the farmer and the laborer some other prospect besides the benefit of a cheap coat and a bare subsistence. We want the farmers' products to bring in a fair return for his toil and investment. We insist that the workingman's wages must be governed by his work and his worth and not by that which will merely enable him to exist. We wish to put hope in his breast and ambition in his mind through a fair compensation for his work, which will open up to him a brighter and a better future, bring him comfort and independence, and, most important of all, shall give him the opportunity to exercise the highest and best citizenship. For the promotion of these much-desired objects we shall look to the proposed bill in vain. The workingman has asked for bread, and he will find that he has been given a stone. [Loud applause.]

Mr. UNDERWOOD. Mr. Chairman, I yield to the gentleman from Tennessee [Mr. MOON].

The CHAIRMAN. The gentleman from Tennessee [Mr. MOON] is recognized.

Mr. MOON. Mr. Chairman, this measure was agreed on in a Democratic caucus and will be passed in the House without alteration. A discussion here is of no effect, but only a method by which the views of Members may reach the country through the medium of the RECORD, as the caucus consideration of the bill was not published. The real debate and legislation was in the caucus. I shall not discuss the schedules. Their favorable consideration by the committee and the caucus is an assurance of the wisdom of the bill as a whole and that as a policy it responds in the main to the established principles of the Democratic Party.

It is true that the measure is, and of necessity must be, crude in some respects. It may be that exact equality in the distribution of the burdens of taxation is not fully observed in some instances in the bill. It is possible that in view of the conditions heretofore existing in our revenue system the reductions in tariff duties are in some cases too great. I shall briefly discuss some of the underlying principles of taxation upon which the measure rests. We can not hope to have after half a century of protective tariff a measure enacted for the purpose of revenue only, perfect in its details, nor in strict accordance with the accepted principles of the party in power that formulates it. Governments have always used the taxing power to enforce the theory upon which they are established or administered by its dominant political force. Imperial or autocratic governments use this power to strengthen their influence and control over the subjects of their dominion by accustoming them to the continued concentration of authority in a select or ruling class which is made subordinate in some measure to the dictator or imperial head. Taxation in such governments is directed to this end. The support of royalty is the chief purpose. In every modified or constitutional monarchy the same power in a less definite method is exercised—but with none the less effect—to uphold the ruling classes and confer on them benefits that do not come to the masses of the people who pay the taxes. Such views are, of course, obnoxious to self-respecting freemen. The right to assess and collect taxes is the vital power of all governments. They can not exist without it. Upon the proper exercise of this power depends, more than upon any other function of government, the liberty, the prosperity, and the happiness of the people.

In a Republic the taxing power is presumed to be exercised in obedience to the Constitution for the promotion of the welfare, not of the few or ruling class but of the great masses of the whole people, upon the theory that government is inaugurated for the protection of the people and that its powers should be exercised to that end. But there may be such a serious perversion of the taxing power, even in a Republic like ours, as to endanger its perpetuity by the pursuit of theories that in their ultimate effect establish a ruling class based on wealth secured under the forms of law which give distinct advantage and power to the classes and enable them to obtain dominion over the majority of the people. This results from the fact that the party dominant in the affairs of government—without violating the Constitution in the exercise of its legislative discretion, of which discretion no other power has control—may so lay the burdens of taxaton as to benefit the few and jeopardize the rights of the many. When our Constitution was formed the intense spirit of patriotism which bore to a successful conclusion the greatest of all political revolutions was chilled in its ardor by internal strife and dissension and disagreement among the Colonies in the formation of the American Republic. The spirit of 1776 was not breathed into the Constitution, nor yet was the rule of monarchy tolerated by its expressed terms. The Constitution in its essential features was a compromise between the principles of free government and limited monarchy. Its federalism was too intense to secure the blessings of freedom, and the Republic could not have survived but for the amendments to the Constitution, in which all of the most sacred guaranties to the American citizen are contained. There were two great parties contending for supremacy at the beginning. One, rapidly forming from the remnant of toryism, wheeled into line for political action on the fall of monarchy, restoring as best it could under the Constitution conditions, theories, and policies of the mother country. It assumed the control of the new Republic as a conservative force between modern monarchy in governmental practices and a progressive Republic. It proposed a system of Federal taxation for the protection of certain defined interests by the exercise of that power in their favor, and therefore to the disfavor of the balance of mankind. This was the Federalist Party. It sought in restricted form the exemplification of the

doctrine of monarchy. It was the old and not the new idea of things that it upheld.

But when the spirit of revolutionary freedom again asserted itself the Federal Party in the United States was shattered on the rock of the alien and sedition laws, and its great and powerful antagonist, the Democratic Party—or as it was then called the Republican Party—resting its faith on the doctrine of equality and justice among men, succeeded to the control of the affairs of the Union. It was this party that made the amendments to the organic law that enabled the Union for the first time to be properly called a Republic among the nations of the earth. The successor to the Federal Party was the Whig Party, a great and in many respects a wise political organization, but, unfortunately, inheriting from the Federal Party its theory of taxation. Thus the struggle continued as to whether the powers of our Government should be used to promote the welfare of a select and powerful class seeking the domination of national affairs, or whether that power should rest with and secure blessings for the masses of the people. This great party, too, fell in the struggle against the rule of the people, and the latter-day Republican Party arose upon its ruins to press for the half of a century—by reasons of unfortunate conditions which held it in power—the rule of the classes against the people, exercising the powers of taxation to strengthen its political forces by a system that protected the American manufacturer against competition in trade and forcing the consumers—the people—to submit to the dictation of trusts, combinations, and monopolies which it created and fostered under its tariff laws. The Democratic Party, under every condition of adversity—which I need not now recount—has presented as the cardinal principle of its faith equality, uniformity, and justice in taxation. It has advanced this theory as the corollary of its principles, and triumphing in the great national contest in 1912 in every branch of the Government, it now proposes to destroy the Republican policy of inequality and injustice to the masses and afford some protection to the common people against the rapacity and greed of the enemies of popular government. How shall it be done? How can it be done? Examine the policies and the effect on the people of the enforcement of the systems of taxation of the respective parties and determine which is conducive to the popular good and which is destructive to the popular welfare.

The Constitution vests in Congress the power to assess and collect taxes and duties upon imports, in the manner therein indicated, for the support of the Government. Thus the constitutional authority to deal with the great question of taxation rests with Congress. The Republican Party, following the precepts of Federalism and Whiggery, have announced and enforced the principle that taxes are not to be imposed upon the people merely for the purpose of supporting government, but, as shown in the very title of their tax bills, to encourage manufacturers and American industries. The encouragement of manufacturers and American industries in all branches of trade in a legitimate way is altogether wise, but how did they propose to encourage? By the enactment of laws which gave protection to the American manufacturer in trade and commerce against competition from abroad. In other words, they fixed the tax upon imports so high as to prohibit importation in certain particular lines of articles from foreign countries, and thereby gave directly to the people engaged in those lines of manufacture in the United States the exclusive market. It was said that this exclusive market was in the interest of the American people because it gave employment to labor and furnished a market for the products of the farmer. But a long experience with this system has demonstrated the fact that while those engaged in the manufacture have reaped vast wealth from the policy the laborer has not yet obtained any benefits other than the pittance of a living, and that the farmer has obtained no benefits because the system has given him no advantage which he would not otherwise have had. But this view of the system has been in a measure abandoned, as well as the theory that the foreigner paid the tax, as it is well known that only the consumer pays the tax; that the importer, if an article is brought into the United States, pays the cost of carriage, the tariff tax, and adds both to the cost of the article, together with his profits, and profits are sometimes added two or three times by reason of the fact that the article passes from the importer to the wholesaler, the jobber, and the retailer, each of whom takes a profit from the consumer, the people, and all of which is involved in the last price charged to the consumer.

But the baleful effects of the system do not end there. Competition is destroyed in most articles by reason of the high tariff and the American people do not get the benefit of the foreign production, but they must take alone the American production under a system that enables the American producers to take unto themselves such profits as they desire and choose to exact. In those instances where there is no importation, of course, there is no revenue and the Treasury of the Federal Government gets no benefit, because of high duties prohibiting imports. Thus it is that the power of the Government is exercised, in the instances where it is desired to give special benefits to certain classes, to divert the revenue from the Government by this indirect system into the coffers of the favored class. And how does this happen? It is because the protection thus afforded against competition enables the home producer to have a successful monopolistic market and to charge for his productions just such prices as he will. The people are at the mercy of the favored. But it may be said that competition among men engaged in the same line of industry would reduce to a proper minimum the cost of the articles manufactured. The combination between men engaged in the same line, the trusts, upon particular articles, by which a large proportion of the factories are shut down and a large portion of labor excluded from work and profits divided among those in the trust whether producing or not, has made this system of domestic competition an utter impossibility in the commercial affairs of our country. The effect of this legislation, whether intentional or not on the part of the Republican Party, has brought about in the United States, as the natural result of its principles, an untoward condition that is destructive of the supremacy of the masses not only in its application, but in a result that has created untold wealth, carrying with it the power to control the affairs of Government. You may ask me whether the Democratic position is more consonant with the principles of free institutions and more in the interest of the masses of the people than the policy of the Republican Party.

The answer is that the Democratic doctrine can not be and is not in itself a perfect system, and none can be, because of the conditions in a country like this, diversified in its interests and extensive area; but the principle upon which the doctrine rests is sound, and the application of the doctrine will in its effect give more benefit to the vast majority of the people than any other known system of Federal taxation. It rests upon the theory that the greatest good must come to the greatest number, and that, if exact equality and uniformity and justice can not be secured in the assessment and collection and disbursement of taxes, the nearest approach possible shall be made to it, and therefore it presents certain fundamental principles of taxation which we believe are conducive to the welfare of the people. First, the Democracy says that the Government shall not exact from the people in any form more taxes, more of their substance for the support of the Government, than is necessary to administer the affairs of the Government economically. Is not this a sound principle? Should the people be made to pay more to support their Government than is needed to support it economically? Is not any other theory unjust to the people? Is not any other doctrine oppressive to the people? Next in the application of this doctrine to raise revenue for the support of the Government it insists that the burden of taxation shall be laid with equality and justice. How is this to be accomplished? Can there be such a thing as exact equality and exact justice in the application of a principle of taxation to a thousand varied articles produced under varied conditions over a vast area of a common country? It must be answered that exact equality and exact justice in all instances is an impossibility by reason of these conditions. Then, what principle shall we adopt to obtain this recognized right of equal distribution of burdens of taxation and equal benefits to arise from the system?

It is evident that we must resort to a policy that will bring about this result as nearly as possible, and while it can not be brought to mathematical certainty it can be obtained for the great and overwhelming masses of the people by the enforcement of the doctrine that the least of the burdens of taxation, the smallest tax, shall be imposed upon those articles that are the necessities of life to the end that the necessities of life may come to the great masses of the people as cheaply as possible and the cost of living reduced to the minimum; again, that the burdens of taxation shall rest most heavily on the luxuries of life. Why, it may be asked, should the burdens rest more heavily upon the luxuries of life? It is because the principle of equality can not be fully obtained under a tax system different from this policy. The few enjoy the luxuries of life not necessary to their existence; they have the means of obtaining them. They are possessed of wealth and immense power, and the Government protects that wealth, and therefore they should bear the burden of taxation in proportion to the great benefits the Government gives to them in the protection of their interests. To me this seems a logical and sound conclusion. To me it seems the necessary result of those principles of government which

the Democracy professes, principles that recognize the superiority of no class and no distinction in American citizenship, but equality under the Constitution and equal rights and opportunities for all affected by taxation resting on the means of individuals and not on individuals themselves so far as possible. It is inconceivable that so many of our people should have adhered to the doctrine of protection. Of course the 200,000 men who have been the protected beneficiaries of the system are to be expected from selfish motives to adhere to it.

But how those of the vast laboring classes of this country and the farming interests of this country, which have not received and can not receive ultimately any benefits from such a system, particularly under the industrial conditions which maintain in the United States, support such a doctrine is beyond our conception. It is said that there are 15,000,000 of American citizens—ordinary laborers—who are engaged by the 200,000 men at the head of the great industrial and protected system of the Union. It is said that some 3,000 articles fall under the dominion of this power. Let us assume as true that which is clearly false, that these 15,000,000 of American workmen have obtained special benefits in connection with their superiors under whom they are working under the protective or noncompetitive system of trade in the United States, under the monopolistic system of trade, under the trusts and combinations, then put to them the question, Is it right that you should receive these benefits as against the 80,000,000 of people who are engaged in other pursuits and do not receive them? Is it not safer for you; is it not better for you that laws that maintain equality and justice should prevail rather than those that grant special favor to you? How can any logical mind reach the conclusion that in the establishment of justice 80,000,000 of people must pay tribute to 15,000,000? The American people have evidently reached the conclusion that the conditions under which they are living were not the best for them; that it was not a good thing to maintain a system of government that would make a few multimillionaires and secure no blessings to the balance of mankind. They have evidently reached the conclusion that the world has very much wealth in it and that that wealth is the product of labor, and that if a system is devised and administered under the forms of law which enables a few men to sequester that wealth, hoard it, handle it, and control it in their own names and for their own selfish purposes that the balance of the people must of necessity be injured to the extent of the sequestration.

The Democratic Party is going to remedy these conditions. It can be and will be done, in part, by the pending bill. But let us not be mistaken. All the trusts in the United States and all the combinations in restraint of trade and in opposition to the supremacy of the people do not come on account of a protective-tariff system, although that system was the mother and for years the protecting hand that guided the great trusts. There are other combinations; there are other monopolies; there are other trusts than those that arise under the tariff system. They have come by reason of the fact of private legislation in their own interest and of natural monopolies under which they are controlled. These can not be reached except through the process of the criminal law. The power of taxation can not be successfully invoked for their suppression. It can be and is invoked in the shape of an income tax in this bill to force them to a just contribution to the support of the Government. The mission of the Democratic Party is not accomplished with the passage of tariff bills according to its theories of government nor indeed would it by the passage of laws that would effectually destroy trusts and monopolies. The accomplishment of these ends would only tend to bring our country to the condition which it should have, and under a proper administration of law and obedience to the principles of our Constitution would have, had and enjoyed for the last half of a century. These enactments will operate to the expansion of our trade, to the reduction of the cost of living at home, and the rehabilitation of the merchant marine which has been destroyed under the protective system and under the registry laws of the Government. But far beyond these economic questions the development of the principles of free government under the Constitution is the mission of the Democratic Party. There can be no inertia in government—inactivity means dissolution and death. The conditions which we now seek to remedy perhaps would not have existed if the people had had full control of their Government. Why is it that a situation in the economic administration of our affairs could exist such as that we have described? How is it that the powers and functions of government can be taken and perverted from the public interest to private interest?

Why is it that legitimate legislation in the interest of the people can be checked and legislation ever enacted in the interest of the classes seeking dominion and legislative, judicial, and executive control of the Government under the power of wealth? It is largely because that under our Constitution the Government is too far removed from the people. Under such a system equal or better opportunity exists for a select class than the people to rule. The Federal Government must be brought closer to the people and the people to the Federal Government if liberty and justice are to be preserved. Our people look upon the Federal institutions in a measure as foreign, and, in many places, even inimical to their welfare. This would not be true if the people had full participation in the affairs of government. So long as their duties toward the Government apparently are so meager their slight participation in its affairs does not produce a profound interest, and just so long the opportunities of those who have designs to accomplish through the instrumentalities of government may be successful. In the States, where the people elect all of their officers at the ballot box, the rights of the citizens are jealously guarded, but in the affairs of the United States that profound interest which the people take in their State affairs is not manifest. If you will give to the citizen the right to cast his vote directly for President, as has recently been done for Senators; if you will give him the right to vote for his district attorneys, for the Federal judges, who must determine questions of property rights and often of life and liberty, in which he is concerned; if you will give him the right to vote for the marshals to execute the Federal processes, for the collectors who gather the Federal revenues, and for the postmaster at the office of his residence, you will give to him an interest in Federal affairs that will make him the guardian of Federal liberty and rights.

Who can call this a Republic save in name, when of all the vast thousands of offices that are necessary to administer its affairs only the Representatives in Congress and now Senators are elected by a direct vote of the people at the ballot box? Let us trust that there is no way to impede the march of Democratic thought and sentiment. Let us trust that the day is not far distant when this Government shall be in fact as it is in theory under the direct control and dominion of the masses of the people; when conditions shall be such that the mere discretion of men in office shall dominate no longer but the law shall be dictator. Let us maintain a government of law and not of men.

While we guard sacredly the rights of the States, let us not neglect the development of the constitutional powers of the Federal Government for the promotion of the welfare of the people. Our authority in actual exercise now reaches far beyond the seas. Our influence is felt among all the nations. Our foreign relations are ever enlarging. Our national duties and obligations are increasing, and we may yet be forced to the conclusion that for the peaceful solution of great international questions it may be wise for the States to grant the Union further constitutional sovereign power. The future may bring perplexing issues on account of the exercise of sovereignty by 48 different States over one and the same subject in an essentially different way, while the central Government is powerless on the same question to meet just domestic or international demands. But these are questions for the future, and it is not now and it will not be safe for the States to concede any more of their sovereignty to the United States until our Constitution is amended and revised so as to force the Government under all conditions to respond promptly and effectively to the demand of the will of the majority of the people.

Mr. PAYNE. Mr. Chairman, I yield to the gentleman from Missouri [Mr. BARTHOLDT].

The CHAIRMAN. The gentleman from Missouri [Mr. BARTHOLDT] is recognized.

Mr. BARTHOLDT. Mr. Chairman, the average American citizen requires no expert knowledge of the tariff question to perceive the fundamental errors which are misguiding the hands of the Democratic tariff tinkerers. I grant it is not malice which prompts the ruthless shaking of the legal foundation upon which American industries have been built; it is innocence, rather, the innocence of the child playing in close proximity of a red-hot stove.

As a party our Democratic friends still permit the cotton grower's hand to write their tariff bills and his mind to dictate their policies. The cotton grower—and he is but human, as we all are—wants to sell his product at the highest possible prices and to buy all his necessaries at the lowest possible prices. As he has to fear no outside competition with his own product, he is naturally for either free trade or a revenue tariff, which is free trade in principle. It is free trade because protection as a principle is eliminated, and where it occurs as a part in a revenue tariff it does so only as an incident—in the opinion of the framers of the pending bill even as an unwelcome incident.

And there you are. When we had no manufacturing industries to speak of in this country the interests of the cotton grower were the common interests of all, and at that time free trade was no doubt the right policy; but while a revolutionary change of conditions has occurred, while nearly one-half of the American people now depend upon manufacturing as a livelihood, Democratic policy has remained unchanged. It is barren and unfruitful and does not consider the needs of either the manufacturer or the wageworker but only the interests of the cotton grower and of those who sell noncompetitive products.

From the standpoint of the general welfare this is one of the fundamental errors underlying the Underwood bill. Moreover, our friends have forgotten that under the last Democratic tariff even the cotton grower did not prosper, because the people had no money to buy his product, so that its price went down to 4 cents a pound.

Another fundamental error is the assumption that all American manufacturers have grown rich and fat under Republican tariffs. The fact is that the vast majority of them, owing to fierce competition, have to be content with but small profits, and, indeed, have to do very close figuring to make both ends meet. The great fortunes which have been built up in the United States are not due to the tariff; in fact, have no connection with it, but are the result either of enhanced land values, of valuable patents, or of the exploitation of natural resources. The American manufacturer, who often risks his all and usually has his all invested in his plant, deserves credit for his enterprise rather than the slurs heaped upon him by the free-trade party.

It would be almost criminal, Mr. Chairman, to disturb the prosperous condition of the country by tariff tinkering were it not for the high cost of living. That is generally recognized as the excuse for the attempted legislation. And yet, have our friends on the other side ever investigated just what the articles are that have gone up in price? Permit me to say that, speaking generally, they are not the tariff-protected goods, but the foodstuffs, the products of the farm. It was for this reason that President Taft proposed reciprocity with Canada. In return for proper concessions he aimed to enlarge the supply of our breadstuffs, and so reduce the high cost of living. How furiously that plan was criticized! But what will those same critics say when they read the Underwood bill and find that it will open our gates to Canada without exacting a single concession in return. Right in this connection let me suggest that the country will watch with bated breath the redemption of the Democratic promises to the effect that farmers, under a Democratic tariff, would receive the same high prices for their products as before, while the laboring men of the cities would be enabled to buy the same products much cheaper than before. This will be solving the problem of making both ends of the seesaw go up at the same time. The Republicans pointed out the impossibility of such a feat, but in vain. Enough people followed the "false prophets" to give them a plurality of the votes, because people had forgotten what followed the enactment of the last Democratic tariff bill. My prediction now is that the main effect of this legislation will be to cripple the industries, reduce wages, and throw labor out of employment to such an extent as to seriously decrease the demand for farm products, owing to the inability of the masses of the people to buy them at any price. As a consequence I predict that the farmers will be the first to join the industrial classes in their demand for a restoration of the beneficent policy of protection.

In the kindergarten in which this bill was framed the most important factor seems to have been entirely overlooked, namely, the American standard of wages and the desirability of maintaining it. The United States is a high-wage country; practically all others are low-wage countries. It is not true that we can make up for the advantage which our competitors enjoy on that account by the employment of better machinery and more efficient workmen. If this was true at one time, it is no longer true to-day, for the manufacturers of Europe have not only bought our machines, but improved on them, and as to the efficiency of labor, it is patent that when several generations of the same family work at the same trade, as is the custom in Europe, they must become proficient, and at least the equals of those of us who are engaged in the same line of trade. As a general proposition, I believe it to be absolutely true that the American manufacturer, owing to his intelligence and enterprise, could easily compete with all the world on equal terms, provided he can get his labor as cheaply as his foreign rival, but if it costs him more than his competitor to manufacture his product all his ingenuity will avail him nothing, and he will be unable to compete. Then, the only question to determine is, Does it cost him more? Fortunately there is no lack of authentic information on that point.

It is admitted by all that American wages in nearly all industries are two and three times higher than wages in foreign countries, and it is this difference which it was sought to equalize by the Republican policy of protection. This wise policy placed the home manufacturer on an equal footing with his foreign competitor and at the same time protected the American laboring man in his high standard of living and against the reduction of his wages to the European level. There is no escape from the conclusion that to strike down this protection will have the effect of either putting both the American manufacturer and all his employees out of business or of reducing wages to the foreign level. This is not a theory, but a lesson which under the Wilson-Gorman bill we learned by bitter experience, and as the people had evidently forgotten that lesson, it seems they will have to learn it anew.

It was generally expected that the Democratic Party on assuming power would reduce the tariff. It had pledged itself to that policy, and, besides, everybody knows that, owing to its free-trade heart, it bears a grudge against the very institution of the customhouse. There was a disposition among the people, even among the majority who voted against President Wilson, to give them a chance, in the belief that after 16 years of exile they had learned the lessons of adversity and would be careful and considerate in putting their peculiar theories into practice. But how many votes, do you think, would they have received if the Underwood bill had been before the country previous to the election as a sample of what radical action they proposed to take? How many Members of Congress would they have elected on the issue of granting the foreign manufacturer a direct advantage over the home manufacturer? It is safe to say we would have neither a Democratic President nor a Democratic Congress, for the vast majority of the American people, I believe, are still of the opinion that legislation shall be so shaped as to give the advantage to our home industry, or at least to place both the American and the foreign manufacturer on an equal footing.

Let me show you briefly the effect the Underwood bill will have on the great State of Missouri which I have the honor in part to represent. It seems almost as if my State had been singled out for special punishment by that star chamber board known as the Committee on Ways and Means, and this is the more surprising because one of our Democratic colleagues is a member of the committee. Taking the products of the farm we find first that wool, lumber, corn, meat, hogs, and potatoes are placed on the free list. Our free-trade friends are telling the farmer that Missouri, as an interior State, is too far removed from exporting countries, like Canada, to fear their competition. In other words, that prices in Missouri would not be affected by importations of these articles. The fact is, of course, that such imports, even if they do not reach Missouri, would have a general effect upon prices; but supposing it were not so, how then would free trade in these products reduce the cost of living? On cattle the duty has been fixed at 10 per cent ad valorem and on wheat it has been reduced from 25 to 10 cents a bushel. As to wool, it is generally believed that that industry will be wiped out by the bill, not only in Missouri but everywhere. The sheep raisers of the country will be told, I suppose, what Chairman UNDERWOOD told the sugar growers, namely, to get ready and go into some other business.

While the farmers will be sure to suffer, the mining and manufacturing industries in Missouri are hit still harder. When we Republicans succeeded in securing a duty of 1 cent a pound on zinc in the Payne bill a wave of prosperity at once struck the Joplin district. Now, this duty has been cut in two and as a result it is predicted that the mines will again have to shut down, as it will be impossible for the operators to compete with the Mexican product, at least, as soon as quiet is restored in the neighboring Republic. This is a clear illustration of what I stated before—that in many cases the American producer has been placed at a clear disadvantage as compared with the foreign producer. The reason is, of course, the difference in wages. The same is true in the case of lead and glass and barytes. The people of Jasper and St. Francis Counties, I predict, will long remember the Underwood bill as well as the party responsible for it.

Coming to the manufacturing industries of St. Louis, I judge from the protests which I have received that disaster will befall many of them as a result of the proposed legislation, and I believe I have heard from all of them. Those more seriously affected are boots and shoes, milling, chemicals, cigars, stained glass, bags and bagging, dry plates, and lithographing. Boots and shoes have been placed on the free list, and why? Because it has been stated that our shoe manufacturers have been successfully selling abroad; hence, if they can compete with foreigners in their own markets they can compete with them here. It is true that American shoes are bought abroad, because they

were better shaped and more elegant than the European article, but of late the foreigners have not only secured American machines but also imitated American lasts, and as a result their competition in the American market has become formidable even under the Payne rates, and for the simple reason that the wages paid in the shoe factories of Germany, Denmark, Austria, France, Norway, and Switzerland average less than two-fifths of those paid in the United States. There is not the slightest semblance of privilege or monopoly connected with the shoe trade, and to deliberately place our manufacturers at a disadvantage on account of the difference in wages is a grave injustice. At present shoe manufacturing is one of the most flourishing industries of St. Louis, employing thousands of workingmen. What is to become of it?

Milling, another of St. Louis's great industries, is affected by the provision which places flour on the free list and imposes a duty of 10 cents per bushel on wheat. Here we have a tax on the raw material and free trade for the finished product, which means a premium on the importation of flour from Canada. The same is true of oats. Raw oats carry a duty of 10 cents a bushel while manufactured or rolled oats were placed on the free list. This is too much even for the leading Democratic paper of St. Louis, and it thunders against this "inconsistency" editorially.

Manufacturing of chemicals is one of our most sensitive, because youngest, industries, and was also one most difficult to establish against the monopoly of the Old World, especially Germany. The deep cuts in the schedules will therefore be most keenly felt and probably result in quite a number of compounds not being manufactured here in the future.

The Payne law limits the free importation of cigars from the Philippine Islands to 150,000,000 annually. The Underwood bill removes this limit, so that the American cigar makers are thrown into direct competition with the Filipinos, whose wages, according to the last statistics, are only $96.50 American money annually, or 30 cents per day. And, of course, there is nothing to stop the Tobacco Trust from going to the islands and manufacturing, with the use of the cheap labor there, all the cigars the American market can carry. This is a most serious proposition for the hundreds of small manufacturers in St. Louis and elsewhere, as well as for the men they employ.

A staggering blow which it will not be able to survive is dealt by the new Democratic tariff to the stained-glass window industry, an infant industry in the true sense of the word, its recent establishment in this country being solely due to the protective tariff. We have one such factory in St. Louis whose products, from the standpoint of art, compare favorably with the best European importations. The duty on stained-glass windows is now 45 per cent, which barely equalizes the difference of wages abroad and here, but enabled the establishment of the new art in the United States. The Underwood bill provides in one section for a reduction to 30 per cent and in another that such windows shall be admitted free if donated to churches, and so forth. As church windows are in nearly all cases actual donations, this provision will wipe out the industry, and the only alternative of the manufacturers will be to move their plants to Europe and export their art products made by the cheaper foreign labor to America. If the committee acted with their eyes open, I do not hesitate to say that their action is an outrage which should be resented by the people. In this case the excuse of cost reduction will not count, because there was open and free competition between the manufacturer and the importer, and the latter still had the bulk of the business and, further, because after the industry is struck down the foreigners will raise the price at their own pleasure.

There is another case in which the duty on the raw material and the finished product has been made the same, to the detriment of American manufacturing. I refer to bags or sacks and the material, "plain woven fabrics of single jute yarns," from which they are made. The duty is 25 per cent ad valorem, and its effect will be that a considerable portion of the manufacturing of burlap bags now done in this country will be done abroad. St. Louis has several bag factories which will be affected by the change.

The deep cuts of the rates on window glass, it is asserted by manufacturers, will make it doubtful whether they can continue to operate their plants in this country, even, so they say, if wages were cut in half and all idea of profit abandoned. This change seriously affects Valley Park and southeast Missouri.

St. Louis has several dry-plate factories. Representatives of these and other concerns appeared before the committee and urged an increase of duty from 25 to 40 per cent, as the present rate was not sufficient protection against English plates made by cheaper labor. But the committee heeded the advice of an importer who appeared at the same time, and instead of increasing the rate reduced it to 15 per cent; and so in nearly every instance have American interests been ruthlessly subordinated to foreign interests. Indeed, the title of the bill should be changed to read "A bill to encourage foreign industries at the expense of American labor."

I realize that all protests against this free-trade bill will be lost, like the voice in the desert; but I desire to go on record with these statements to show the contrast between Republican and Democratic policies. No human being is infallible, and no party is, but it is worse than inexcusable and an offense against public welfare for any set of men to put into effect ideas which have proven erroneous and detrimental to the prosperity of the people.

Mr. UNDERWOOD. Mr. Chairman, I desire to yield to the gentleman from Indiana [Mr. CLINE].

Mr. CLINE. Mr. Chairman and gentlemen of the committee, in the closing hours of the general debate on this proposition I venture we have all been interested in the discussion of the greatest subject that can affect the business of the country. I have been glad to have information from the old Members of this House, drawn from the deep-driven wells of their knowledge, and also the views of the new men. We have been delighted with the hope of the good things to come, from our side, and we have despaired at the prophecies of the gentlemen on the other side. We have declarations that this is to be the best tariff ever written, from our side, and we have heard the statement that it is the most dangerous measure that Congress has ever considered, from the other side.

But in all these observations I was particularly interested in the remarks of the distinguished gentleman from New York [Mr. PAYNE], who, out of the wind cave of his retirement, while the black bats and hobgoblins were flying about him, as he saw in the dim light of his surroundings—the retirement of a great party—what was going to happen to him. My friends, his condition demands the commiseration of every man on this floor. He knows what we are going to do to his only legislative baby. We are going to escheat those rights that he sought to invest it with under the Constitution to 90,000,000 of people by the adoption of this bill. And we are going to restore those rights that have so long been installed by class and partisan legislation.

I am surprised particularly at the gentleman who has just concluded his remarks, the gentleman from Iowa [Mr. GREEN]. The wildness of his observations, the incorrectness of his statements, are surprising, coming from a man who has occupied a seat in Congress for four years—the statement that free raw material was a Democratic doctrine! The Democratic Party in national convention has never expressed itself on the question of free raw material unless it was on a single item, and that one once. Why, the reason is clear. It was because we believe in a tariff for revenue only. And when you reach that position the detail of proposition as to where the levy purely for revenue shall be laid is purely a matter of individual judgment, and the Democratic Party has never sought to dictate that particular feature. In other words, the detail of a principle in its application can never subordinate the principle itself.

Why, the gentleman says, "We want to give the people relief on the wool schedule." That is the most amusing declaration I have heard in all this discussion—that any Republican wanted to give the 90,000,000 people in this Republic relief on the wool proposition when they have insisted for 30 years upon enthralling the people of this country with the most outrageous rates under that proposition that ever existed in any tariff bill. They are willing now to eat out of the hand that smote them for a violation of a sacred promise to reduce the tariff, and thus to bask in the good graces of the people.

There have been other Governments where commerce or law or art has been the predominant national characteristic. The foreordained destiny of this Republic is to produce and to distribute wealth. In our purpose are centered all the forces—all those tremendous powers—law and art and commerce; painting and sculpture and music; the calm, dignified mantle of the law; and the sanctity of a Christian force in morals. These, with our environment of nature's resources, make up for us a condition that awakens in every man a devoted admiration for his citizenship and his country.

In the feeding and the housing of people, in the proper ministry to their wants, lies the highest purpose of human endeavor. Government is a great problem. The diversity of our climate, the interdependence of our activities, the mysterious and complex forces of a mixed civilization, the unfathomable possibilities that may be wrought out for our good or that might be visited upon us by the great swarms of humanity about us, all clamoring for recognition of their assumed rights, warn us of the fact that the labor we are engaged in is a seri-

ous business. The solution of our problems does not lie alone in writing the rates of duty a little higher or a little lower or in writing no rates at all, but in the coordination, control, and equitable distribution of all those commingling agencies of our production and distribution; in all of which every man must contribute, under law, an untiring service "to produce and distribute the material boons won by such study, such devotion, such patriotism to the myriads who have sprung from the earth's bosom in this summer of political liberty." This is essentially, the world over, the age of supply and demand. The contest we are waging in this Chamber is for trade, world-wide trade, and the legislation we are writing is the attempted equal balancing of all those complex industrial forces, both at home and abroad, that make for our supremacy. It is our duty to direct the trend of these forces so that in the volume of development there shall always result even-handed justice to all.

I have no purpose to discuss the minute detail of this bill. I was not in harmony with a few of the details and so expressed myself in the consideration of the bill in caucus, as every Member had a right to do. You have so often been told that this character of legislation is always a compromise. The preponderance of wise provisions is so great over the provisions written in the bill on details on which we differ that it should receive the enthusiastic support of every Member of this body. I therefore confine myself to those controlling general principles that mark the divergence of the two great parties in their respective fiscal systems and to which the disciples of each are committed.

In an exhaustive discussion of the Payne bill by the present Speaker of the House in March, 1909, he said: "Revolutions do not go backward." Succeeding events have demonstrated the wisdom of that declaration. The economic history of the country presents no parallel to the revolution we have witnessed. The people have pursued the heresy of high protection with a vigor that bespeaks a national conviction. The evolution of unstable theories and wild vagaries of government have never been surpassed by the growth that the protective theory has made in the last 40 years under the guise of being a wise and equitable fiscal policy. The system of the body politic for nearly half of the life of the Republic has been so thoroughly infiltrated by and saturated with the doctrine of governmental paternalism for selected classes of its citizenship—even to the extent of guaranteeing profits to favored lines of business—that the most difficult lesson at this late day to learn is that no citizen has a vested right in the taxing power of the Federal Government for his own personal benefit. Almost the entire public business of the country depends upon the method of collecting and disbursing revenue, and very largely in collecting duties on imports. The two parties have always differed as to the latitude of constitutional power of the Government to levy and collect taxes. It has been the theory of the Democratic Party for more than 100 years that the only just and equitable right the Government had to levy a tax was to collect money to discharge the economical expenses of the Government. For 50 years the rival of our party has insisted that the Government itself has power under the Constitution to discriminate between its citizens and impose, levy, and collect taxes upon all the people for the benefit of a small class of the people. The contest between us for all that time has been for a fair and honest constitutional taxation as against a high and usually prohibitive tariff.

I have heard the usual jabber about free trade by both the older and the younger Members of this body on the Republican side since this discussion began. Every Member knows that free trade is an absolute impossibility, and he likewise knows that the Democratic Party never, in its platform or elsewhere, advocated free trade. We appropriate a thousand millions a year to pay the expenses of the Government. Somebody must pay that sum. It can only be derived by taxation in some way. Every man knows that free trade could not exist without a system of direct taxation. The customhouses are here to stay, because it is the easiest indirect method of collecting taxes. But the customhouses are not to be converted into an agency for protected interests to destroy competition through excessive tariff rates. The times have changed when the word "protection," associated with the Coal Trust, the Steel Trust, the Leather Trust, is coming to be as obnoxious as it was powerful in the earlier history of the protective theory, and this condition is easily explained. The greed and avarice of men seized with political cunning were not content with a reasonable rate of taxation, but insisted on such rates that made the system odious to the people.

Now, what is admitted with reference to the so-called protective principle? It is this: Certain classes of citizens are special favorites of the policy through a protection that gives them advantage, not only over all competition but over the markets of this country in which every man must purchase, and the amount collected above a rate that would shut out competition does not go into the Treasury but into the pockets of the protected interests. The purpose of raising a rate is to keep competition out of the market and give the favored manufacturer or dealer an exclusive opportunity. All this at the expense of the general public. There is not a protectionist on this floor that is willing to reduce a rate on imports so as to create a fair competitive market, both in which to sell and in which to buy. What has been the consideration for this special favoritism in taxation? It is a matter of common knowledge that the alliance between the Republican Party and the special interests was made for their mutual benefit. It became a national scandal that the Republican Party maintained itself in power by contributions from special interests, and in return they were protected by that party from suffering any reduction in the enjoyment of practically prohibitive tariff rates. So notorious it became that Congress enacted special legislation to prevent contributions exceeding a certain amount and compelled the committees receiving contributions to disclose their sources and when and how the money was expended. Now, how has this protection theory been operated? Necessarily, when you lay a tax on imports you raise the price of these imports by the amount of the tax. Men, seeing how easily the system worked, found that if you raised the import duty high enough no imports could come in, because the home manufacturer could just undersell the importer, keep him out of the home market, and that would permit the home manufacturer to fix the price of his product in the home market, where the purchaser was compelled to buy, and Congress has accommodated the tariff grafter by putting the rates so high that he could cut out all competition. What does such destruction of competition mean? President McKinley said, in his last utterance, "We can not always hope to sell to people from whom we buy nothing." We are an exporting people, and if we permit the home manufacturer to control completely our ports against the foreigner we can not expect him to take our meat products, agricultural products, and the products of our diversified industries unless we trade with him. Consequently, our commerce languishes. Prohibitive tariff duties prevent foreign trade from coming to us, and we are prevented thereby from selling to them. The greed of the tariff beneficiaries closes all opportunity of trade and compels 90,000,000 people to buy of them in a restricted market. What is left for the American farmer, for instance, but to carry his products abroad and sell them in the world's markets and come back home with the proceeds and buy in a Government market? I say Government markets, because Congress, through special legislation, makes it impossible for him to buy abroad and bring his purchase in. If you inquire how Congress justifies itself in granting this benefit to a favored few and how the favored few justified themselves in taking this gratuity, I answer, in the McKinley bill, the Dingley bill, the Payne-Aldrich bill, the large Republican majority was simply the agent of the special-privilege classes, and the interested parties themselves were permitted to write the rates in the tariff measures. No one denies that proposition.

The tariff agents use the stock story that they want the high rates so that they can maintain the American wage scale and the American plane of living. It is a matter of common knowledge that the protected interests go to the fields of the unemployed and buy their labor in the cheapest market that has that product to sell without regard to the American wage earner or his plane of living. Not a Democrat in the House would raise such serious objections if through the meshes of this conspiracy a part of the tariff taxes could filter into the wage earner's pockets and he receive a portion of these unwarranted exactions wrung from the American public. I have so often heard the "old, old story" of anxiety for the American wage earner handed to the public as a blind for higher and more exclusive rates of protection. These rates are pro forma retained because of the difference in labor cost of the articles produced here and abroad. Our export history returns show that Americans are skillful enough and resourceful enough to make all the world's goods as cheaply as any foreigner makes them. I have not so much concern about the difference in the cost of production as I have in our trade relations. I have never lost an opportunity to say that no nation ever had a permanent history that does not have a great export trade. With our unlimited resources, our skill, our virile life, we outrival the world in production.

That the beneficiaries of special tariff legislation shadow their privilege behind the stock arguments of protection to American labor is completely revealed in the recent Lawrence, Mass., woolen strike. This industry, the especial pet of the Republican Party, has been favored with the most indefensible tariff exactions ever given to any line of manufactures. Not a

single Republican in this body has had the courage to face the high tariff taxes on his side and in the name of American Christian civilization condemn the system under which the Lawrence, Mass., woolen mills flourish like a green bay tree. They could employ and pay the American laborer a fair living wage and still reap immense profits. What are the facts? I quote from the report of the congressional committee that recently investigated the outrageous conditions that exist there:

There are 60,000 operatives in the Lawrence mills, and of that vast number 86.3 per cent are foreign born or American born of foreign parentage, less than 14 per cent American born.

The congressional investigation covered 21,000 persons employed in the mills. Of this number 7,295 received less than $7 per week of 56 hours. It is fair to assume the rates would hold good with the whole 60,000, and consequently more than 21,000 received less than $7 per week. It was definitely shown that in a family of five the trust had forced the wages so low that it was necessary for the father to take with him in this struggle for existence two of his children over 14 years of age to get the absolute necessaries of life. Necessity forces a large number of mothers with small children to enter these mills to help earn a living for the family. This is an illustration of what the tariff grabber will do when he has an opportunity, and this report states that Lawrence is not an exception from the manufacturing textile mills in the North Atlantic States. In the unsatisfied demands on the army of human serfs living under this protected wage scale, unsatisfied with the blood of their victims, they have lately built up a new process of making money by doing what is termed "speeding up" the machines and putting employees on piecework and compelling them to make what is denominated a "premium profit" or lose employment. The Payne bill that we by this measure seek to repeal makes a hollow mockery of its pretended interest on behalf of the laborer and consumer. The American people have been bunkoed by the sophistry of protection to American labor.

I do not have the opinion of the American laborer that his Republican friend has of him. I do not believe he is the pampered, incapable, and helpless individual he is pictured. I do not compare him to his disadvantage and humiliation, or question his ability to maintain himself and the commerce of his country against all competition. Climate, the Anglo-Saxon blood that flows in his veins, the fostering care of a democratic form of government, his intelligence, his ingenuity, his inventions, his efficiency, have made the American laborer the wonder of this commercial age. Into the world's markets last year he sent—

Manufactures of iron and steel	289,128,000
Copper and manufactures of	126,770,000
Agricultural implements	41,436,000
Wood and manufactures of	105,840,000
Mineral oils, refined and crude	124,210,000
Chemicals, etc	26,074,000
Leathers and manufactures of	64,400,000
Cotton, manufactures of	52,450,000
Paper and manufactures of	21,165,000
Electrical machinery	23,000,000

and sent those products of his skill into every market of the world in direct competition with everybody. Even if in the very few highly protected industries the American laborer is the beneficiary of the protective theory, a proposition I do not concede, there are multiplied thousands in mines, on the farm, in construction work, behind the counters, and in every clerical calling in our diversified life who are not in any manner benefited. The Federal Government raises its strong arm to isolate the American market from competition for the tariff grabbers, permits them in certain lines of industry to divide up the consumers and territory among themselves, and makes the American laborer the common property of them all. To tax out of competition the products of the privileged classes, the woolens and other cloths, ready-made clothing, and put into competitive markets the products of the unprotected classes is an unjust and unfair discrimination. Those masters of production, once intrenched, not only fix their own prices, that the great masses of citizenship are compelled to pay, but they likewise fix the price of labor in their restricted market that labor is compelled to take.

Look at our unfettered domestic commerce, unrestrained, except by freight rates. We have grown to be the greatest business people on earth. Our diversified industries, the volume of production, the multiplied needs of a great cosmopolitan people extending over a vast amount of territory presents a conclusive argument of what we could do abroad if this artificial restriction of trade were withdrawn. Our increased commerce with the Philippines, Porto Rico, and Hawaii are illustrative of what freer trade relations will do for us if you extend these conditions to all the world's markets. Our domestic commerce is greater than that of all Europe combined and nearly 50 times the volume of our export trade. There is no American but what looks with pride upon the marvelous industrial advancement we have made. I would not cast a vote to the detriment of any legitimate industry. Those institutions and combinations, however, that have enjoyed the beneficial support of legislation must observe that there is an equality of justice and equity that must be invoked.

The people know they have been discriminated against by the Republican Party. The intelligence and conscience of the American people is awakened, and they will enforce a square deal. High protection and Republicanism are synonymous terms, and neither can exist without the other. The Republican Party has no permanent and equitable system of civil government. It has existed upon a false basis, and the people have concluded that its unnecessary exactions in the way of high protective rates ought to cease and have returned to power the only party that pretends to have any policy to correct the injustices under which they have striven.

This bill is drawn to accomplish two distinct purposes—to lower the rates of duty on imports to a reasonable competitive basis, to change in part our present fiscal policy. Congress is advised by manufacturers that to lower the rate of duty to a competitive basis will force some invested capital to go out of business. Capital that can not operate on a competitive basis ought to seek other fields of investment, otherwise a change in the rates under which are sheltered some of the most vicious combinations would be a senseless proceeding. Are we to assume that the Government is to continue to tax the American people to hotbed a business on a reasonable profit basis, for the express benefit of a few people who have their money invested in lines of business that could not survive except by such Government aid? Such a proposition is at total variance with that wholesome law of competition in trade. If the Democratic Party has ever stood more firmly for one doctrine than another, it was for an equal opportunity for every citizen of the Republic.

The CHAIRMAN (Mr. WILSON of Florida). The time of the gentleman from Indiana has expired.

Mr. CLINE. I should like to have five minutes more.

Mr. UNDERWOOD. Mr. Chairman, I yield five minutes to the gentleman.

Mr. CLINE. Our national life is our commerce, and running parallel with the law of supply and demand is that other natural, necessary, and equitable law of fair competition that ought to ramify every commercial transaction. Every man who sells his toil or expends his money for merchandise has a sacred and inalienable right to competition for that toil and money, and no Government ought to legislate so as to abridge that right. Every man who makes or offers for sale a dollar's worth of goods ought to have a free and unrestrained market for the same. Competition is an impossibility under a high protective tariff. The rates of duty under the Payne bill are in all essential particulars a reproduction of the Dingley law that destroyed competition in American markets. Let me call a Republican witness of high authority. I quote from a speech by Senator CUMMINS on consideration of the Payne bill:

Complete, substantial competition is no longer a factor in American commerce. * * * The right of a consumer of any article or commodity to competition is dearer and higher and more sacred than the right of the producer to protection.

Whenever you eliminate competition by a preferential statute like the Dingley law or the Payne law you invite monopoly of production, conspiracy in restraint of trade, crushing of competitors by first lowering rates and then raising them, discrimination of prices to different persons in different localities, and political corruption. In preferential tariff legislation, on whatever theory it is based, the dual right to profits of the business, both to the manufacturer and the laborer, is defeated.

In the natural operation of the law the forces that enter into production are complementary and competitive, but when legislation deflects the natural law into favoritism the power to determine the amount of profit and to whom they shall go is given to the investor of capital, and that always destroys competition. I care not how complicated the civil state may be—and I mean by that society—the one controlling fact is that our welfare depends upon giving to society the largest possible output of a given article at the lowest possible cost, and can only be maintained by prohibiting any interference with the natural law of competition.

The statement has been frequently made in this discussion that if we increase importation to that extent we are transferring the American field of employment to cheap foreign labor. This is on the false premise that the volume of production is to continue to remain the same. If we have increased so marvelously our production in a limited market, why should we not even more largely increase them for an unlimited market?

If lowering the duty will make woolens and cottons cheaper, why will not more people wear woolen goods and all the people wear more and better qualities of both woolens and cottons? If that is true in the manufacture of textiles, why will it not be true in every other line of manufactures? And the laborers consequently have larger fields of employment, which the competition sought for in this bill will provide.

The important feature of this bill is the income-tax provision—distinctly a Democratic measure. During the long reign of the Republican Party it refused to countenance the income tax as a means of raising revenue. The leaders of that party knew that an income-tax law meant pulling down the rates of duty that the special interests were enjoying and the contributions by them made to the Federal Treasury. They joined the Democratic Party in the Sixty-first Congress to submit a constitutional amendment providing for an income tax. Simply, however, to postpone the day of the enactment of an income-tax law and believing that a sufficient number of States would not ratify the amendment authorizing Congress to perfect it by legislation. The assessment of incomes is the most equitable and just system of taxation. It conduces to a fair and equitable distribution of burdens and is based upon the universally accepted doctrine of taxation—that in addition to a tax on articles of consumption there should be a tax upon incomes properly graduated. Always and everywhere, when the demands for greater justice in the distribution of the burdens of taxation have arisen, the income tax has been resorted to. In this country, with its greatest commerce, wealth, and opportunity for the development of natural resources, why should we not reach the colossal fortunes for some support to the Government in whose system of taxation their possessors heretofore have found so much favor?

The rates of taxation provided in this bill to be paid on incomes are as follows:

On all net incomes of $4,000 to $20,000, 1 per cent.
On all net incomes of $20,000 to $50,000, 2 per cent.
On all net incomes of $50,000 to $100,000, 3 per cent.
On all net incomes of $100,000 and upward, 4 per cent.

I quote from the New York World to show how the tax will effect some of the great millionaires of the country:

	Capital.	Income.	Tax.
John D. Rockefeller	$500,000,000	$50,000,000	$2,000,000
Andrew Carnegie	300,000,000	15,000,000	600,000
William Rockefeller	200,000,000	20,000,000	800,000
Estate of Marshall Field	120,000,000	6,000,000	240,000
George F. Baker	100,000,000	5,000,000	200,000
Henry Phipps	100,000,000	5,000,000	200,000
Henry C. Frick	100,000,000	5,000,000	200,000
William A. Clark	80,000,000	4,000,000	160,000
Estate of J. P. Morgan	75,000,000	7,500,000	300,000
Estate of E. H. Harriman	68,000,000	3,400,000	146,000
Estate of Russell Sage	64,000,000	3,200,000	128,000
W. K. Vanderbilt	50,000,000	2,500,000	100,000
Estate of John S. Kennedy	65,000,000	3,250,000	130,000
Estate of John J. Astor	70,000,000	3,500,000	140,000
W. W. Astor	70,000,000	3,600,000	140,000
J. J. Hill	70,000,000	3,500,000	140,000
Isaac Stephenson	74,000,000	3,700,000	148,000
Jay Gould estate	70,000,000	3,500,000	140,000
Mrs. Hetty Green	60,000,000	3,000,000	120,000
Estate of Cornelius Vanderbilt	50,000,000	2,500,000	100,000
Estate of William Weightman	50,000,000	2,500,000	100,000
Estate of Ogden Goelet	60,000,000	3,000,000	120,000
W. H. Moore	50,000,000	2,500,000	100,000
Arthur C. James	50,000,000	2,500,000	100,000
Estate of Robert Goelet	60,000,000	3,000,000	120,000
Guggenheim estate	50,000,000	2,500,000	100,000
Thomas F. Ryan	50,000,000	2,500,000	100,000
Edward Morris	45,000,000	2,250,000	90,000
J. O. Armour	45,000,000	2,250,000	90,000

How can there be, in all fairness and equity, any objection to taxing these vast volumes of wealth to provide a part of their own protection? If necessary, the Government would be required to spend every dollar in the Treasury, call out the standing Army and Navy for their security.

There is not a civilized Government on earth but that taxes incomes; but places the burdens of supporting the Government on those best able to bear it. Even in our possession of Hawaii they have an income tax. The wisdom of constructive statesmanship of the Democratic Party was never more clearly proven than in this measure that seeks to relieve the masses of $100,000,000 of taxation on what they eat and wear and place that amount upon the great fortunes of the wealthy. [Loud applause on the Democratic side.]

Mr. UNDERWOOD. Mr. Chairman, I desire to yield to the gentleman from Missouri [Mr. LLOYD].

Mr. LLOYD. Mr. Chairman, one of the most serious questions with which any government has to deal is the subject of taxation. It is impossible to maintain any government, either National, State, or local, without large sums of money to meet the necessary expenses of maintaining it. The United States Government and the State and local governments are maintained by some system of direct taxation levied in amount according to the value of the property which each individual owns.

In the National Government a different system has been devised, one which is not fully understood by the masses of the people, because the taxes assessed are paid without their knowledge of the amount or the time of payment in most instances. In State and local governments taxes are assessed in amount according to the value of one's estate, as in the National Government taxes are levied in amount according to the extent of consumption.

National taxes are raised in three ways—by customs dues, internal-revenue taxation, and stamp sales. The expenses of the Post Office Department, which amount now to more than $275,000,000 annually, are paid almost wholly by those who use the mails—those who use them most paying the greatest amount of revenue by reason of their purchasing the greater number of stamps; those who use them least paying the least amount of revenue on account of using a limited number of stamps.

Internal-revenue taxes are obtained by levying a tax on liquors and tobacco. The sum raised by this tax amounts to about one-third of the total revenue received each year for the maintenance of the Government.

The third method of taxation—customs dues—is a tax levied upon goods which are brought into the United States for sale. Under the tariff law rates are fixed, and each individual commodity is expected to pay a certain amount of taxes. This tax is paid at the port of entry by the importer of goods; the amount of tax thus paid is added to the value of the goods, and the consumer who finally receives the goods must pay the taxes imposed at the customhouse. Many individuals do not realize that any burden is imposed upon them by reason of this taxation. For many years a political organization in this country undertook to mislead the people by proclaiming that the people would not be affected by this taxation, that the tax is paid by the importer and does not in any wise affect the purchaser in this country. But this theory has long since been exploded, and the people now appreciate the fact that the tax thus imposed is eventually paid by the consumer of the article on which the tax is levied.

There have always been two ideas of taxation with reference to customs duties in the United States—one that the tax should be levied for the purpose of raising revenue to meet the expenses of the Government and that the only purpose which makes justifiable the levying of this tax is to meet governmental expenses. The other is that this tax should be levied primarily for the purpose of protecting the manufacturer of American goods against the competition of foreign-made goods. The former is the view which has been entertained by the Democratic Party at all times; it contends there is no excuse for the levying of a tax solely for the purpose of protecting a small class of American citizens. It is true, of course, that under a protective system revenue is raised which is used for the purpose of meeting the expenses of the Government. It is also true that under the revenue system which is advocated by the Democratic Party the manufacturer in the United States of goods similar to those on which customs duties are levied will receive benefit from such taxation in the way of protection, because it will enable him to sell his goods at a higher price than he could if no such tax were levied. Such a tax levied in any instance enables the American manufacturer to sell his goods at a higher price than he could receive if no such tax were imposed; in other words, the importer who buys the goods abroad and brings them to the United States must pay, in addition to the original cost and the transportation charges, the tax that may be levied on the goods, which adds to his cost price; while the manufacturer of such goods in the United States can sell his goods at the price of the imported article, and thereby secure the benefit of the increased selling price to the extent of the tax imposed.

According to the protective theory the tax should be imposed in order that the manufacturer of goods in the United States might receive from his customers the highest price. The Democratic Party insists that the Government has no right to levy a tax primarily for that purpose. Yet it is true that under the Democratic tariff the manufacturer of like products in the United States is protected and benefited to the extent of the tax imposed on the foreign article, and receives from the purchaser a price enhanced by the amount of the tariff duties paid upon like imported articles. In other words, the consumer of manufactured goods in the United States, whether he buys goods which are imported or goods which are manufactured in this

country, has to pay an increase in price for the article equivalent to the amount of the duty imposed on the imported product.

The pending tariff bill is not exactly as I would have written it, but no tariff bill has ever met in all its details the views of any one man. There are several features in it that I would change, but the measure taken as a whole is, in my judgment, a splendid bill and responsive to the tariff plank in the Democratic platform and to the wishes of the American people as expressed at the polls for downward revision.

This bill is framed in the interest of the consumer, and will have the effect of reducing the cost of living. It may not reduce it as much as some would hope, because many of the existing duties are prohibitive and the reduction of the tariff may not affect the price down to a point where the tariff would be competitive. But this legislation is in the interest of the people, and I hope it may become a law without any material change and that it may be given a fair test.

The people have not had the opportunity to determine the merits of a genuine Democratic tariff law since the Civil War, and I am especially anxious that they shall be given the opportunity of giving this one a fair trial, for if they do I feel confident there will come to the American people what came following the Walker tariff—a disposition to let well enough alone and recognize the question of taxation as settled along Democratic lines in favor of a tariff for revenue in the interest of the consumer and in the abandonment of the idea which has prevailed for 40 years—that tariff should be levied for protection's sake.

Mr. UNDERWOOD. Mr. Chairman, I would like to know how the time stands at the desk.

The CHAIRMAN. The gentleman from Alabama [Mr. UNDERWOOD] has consumed 17 hours and 58 minutes. The gentleman from New York [Mr. PAYNE] has consumed 18 hours and 8 minutes.

Mr. GARDNER. Mr. Chairman, I yield to the gentleman from South Dakota [Mr. BURKE].

Mr. BURKE of South Dakota. Mr. Chairman, among the other iniquitous provisions of the pending tariff bill is the agricultural schedule, which schedule, in my opinion, is unjust and unfair to the farmers of this country, and will be disastrous to them, and it is an effort to try and gain political advantage to the Democratic Party by attracting the favorable attention of the voters in the large cities of the country.

I represent a district of intelligent, progressive, and successful farmers, who have prospered under the protective policy, and when they realize the unfairness of this schedule, as they will if it becomes a law, you can be assured they will repudiate it at the first opportunity.

My purpose in rising at this time is to have read a letter, written by one of my constituents who has for many years been a large and successful grower of live stock in South Dakota, which expresses his views upon the proposition of putting meats on the free list. It is as follows:

FAULKTON, S. DAK., *April 22, 1913.*

Hon. CHARLES BURKE,
House of Representatives, Washington, D. C.

DEAR MR. BURKE: I want to write you in regard to the proposed tariff bill putting meats on the free list. I believe that this is the very worst thing that could happen to the live-stock industry. I believe that it would ruin that industry throughout the United States.

It is a well-known fact that the packers own over 50 per cent of the packing and meat industry in Argentina and Brazil. They are the only ones that could possibly handle those meats, and they would use it as a club over the producer of live stock without very much benefit to the consumer.

I can not see for the life of me why there should be a 10 per cent duty left on cattle and then have free meats. Your duty on cattle would have a tendency to raise the prices of cattle going into the feed lots in the corn-belt States, or make them higher for the corn-belt feeder, and then, when they go to market, after they are fat, he would have to compete with free meats.

I certainly believe it would be better all around to have a duty on dressed meats and have cattle come in free, as then the feeders, after they got their cattle fat, might have some protection. If this bill goes through and puts meat on the free list, it is going to affect every farmer and every laboring man, and I honestly believe that it is going to affect the laboring man first, because it will put him on a basis with the wages they pay in Mexico, Argentina, and Brazil.

What the cattle industry needs most, and the cattlemen, is some encouragement, and there will be plenty of live stock in the United States in a very short time. If the cattlemen have to go back to the prices of four or five years ago, they will just simply get out of the live-stock business and quit running them just as fast as possible, as everybody knows that prices prior to, say, four years ago did not justify anybody in raising cattle, and thousands of people went broke in the live-stock business. The packers or consumers can not expect the people to go back to those prices and raise cattle at a loss, and cattlemen throughout the country will simply quit.

I wish you would drop me a line and let me know what your views are along those lines. With kindest regards, I am,

Yours, respectfully, P. H. O'NEIL.

Mr. Chairman, I yield back the remainder of my time. [Applause on the Republican side.]

Mr. UNDERWOOD. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. CARR].

The CHAIRMAN. The gentleman from Pennsylvania [Mr. CARR] is recognized.

Mr. CARR. Mr. Chairman, a sufficient revenue is the inevitable problem of government. Not to provide privileges, but to maintain the national life, is the purpose of this bill. Not to succor an infirm industry but to support the Government of the United States should be the object of taxation. With the thought uppermost in our minds, and the consequence upon our consciences that, first or last, whatever the system, this money must be collected from the people, we impose the lightest burdens upon the weakest shoulders. And as it is our Democratic thought that each citizen should receive from society a reward commensurate with his service to society, so now it is our Democratic purpose that each citizen shall contribute to the administrative necessities of society in proportion as he has been the recipient of its benefits.

Opposed to the Democratic doctrine of taxation for revenue only is the Republican theory of a tariff for protection. It has been argued on the other side of this Chamber that if we so lay the tariff duties as to afford the home manufacturer an exclusive home market, he will pay higher wages to labor, keep running to their fullest capacity the mills and factories of the country, and thus assure the prosperity of all the people. We are asked to protect the manufacturer that he in turn may accord labor its just wage. This argument is premised upon the principle once enunciated by Alexander Hamilton, the founder of the old Federal, now the Republican Party, that the Government should take care of the rich and the rich will take care of the poor. Yet labor is compelled to organize against this protected capital in order to secure a living wage. We have seen infant industries, for the development of which a tariff was first laid in the name of protection, grow to the stature of trusts actually controlling the markets of the world and defying the laws of the land. And these infants are here still pleading for protection. For protection against whom do they plead? Surely not against the foreign manufacturer, for in many instances he is undersold in his own market. Can it be against the very labor whom the tariff was supposed to benefit?

Mr. Chairman, how have these infants, which have been the beneficiaries of the Nation's bounty, taken care of the poor? Ask the textile workers of New England, who so long have been fighting for a fair share of the fruits of their labor. Ask the toilers of the great Pittsburgh district where the Steel Trust has held lordly sway. Read the answer in the burned faces and blistered hands of men who have toiled their lives away for the scant wage that under this system grows ever scantier. Yet the doctrine of Hamilton remains the creed of the Republican Party: "Let the Government take care of the rich and the rich will take care of the poor."

Mr. Chairman, there never was a doctrine so untenable as that a high tariff makes high wages. I assert that the occupations that are not protected are generally better paid than the protected ones. The bricklayers, the masons, the carpenters, and the independent artisans receive higher wages than those that toil in the highly protected industries of the country. If a protective tariff insures high wages, why are the labor unions necessary to keep up the standard of wages in protected industries?

Labor receives just what it is able to compel capital to pay, and no more. As a general rule capital secures labor at the smallest possible cost, and American labor is compelled to compete in the open market. If labor were given a fair share of the joint earnings of capital and labor, the iniquities of the tariff would not be so flagrant. There would at least be the justification that while bearing the burden of taxation labor is the recipient of a part of the exactions of special privilege.

Mr. Chairman, for every dollar that goes into the Treasury of the United States through the customhouse by reason of the present tariff about $15 go into the pockets of the protected interests of the Nation. In order to raise $1 of revenue for the support of the Government our people are taxed $15 for the support of the protected interests. What a burden to impose upon our people under the guise of protection. To call such a doctrine the "protective doctrine" is simply an attempt to hide its deformity beneath an engaging garb of rhetoric.

The advocates of the doctrine of protection believe the infants should still be protected, and justify their selling abroad cheaper than they sell at home on the ground that it enables them to dispose of their surplus stock. How does this doctrine appeal to the farmer when he finds that most, if not all, the implements of the farm which are made in this country can be purchased more cheaply abroad than at home? And what

must be the surprise of the American artisan to know that practically all the tools of his trade made in this country in which there is an ounce of iron or steel are sold abroad more cheaply than at home? What must be the astonishment of the American traveler to find American-made watches competing with English watches in English markets?

The Underwood bill seeks to make equitable our system of taxation. Heretofore the heaviest duties have been laid upon the necessaries of the poor, rather than upon the luxuries of the rich. This measure has not only reduced the tariff upon these necessaries, but in some instances has placed them upon the free list. The duty on sugar has been reduced to 1 cent per pound, with the provision that at the expiration of three years this commodity will go upon the free list. It is not denied that sugar can not be produced in the United States in competition with sugar made in the Tropics, unless the whole people of the country be charged practically two prices for this household necessity. The total capital invested in the sugar industry in Louisiana is approximately $35,000,000, and the value of this industry in the other Southern States increases the amount to $50,000,000. And yet the people of the United States pay annually, by reason of a tariff on sugar, three times the total sum invested in this industry in the United States.

A short time ago Senator Aldrich declared that the wool schedule was the keystone in the arch of protection. For years past, since 1867, we have attempted to justify the tariff on wool on the ground that we were protecting the sheep growers of the country. Yet during this period there has been a decrease of more than 10,000,000 sheep in this country; and raw wool was selling in Boston last week cheaper than it was selling in London. The fact is, Mr. Chairman, that notwithstanding a tariff on wool, the sheep industry is declining. But a few years ago practically every State had its quota of sheep. As land became more valuable for agricultural and manufacturing purposes, the sheep industry was driven westward, until to-day the only place sheep are raised primarily for wool is in a few of the States of the extreme Northwest. East of the Mississippi River wool has become a by-product. The average farmer in the East does not have 25 sheep, and this notwithstanding the fact that the tariff on wool has been consistently maintained for more than 40 years. The demand for a tariff on wool comes alone from a few of the woolgrowers of the West who have systematically combined with the woolen manufacturers of the East to keep a tariff on both wool and woolens at the expense of the great mass of the people of the country.

There is little, if any, difference in the price of wool at home and abroad, and, with the exception of Russia, no other country maintains a tariff on this product. But even granting that the placing of wool on the free list would make a difference of a few cents in the selling price of wool, think of the reduced price at which the farmers of the Nation will be permitted to purchase practically every article in use on the farm. The Underwood bill seeks to reduce the tariff to a revenue or competitive basis, mindful of all legitimate industries. More than this no industry has a right to ask, and less than this the Underwood bill does not propose. This was the theory of tariff legislation before the era of trusts and monopolies. The tariff that was first laid with apology is now imposed with arrogance. The tariff that was necessary to meet the expenses of the Civil War is now collected in the name of protection. The man who toils for a daily wage is frequently in no better financial condition at the close of a long life than when he began the grind in the brutal treadmill. Year by year he sees the wealth of the Nation passing into fewer hands; daily he sees others waste while he must want; and he wonders what is wrong with an economic system that creates these conditions.

In 1910 a Democratic Congress was commissioned to revise the tariff downward as a result of the failure of the Republican Party to keep faith with the people as promised in its platform two years before. After the assurance given to the people prior to the election of 1908, the Republican Party proceeded to revise the tariff by increasing duties, by the enactment of the present Payne-Aldrich bill, the most infamous revenue measure ever evolved by duplicity and deceit in the history of this Nation.

The answer to this betrayal of trust came, as I have said, in the election of 1910, when a Democratic House was chosen. The Sixty-second Congress framed a tariff measure embodying in its essential details the wishes of the people as expressed at the polls, but that bill was vetoed by President Taft. The election of 1912 was a solemn, emphatic, and determined protest against the Payne-Aldrich tariff, and the bill now under consideration is the answer of the Democratic Party to the insistent demand of the country for tariff revision. Notwithstanding the plain duty of this Congress, there are those on the other side who, unmindful of the lessons of these elections, still insist upon a continuation of prohibitive duties. The fight for tariff reform has been a long, hard battle. No interest intrenched in special privilege willingly surrenders. Supporting the Republican Party in 1912, as in the past, was the untold wealth that greed and avarice had filched from honest toil. There were captains galore in the ranks, but there were few privates. Notwithstanding its depleted lines, it fought with a determination born of despair. The gentleman from Missouri, now our distinguished Speaker, in an address describing that contest, quoted from Byron's "Destruction of Sennacherib":

> The Assyrian came down like the wolf on the fold,
> And his cohorts were gleaming in purple and gold;
> And the sheen of their spears was like stars on the sea,
> When the blue wave rolls nightly on deep Galilee.
>
> Like the leaves of the forest when summer is green,
> That host with their banners at sunset were seen:
> Like the leaves of the forest when autumn hath blown,
> That host on the morrow lay wither'd and strown.

And, with a few slight changes, the last stanza of that poem fitly describes the anguish of the Republican Party of to-day:

> And the widows of privilege are loud in their wail,
> Their idols are shattered in the temple of Baal;
> And Democracy, triumphant, unscathed by the sword,
> Hath reclaimed for her own this land of the Lord.

Mr. Chairman, I believe that there is a better and brighter day soon to dawn in our long struggle for economic independence. I believe that men are coming more and more to see the evil tendency of present conditions. It can not be that all that is good and great in our Government is to be bartered away for the golden dross that glitters only to deceive. In this fruitful land, marvelous in its resources, unlimited in its possibilities, capable of sustaining a population of untold millions, there should be equal opportunities for all. The struggle of life will not always be ours; it will pass some day to those we love better than ourselves. It was said in olden time that your old men shall see visions and your young men shall dream dreams. The vision of the old and the dream of the young among Democrats has long been of that good day when the black flag of privilege shall no longer rule the high seas of human exchange. To the young man, especially, equal opportunity is the very lure of life. What will his talents, his learning, his industry avail him if the door be closed? What will it profit him that Yorktown fell if privilege is still to make the law? What can it mean to him that Lincoln lived if slavery still abides and lashed millions bear the cross up our industrial Calvary? Why Valley Forge if the bruised feet of millions must forever crimson the frozen way of want; if the blazing fires of industry hold no warmth for those that kindle them? The future bears him small hope upon its wings if a few are to be exalted upon the thrones of privilege, while artificial inequalities bear others down into the quagmire of poverty and despair.

The magnitude of commercial thought and enterprise is the calm, cold logic of events. The combination of brains and money has formed the corporation that in its inherent possibilities of service and stripped of its adherent vices must quicken the blessings of distributed wealth and happiness. The statesmen of this day must hold with even hand the scales of justice, permit no injury to the weak, and do no injustice to the strong. Labor and capital are not independent and can prosper best only through united service. Whatever is unjust both must surrender. Neither ignorant prejudice nor calculating rapacity must be suffered to hinder or obstruct our progress. Yet that progress must be an honest progress, and it must be upon a business and not upon a political basis. The people will not exchange their liberties for any commercial prosperity, however admirable. The complaint that comes to-day is that great aggregations of capital have been receiving special favors at the hands of the Government and that legalized extortion is being practiced upon honest enterprise and toil.

Mr. Chairman, we should all be interested in the general prosperity of all the people. Whatever contributes to the common good should be written into our laws. We are interested in the extension of our commerce. We can not live to ourselves alone. American products must find foreign markets, and it is true of nations as of individuals that we can not hope to sell to those from whom we will not buy. The highways of trade should have no barriers and an extension of our markets will solve at least one of the problems that has given us so much concern. Products congest in our markets; mills and factories close; and we are told that the cause is overproduction. We should establish such foreign trade relations as will permit of an exchange of those commodities in which the nations of the world respectively excel, invoking such tariff duties as will stimulate our industries to a healthy competition with those abroad. By such means alone can we hope for that permanent prosperity that comes with the adoption of the true system of political economy.

I want the conditions such that your boy and my boy will have an equal opportunity in the race of life. We may be able to leave them no silver or gold, but we can leave them that. I have in mind the picture of a day when the old order will give place to the new. It is not a picture of blood and tears, of conquest and carnage, of wrecked hopes and ruined homes. It is not a vision of the privation that visits the huts that fill the valley, or the revelry that swells from the mansions on the hill. This picture has the painter given almost life itself, but it is one that time will tarnish and the decades destroy. Rather let us behold the inspiring vision of a contented people who have forgotten the arts of warfare in the nobler pursuits of peace, a country in which reason shall sit enthroned the supreme arbiter of international rights, a land in which capital and labor shall have sealed in equity a covenant of everlasting unity, by which the fires of industry shall redden every sky, with the music of the forge and the furnace, the mill and the workshop rendering a perpetual anthem to the pursuits of peace, a nation chastened by a century of trials, and bright with a new birth of industrial freedom. [Loud applause.]

Mr. GARDNER. Mr. Chairman, I yield to the gentleman from Kentucky [Mr. POWERS].

The CHAIRMAN. The gentleman from Kentucky [Mr. POWERS] is recognized.

Mr. POWERS. Mr. Chairman, it is a needless waste of the vitality of any Republican as well as a useless consumption of the time of this House to attempt to convince the Democratic majority here that danger lurks and possible disaster lies in this more or less free trade tariff bill they are about to pass through this House and foist upon the country. The Democratic Party is committed to that policy. The Democratic Members of Congress here are its chance agents to put that policy into execution. I use the words "chance agents" advisedly. But for the unfortunate split in the Republican Party other agents would be here occupying the places of many of you gentlemen and carrying different instructions from your constituents.

I am not unmindful of the fact that before the last election the country generally had determined upon a substantial, if not radical, revision of the tariff downward. And to illustrate that feeling on the part of the public I want to relate a conversation I had with one of my rural constituents in the heat of the last campaign. He said:

> The Republican speakers of this Nation (you with the rest of them) need not be going around over the country trying to convince the voters of the land that their salvation lies in the election of the Republican ticket. There is a great unrest throughout the country; the people feel that there is something wrong; they do not know what the wrong is, but they do know that they want a change. The farmer has for so many years been getting such good prices for his products that he feels secure in these prices and, therefore, does not fear a change. The high cost of living has pressed down with a heavy hand upon the great army of American laborers and the dwellers in cities and towns, and it must be remembered that these dwellers constitute the big part of our population. All these are dissatisfied with present conditions; they believe that the tariff is largely responsible for these conditions and that the Republican Party is responsible for the tariff. It is true the people do not know just what is wrong, nor who is to blame, and you can not reason with them about it. They are like a child who begs for candy from an indulgent father, and when told that the candy will be injurious to its health the child is not convinced. The only way that the child can be convinced is by the painful and injurious effects of the actual eating of the candy; and the only way the people of this country will be convinced that a free trade or tariff for revenue only policy will inure to their detriment and not their benefit is to actually have a dose of it. They do not know that the Republican tariff is responsible for the things of which they complain, but they think so and are willing to strike blindly in the dark in the hope of finding a remedy. The Democratic Party professes to have a panacea for all the country's ills and ailments, and in her despair the country will turn to the Democratic Party for relief.

My philosophical friend and constituent did not go so far afield in his speculations and prognostications. While the Democratic majority in this House is more or less the child of chance, and more or less the child of unfair gerrymandering, and more or less the child of unrest, and more or less the child of Republican divisions and dissensions, still the fact remains that it is here, and the further fact remains that it feels itself divinely chosen to administer to the wants and needs of an expectant public. The first cure-all they expect to administer to their patient, the public, is an overdose of the Underwood tariff bill. And I want to say for the leader of the majority, Mr. UNDERWOOD, the father of this bill, that he is an able and honorable man, a polite and courteous gentleman. He believes he has, but fears he has not, found the remedy for the country's ills in the bill that bears his name. He warned the country in his opening argument the other day that he did not expect any precipitate reduction in the high cost of living. It would appear that he is looking for a soft place for himself and party to fall; but let me warn them that there is no soft place. If your bill fails to meet the expectations of the public, the public will turn upon you and drive you from power. You have preached long and loud that in the teachings and preachings of your party lies the country's salvation. Your chief and long-heralded remedy lies in the tariff bill before us, and if it fails, woe unto you, and may the good Lord have mercy on your troubled souls and coveted jobs. And if your tariff bill succeeds in disturbing business to any large extent and lowers the high cost of living not at all, it will be good-by Malindy to the Democratic ascendancy for years to come, unless the Progressive Party takes enough votes from the Republican Party to again encompass its national defeat four years hence. It will never do it after that time. I am just a young and inexperienced doctor, and this country is a big patient, and I may be wrong in the diagnosis of its case, but I do not believe that free trade or tariff for revenue only is the panacea for this country's aches and pains. The high cost of living lies not so much with the tariff nor is it caused in any great degree by reason thereof. The high cost of living lies in the profits of the middlemen, and not so much with the manufacturers, farmers, or other producers. Your bill strikes at the manufacturers, the producers, and the farmers and leaves untouched the operations and machinations of the dangerous middlemen. The farmer is not getting too much for the products of his farm, nor do I believe that the majority of manufacturers, as such, are making any exorbitant profits on the products manufactured by them, although some of them are.

It looks to me that the high cost of living and the high cost of everything else lies mainly in the unlawful combinations and agreements in restraint of trade. There is scarcely an article that we eat or wear that is not trust controlled; and if not trust controlled at least "agreement" controlled—many of them by the so-called "gentleman's agreement." Every few days there comes to light some new trust to us hitherto unknown which either regulates the price or controls the output of some article of general use and common convenience or consumption. You can scarcely name an article produced in factory, mine, workshop, or on the farm the price of which is not in some way regulated before it reaches the hands or homes of the consumers. Take the farm products of the United States for example. In the year 1909 the farmers of this country produced more than $9,000,000,000 worth of products. Assuming that they used one-third of these, they would sell the remainder for $6,000,000,000. It was worth that much to the farmers; but when their $6,000,000,000 worth of stuff in 1909 reached the tables of the consumers it cost them (the consumers) $13,000,000,000. In other words, the price of farm products was more than doubled from the time they left the farmers' hands until they reached the hands and homes of the consumers. The farmer is not getting an exorbitant price for his products. He is not to blame for the high cost of living. We are not paying to him too much for the products of his farm. In fact in many instances we are not paying him enough. The price of his products is more than doubled from the time they leave his hands to the time they lie on our tables ready for use. The profits of the commission houses, the wholesale merchants, jobbers, and a dozen and one other hands the farmers' products go through before reaching the consumer is where the trouble lies.

The Underwood tariff bill we are now discussing does not reach that trouble. It offers no remedy. It proposes none. It strikes a blow at the farmer; it tries to make him the pack horse and burden bearer in reducing the high cost of living as did President Taft's reciprocity pact with Canada, and we all know what happened to President Taft in the last election.

The Underwood bill puts the farmers' products on the free list, or greatly reduces them from what they are now, upon the theory and in the hope that the farmers' prices will be reduced, and that the consumers will profit thereby. That was the hope of President Taft in dealing with the "Lady of Snows." The distinguished author of this tariff bill now before the House complained in his speech the other day that the farmers' products had increased in price 93 per cent since 1897. It is true they have increased some in price to him, but the great increase has been from the time they left the farmers' hands to the time of reaching the tables of the consumers.

The Underwood tariff bill strikes at the farmer a body blow, but does not even raise a finger against the middlemen. This Democratic tariff bill does not provide a remedy for the high cost of living. It tries to rob Peter to pay Paul; it indicts and will proceed to punish John Smith, the innocent, because John Jones, the guilty, has committed the wrong. It punishes thrift, industry, and right living and rewards the slick manipulator, or combination of manipulators, in putting the price of bread beyond the reach of the pallid lips of the starving poor. I have a faint and hazy recollection that some years ago a great and distinguished Democrat electrified a national convention of his party by saying, "You shall not press down a crown of

thorns upon the brow of labor." There was something said about not crucifying mankind upon a cross of gold, but, of course, he did not mean that, for we hear nothing about that nowadays; but he did mean what he said about the crown of thorns. Let us see how that crown of thorns business is now operating or will operate under the Underwood tariff bill. For example: The present tariff on a bushel of onions is 40 cents. The Underwood bill provides that it be reduced to 20 cents a bushel, and this is done in the hope of reducing the cost of living to the consumer. No consideration is being shown the farmer, the one who, by his toil, produces a bushel of onions. The only solicitude is for the consumer. Let us see how it is going to work out and whether or not the consumer will be benefited. The State of Ohio is probably the greatest onion-producing State in the Union. The raisers of onions in that State, out on their farms, get only 28 cents a bushel for them, while the market price in Philadelphia, New York, and Boston is $1 per bushel; so the farmer only gets 28 cents, while the other 72 cents goes to the railroads, or commission merchants, or jobbers, and so forth. Onions that reach the cities and that cost not more than 40 or 50 cents a bushel are sold to the city trade for $1 per bushel and much more in some places. Who gets the 50 cents? It is the middlemen. These onions increase in value 50 cents per bushel from the time they reach the city until they reach the table of the consumer. In other words, the middlemen get 50 cents profit for handling every bushel of onions. Does your tariff bill reach this evil? Does it make any arrangement to prevent the profits of the middlemen? If the middlemen raise the price of the farmer's foodstuffs 50 cents on every dollar's worth of onions from the time they reach their hands until they reach the table of the consumer, how do you expect the Underwood tariff bill to reduce the cost of living when it fails to reach the machinations of the middlemen—the seat of the trouble?

The proposed tariff bill fails to place a restraining hand upon the rapacious greed of the unbridled middlemen. Do you suppose the fact that the onion producers on the Bermuda Islands and elsewhere can, through your tariff bill, lay a bushel of onions down on our shores for 20 cents a bushel less than they could heretofore will make much difference in the price of onions when they reach the table of the consumer? It is true that it will seriously affect the American farmer. He raises his onions by the hands of well-paid American labor while the Bermuda Island onion raiser produces his onions by or through the cheap labor of the islands; but if the price of the farmer's onions in this country can increase in price 50 cents a bushel from the time they reach the city until they reach the table of the consumer through the machinations of the middlemen—do you not suppose that the untrammeled middlemen—and your tariff bill leaves them untrammeled—will soon see to it that the profits shall go largely to themselves and not to the consumer by reason of the 20 cents per bushel tariff reduction proposed in the Underwood bill? If the middlemen can, through some manipulation of the market, increase the cost of the farmers' hard-earned products 50 cents on the dollar after they reach their hands do you not suppose they can make arrangements to keep the other 20 cents on a bushel, or at least the most of it?

I was reared on a farm. When I was down home some months ago the farmers thought they were doing mighty well to get 75 cents a bushel for their Irish potatoes, but when I got on the train to come to Washington and ordered dinner they charged me 20 cents apiece for those same potatoes. That happens every day in the year all over this great country, and yet there is no tariff tax between the States. There can be none. The present law carries a tariff duty of only 25 cents per bushel on potatoes. The Underwood bill has put them on the free list. Is there anybody who seriously believes that this will seriously affect the price of potatoes to the ultimate consumer?

I have called attention to these two items to illustrate the character of the Underwood bill and its attitude toward the American farmer. The truth is that Schedule G of the Underwood tariff bill either puts the whole of what the farmer raises and has to sell on the free list or greatly reduces the present tariff rate. It is all done, so the framers of the bill claim, to fulfill the pledge of the Democratic Party in its platform that it would greatly reduce the cost of living if intrusted with power. It has been intrusted with power, and this tariff bill is the fruits of its labor.

President Taft, with a zeal worthy of a better cause, called Congress together in extraordinary session two years ago with the undisguised purpose of reducing the cost of living at the expense of the American farmer. I want to quote somewhat at length from a speech I made on the floor of the House at that time. I pointed out then what I conceived to be the serious mistake of the President and how the position of Mr. Taft would undo his party by overthrowing the Republican doctrine of protection. It did undo him. The country held him and not the Democratic Party responsible for the proposed reciprocity pact with Canada. I said this: "In my judgment the high cost of living in this country gave birth to the reciprocity treaty with Canada." It was in the hope of reducing the cost of living and relieving the masses of that burden that the reciprocity measure had its origin. Stripped of all disguise, that was and is both its aim and object. The President intimated so much in his measure of January 26 last, when he said:

> Reciprocity with Canada must necessarily be chiefly confined in its effect on the cost of living to food and forest products.

The President was and is sincere in his belief that the cost of living in this country is too high and that the great mass of the American people demand a reduction therein.

The Democratic Party, with its ear to the ground and with the hope of ingratiating itself with the American electorate, coupled with a desire, I grant, of being responsive to the public will, came forward as the chief champion and defender of this measure emanating from a Republican President. It is true that the cost of living is too high. I am also free to say that there is a just popular demand for a reduction in prices; but I shall not agree that the farmer should be the pack horse and the burden bearer of these blessings to the rest of humanity. If corn is too high, so is clothing; if potatoes are too high, so are rice and sugar. If cattle are too high, so is beef. If wheat is too high, so is flour. If hogs are too high, so is pork. If the raw materials which the farmer produces and has to sell are put upon the free list under this bill why are not the products made out of the raw materials which the farmer produces likewise put upon the free list? Why is the farmer forced to sell his wheat in a free market and then buy back the flour made from that wheat in a protected market? Why protect the manufacturer of flour at the expense of the farmer? If the farmer's cattle and hogs are put upon the free list, why have not beef and pork likewise been put upon the free list? Why protect the great Beef and Pork Trusts at the expense of the farmer? Why protect the trust products and leave the farmer's products unprotected?

If the rye and oats which the farmer raises are too high, so is the hat which he wears upon his head and the shoes he wears upon his feet likewise too high. Why have not they been put upon the free list in this bill? You have put upon the protected list the things which the farmer buys; why do you leave off of the protected list the things which he sells? The things which the farmer buys no less than the things which he sells go to make up the cost of living.

Under this reciprocity agreement the tariff duty of 25 cents per bushel has been removed from the wheat which the farmer sells, while a duty of 50 cents per barrel has been retained on the flour which the farmer buys. In other words, the great flour mills of Canada are given the opportunity of buying from our farmers their wheat free and then selling to our farmers the flour made from their own free wheat with a protection of 50 cents per barrel.

Under this Canadian pact a tariff duty of 10 cents per bushel has been removed from the oats which the farmer sells, while a duty of 50 cents a hundred pounds has been retained on the oatmeal and rolled oats made out of the oats bought of the farmer free.

Is it right for the Beef Trust and the great packing concerns of the country to buy free live stock from the farmer and then be protected by a duty of 1¼ cents on every pound of meat which the farmer buys?

Is it fair and just and right to remove protection from the farmer's barley and protect the brewer at the rate of 45 cents per hundred pounds?

Is it fair and just and right to remove protection from the farmer's rye and protect the distiller at the rate of $2.60 per gallon on the whisky made therefrom?

Is it fair and just and right to remove protection from the farmer's corn and barley and wheat and rye and oats and tomatoes and other vegetables and protect the manufacturers of these products into articles prepared for the farmer's consumption?

Is it fair and just and right that the Beef Trust and packing concerns, the millers, the bakers, the brewers, and all the rest shall be protected in what they make out of the products they buy from the farmer free?

Under this reciprocity agreement things which the farmer produces and has to sell were put upon the free list, but the things which he can not produce but has to buy were placed on the protected list. In other words, the manufactured products in the main are protected; the farmer's products in the main are unprotected. Both Canada and the United States under

this agreement propose to protect their factories, but mutually agree that the products of the farmer of both countries may enter the markets of the other free of duty.

Is it right that the American manufacturer should be permitted to buy the things he consumes from the Canadian farmer free and go on selling his manufactured and protected products to the unprotected farmer of our country? Grant that the price of living is too high, is not that which the farmer buys too high as well as that which the farmer sells? And, as a matter of fact, the farmer in the main is not getting an exorbitant price for the products of his farm.

The Secretary of Agriculture in his report—1911—shows that the farmer does not get 50 per cent of the price the consumer is forced to pay for agricultural products. He also points out that the prices received by farmers in many instances were even less than the cost of production, and that the middleman and not the farmer is the one mostly responsible for the high cost of foods. The trouble lies with the middlemen. The profits are made after the farmer's products leave him and before they reach the table of the consumer. Is there anything in the reciprocity pact designed to remedy this evil? Nothing. Should the farmer be singled out as a victim and made the burden bearer for all other classes? In an effort to reduce the cost of living should the farmer's pocketbook be the only pocketbook called upon to contribute to that end? But the argument has been made here by gentlemen on this floor that the reciprocity agreement with Canada will reduce the cost of living and at the same time will not affect the price of farm products. Since it is conceded by the President, the author of the reciprocity agreement with Canada, that the agreement will chiefly affect the products of the farm, and since the farmer's products are the ones put upon the free list in this bill, it is beyond my conception to understand how the cost of living is going to be reduced without reducing the cost of farm products; and it is equally incomprehensible to me how the farmer's products are going to be reduced in price and the farmer profited thereby. How is it going to help the farmer to sell what he has to sell in a low market and buy what he has to buy in a high market is a problem the solution of which the champions of this measure will have to solve, for they solemnly tell us that the farmer is going to be blessed and benefited by the transaction and that he should welcome the day when he sells cheap and buys high.

The Democratic orators in the last campaign preached to the city dwellers that if they would only intrust them with power they would greatly reduce the price of living by reducing the price of many necessities of life, and before these same orators had gotten a mile out of town in the farming districts they were telling the farmers how they were going to protect them and be their special guardians by taking the tariff off the things they had to buy.

In the speech I made in the Sixty-second Congress, and to which I have referred, I made this statement:

> The reason why the Democratic Party embraced with such undisguised delight the opportunity to pass the Canadian pact was that it is a heavy blow to the time-honored doctrine of Republican protection. In fact, it is in many respects a radical free-trade measure. It does not stop with the "tariff-for-revenue-only" doctrine of the Democratic Party. It does not look to revenue at all; its most earnest advocates admit that we will lose from two to ten million dollars in revenues yearly by reason of the passage of this bill. It would not surprise me if we lost yearly $50,000,000 in revenue.
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> The central idea in the fertile brains of the Democratic Members of this House, and the motive which actuated their hearts in the passage of the Canadian reciprocity measure, were to strike a body blow to our protective system.
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> They are not unmindful of the fact that the protective system is a logical whole—that protection must either apply to all industries or apply to none. You can not protect the American manufacturers and leave the farmers unprotected. Protection must protect everybody that needs protection or protect nobody.

And yet in the face of the fact that the Democratic Party claims to be the farmers' undying friend, it supported through its Representatives on the floor of this House, with surprising unanimity, the reciprocity pact with Canada which would have done so much, had it become effective, to the serious detriment of the farmers of this country.

And this same Democratic Party, with the same pretended love for the farmer, now proposes in the Underwood bill to put his broom corn, buckwheat, potatoes, corn and corn meal, wheat, hogs, beef, veal, mutton, pork, lamb, bacon and hams, milk and cream, and so forth, on the free list. But to compensate for all this and make amends to the farmer for the wrongs done him in the Underwood bill the Democrats have placed rags on the free list. I want to give the Democratic Party credit for that. They have shown great and exceedingly clear insight in the effect their bill will produce on the country, and to meet the demand for rags that is soon to follow have generously placed them on the free list. I believe in giving credit where credit is due. I congratulate the Democratic Party on this wise provision. But the Democratic Party says it is going to compensate the farmer for having reduced or placed on the free list all the products of the farm by admitting free of duty agricultural implements. The Underwood tariff bill carries exactly the same provision in regard to agricultural implements that the so-called farmers' free-list bill carried in the last Congress, and what I said regarding that bill at that time is equally applicable to the present bill. At that time I had this to say:

> Now, let us look at some of the provisions of this so-called farmers' free-list bill. It provides that "plows, tooth harrows, disk harrows, headers, harvesters, reapers, agricultural drills and planters, mowers, horse rakes, cultivators, thrashing machines, cotton gins, farm wagons, farm carts, and all other agricultural implements—whatever that may mean—of whatever kind and description, whether specifically mentioned herein or not, whether in whole or in parts, including repair parts * * * shall be exempt from duty when imported into the United States."

The gentlemen on the opposite side of this Chamber maintain that they propose to pass this bill in the interest of the American farmer. That being their avowed purpose, it would be well to look dispassionately at the situation and see whether or not this portion of the bill, if passed, will redound to the benefit of the farmers of our country; and to what extent, if any. If this part of the bill, if passed, will greatly benefit our farmers, then it ought to receive the hearty support of all the Members here.

To ascertain whether or not this part of the bill, if enacted into law, will benefit our farmers it is necessary to determine at least three things:

1. What is the present status of the articles mentioned in this part of the bill relative to tariff duties?
2. What are the prices on these various articles now in our own country and abroad?
3. And what effect, if any, will the passage of this bill have on the price of the articles mentioned herein?

Addressing myself to the first inquiry, I find under section 476 of our present tariff law, which is now in operation, that "plows, tooth and disk harrows, harvesters, reapers, agricultural drills and planters, mowers, horse rakes, cultivators, thrashing machines, and cotton gins, and so forth, shall be imported into this country free of duty," provided "no tax or duty" shall be imposed on us "on like articles imported from the United States" into other countries, and in the event any foreign country refuses to let us ship our agricultural implements, and so forth, free of duty into it, then we charge that country 15 per cent ad valorem for shipping its like implements into this country and enjoying the privilege of our American markets.

Is there anything radically wrong about these provisions of our present tariff law? We offer to let farming implements of other countries come into this country free of duty if they will let our farming implements go into their country free of duty. Anything unfair about that? Is it right for us to give the various countries of the world a free market for their agricultural implements in this country and, in turn, be denied a free market for our agricultural implements in theirs?

Should we discriminate against our own industries or any part of them in favor of the industries of foreign countries? Should the American manufacturer, simply because he is a manufacturer, who employs well-paid American labor be discriminated against in favor of another manufacturer who employs cheap foreign labor? Is it right that American manufacturers of agricultural implements, who employ American labor, should be forced to pay a duty on the agricultural implements which they send to other countries and let the manufacturers of agricultural implements of other countries, who employ foreign labor, send their agricultural implements into this country free of duty? Such a course discriminates against both American capital and labor. And, besides that, it is my information that the International Harvester Co.—and which is sometimes referred to as the Agricultural Implement Trust—has manufacturing plants not only in America but in Canada, Sweden, Russia, France, and Germany, and that agricultural implements are as cheap, or about as cheap, in America as they are elsewhere.

If this be true, and if this tariff law which is soon to be enacted here is to remain long in force, would it not be a wise idea for the International Harvester Co. and other concerns in the United States engaged in making farm implements to remove their plants to Canada and elsewhere and save the thousands of dollars annually which are now paid this Government in tariff duties for the privilege of shipping and selling agricultural implements into this country?

In that event this Government would not only lose the thousands of dollars paid in tariff duties, but our wage earners would lose $50,000,000 annually now paid American labor in the manufacture of agricultural implements.

In 1905 the United States produced $111,344,975 worth of agricultural implements. There were in the year 1900, 46,582 wage earners employed in the United States in the manufacture of agricultural implements. In that year there was $157,707,951 of American money invested in the manufacture of these implements. The State of Kentucky alone had $1,735,595 invested in this enterprise, and paid Kentucky wage earners over $300,000. The State of Illinois had $62,202,320 invested in the manufacture of agricultural implements, and paid over $9,000,000, exclusive of officers' and clerks' salaries to American wage earners.

To let the cheaply made agricultural implements be shipped into this country free of duty would be, indeed, an unjust and unfair discrimination against American capital and American labor, especially in view of the fact that tariff duties must be paid by us on all the agricultural implements which we send for sale to other countries.

Since agricultural implements are already as cheap in this country as elsewhere, and since we lose thousands of dollars in revenue for this Government and transfer millions of dollars from American to foreign labor, it is evident, it seems to me, that this section of the farmers' free "fake" bill, if enacted into law, will hurt, not help, both the American farmer and the American people generally.

I would like to discuss other provisions of this bill, but time forbids. While I have not had an opportunity to give the income-tax provision the thought and study such a great question deserves, my present inclinations are to support it. The rich and prosperous are not bearing their just share of the burdens of the Government under our present system of taxation. But the trouble with this sort of legislation is to know when and where it is going to stop. If sufficient encouragement is given to the movement, the time may come when the rights of property will no longer be safe. I have great faith in the capacity of the American people to properly guard and protect their rights in the future as well as at the present, and I will vote for the income-tax provision of the Underwood bill if I have an opportunity to cast a separate vote for that part of it; but the Underwood bill, taking it as a whole, I can not and will not support. It places coal and timber on the free list, and the district I have the honor to represent is rich in both of these. I would discuss them at length if discussing them would do any good. Nothing that I can here say, nothing that any Republican can here say, will prevent the passage of this bill. The Democrats of this House have decided in caucus that this bill shall pass, and pass it will. I simply want to register my protest against it by my words and by my vote. The Democratic Party has promised the country that business shall not be disturbed and that the high cost of living shall be reduced, neither of which pledges it is going to keep through the passage of this bill. This bill will not reduce the cost of living. You are not going at it right. And if you would listen to me, I would say, "Call off your dogs, gentlemen; they are barking up the wrong tree." Your bill does not strike at the heart of the trouble in the high cost of living. When you can frame and put into execution such laws as will prevent a few men through "gentlemen's agreements" and otherwise from controlling the output and price of almost every product and commodity of the farm, mine, workshop, and factory, not forgetting ladies' hats, you will have gone a long way toward solving the problem of the high cost of living. [Applause.] I want to insert as part of my remarks an editorial and an article appearing in the National Farmer and Stock Grower, published at St. Louis, Mo., and an editorial appearing in the Philadelphia Press of April 24, 1913.

The matter referred to is as follows:

[From the Philadelphia Press, Thursday, Apr. 24, 1913.]

A BILL TO REDUCE AMERICAN WAGES.

The report on the Democratic tariff bill discloses nothing of importance that the bill itself did not reveal, except its frank acknowledgment of the protection-destroying principle on which the bill is framed. American industries receive no favors, however slight. On the contrary, ingenuity is exerted to avoid giving them even incidental favors.

The authors of the bill estimate that it will increase imports about one-third and that those imports will pay very much less customs revenue than under the present tariff, and altogether leave a deficit of $68,750,000 to be made good by the income tax. What will make good the $240,000,000 worth of American products that the increased importations will displace? Who will make good to American men and women the wages that are now paid to the producers of this $240,000,000 worth of American goods that the new tariff will throw out of the market? A very radical change is here proposed, and the purpose is frankly expressed to invite and stimulate the importation of the products of foreign labor in order that those making the same goods on this side of the ocean may feel the full strain and stress of foreign competition.

This is expected to bring down the cost of living in this country. What avail will it be to the thousands who are thrown out of work that the cost of things is reduced when they have no money at all to pay for them? What joy does it give a man to find prices reduced if his wages are reduced even more? The market can absorb only about so much, and if this is supplied by American industry, American manufacturers and American workmen will receive and circulate here at home the money value of the commodities. If the $240,000,000 of goods now made here are brought in from abroad by the new tariff, as its framers predict, it will send that much American money or its equivalent across the water. It will represent the profits of foreign producers and the wages of foreign workmen, while a proportionate amount of our own mills and our own workmen are idle.

To stand the foreign competition, which this Democratic tariff bill is framed to invite, the wages of American workers, men and women, must come down to the foreign wage level. On no other basis can our manufacturers compete, and even then only the strongest of them can survive the competition. A bill "to reduce American wages and to close American mills" should be the title of this measure. With this report behind it, this Democratic tariff bill comes before Congress without disguise, naked and unashamed of its un-American purpose to discourage home industry and to encourage in its stead and greatly increase the importation to this country of the products of foreign labor.

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FARMERS AND THE TARIFF—WHAT CONGRESS IS LIKELY TO DO AND WHAT CONGRESS WILL BE RESPONSIBLE FOR IF THE PROTECTIVE SYSTEM IS LEGISLATED OUT OF BUSINESS.

The National Farmer and Stock Grower is not a political paper, and we regret very much that protection of American farming, manufacturing, and commercial interests, through the collection of customs duties, is considered a political question when it really is an economic and business matter—one that can not be decided in connection with social and sentimental questions that so largely influence the alignment of political parties.

We venture the assertion that if the people of the United States were permitted to vote on the tariff question alone and not have it mixed up with all other subjects that divide people into parties the vote on the tariff would be overwhelmingly in favor of the protection to American industries of all kinds through the imposition of customs duties that would shut nothing out entirely, but would collect some money for the support of the Government on all raw materials and manufactured goods admitted from foreign countries.

In lawmaking Congress exerts a wonderful power, and it is often exercised unwisely and to the disadvantage of the American people. A case in point is the removal of the tariff on coffee, which enabled the foreign combinations to put up the price before the coffee reached our seaports and almost doubled the cost to the American importer and trebled the profits of the Brazilian syndicates that control the output.

Another example of misdirected legislation is taking the duty off hides, which has resulted to the benefit of the owners of foreign hides, who simply added the duty to the price. They paid the duties to the United States Government when the duties were collectible by law, and put it in their own pockets when they found that the United States Government had made them a present of it by admitting the hides free of duty.

We understand the general idea in Congress is that all they have to do is to remove the 1½-cent-a-pound duty on dressed meats or the small duty that is paid on imported beef cattle and then go around to the butcher shops and buy beefsteaks 10 cents a pound cheaper. They are entirely mistaken. They can make a present of the duties to the foreign syndicates engaged in the meat trade, but they can not prevent them accepting and keeping the present. They can admit cattle on the hoof free of duty, but there the power of Congress ends. They can discourage the American farmer and induce him to get rid of his sheep, but they can not get him to start up again. The wheat grower, who has a nice old time producing wheat that will pay a profit of $6 to $10 an acre under present circumstances, can easily be induced to quit raising wheat, but when Argentine and Canadian wheats come in on top of a good crop here and the market becomes demoralized for the time being, then look out for the farmer forgetting to sow the usual crop of wheat in this country.

Congress can do much damage, but can not heal the sores again. People in the United States are not going to prosper on the money that goes to Australia for wool, or on the money that goes to Canada for wheat, or on the money that goes to Argentina for beef. We prosper on the money that is paid to our own people. It goes out and it comes back again. It gets into circulation. But the money that is sent abroad remains there, and our exports are not any larger from that source of revenue.

The farm productions of this country are ample for all purposes. One-half of the time our grain productions sell at prices that barely return the cost of production. There has never yet been a time when there was a bonanza in grain growing. Through years of low prices and sacrifice, cattle have for once reached what may be called high prices, but only because of the changes that on the one hand have destroyed cattle ranges, but the cattle ranges cut up into farms have not yet produced the maximum of beef. Year in and year out farm productions bring moderate prices, and the burdens of the consumer are not caused by the wholesale cost of anything the farmer raises.

We have no hesitancy in saying as our editorial opinion that the admission of farm products free of duty from other countries will gradually undermine the productive industries of this country. The change will not take place in a day, but we will soon be in the position of a family when the head of it gambles his earning away instead of taking the money home to his wife. Industrial enterprises will be in difficulties, for the reason that trade will be dull and wages high. Less people will be employed and many industries will be at a standstill. The farmer will be able to feed himself, but he will find himself short of money; he will practice economy and produce crops that cost the least for seed and the least cost for labor.

Farmers will remember that Canada saved us from the acts of our own Congress, so far as the bogus reciprocity bill was concerned, but we can not expect to have Canadians refuse free trade when they are still able to conduct their own protective system. We can not expect much assistance from manufacturers who are protectionists, because they are usually protectionists for themselves alone; and we can not expect much help from anyone unless we do the work ourselves. Congress will finally have to accept responsibility for its acts, but that is away off. When great injury is done and can not be undone, it is poor satisfaction to fix the blame, and that is all the recourse we will have.

In another column will be found an article entitled "Our industrial policy." If every farmer who is interested in this subject will address a Congressman and a Senator indorsing this policy it will be harder and harder to get a bill through Congress that will do away with the protective policy of the Government, so far as the farming interest is concerned.

OUR INDUSTRIAL POLICY—WE ARE IN FAVOR OF ALL FOREIGN FARM PRODUCTIONS PAYING A DUTY FOR THE SUPPORT OF THE UNITED STATES GOVERNMENT, AND TO PAY IT AT THE FRONT DOOR.

The National Farmer and Stock Grower is in favor of the United States customhouse collecting a reasonable range of duties upon all foreign farm products and all manufactured goods admitted into the United States from foreign countries, said duties to be applied to the support of the National Government.

By the tariff policy that we advocate fully one-half of the money required for the support of the National Government should be collected at the customhouses, besides furnishing the farmer and manufacturer the very moderate amount of protection to which they are entitled. We are opposed to the admission of foreign farm products free of duty, because admission of such products duty free always leads to the advantage of the foreign merchant and speculator and causing increased burdens to be imposed on our own people.

Taking the duty off hides has been entirely in the interest of foreign countries and to the detriment of our own people; admitting coffee duty free enabled the formation of a South American combination that has raised the price three for one, and every time foreign goods are placed on the free list there is the same result. With moderate import duties received by the United States on various products as now collected the total that is covered into the United States Treasury is over $300,000,000 a year, and if not collected that way will have to be collected by direct taxes upon our own productions. The admission of foreign goods free of duty results in higher prices to the American consumer and higher taxation also upon our own products to make up the necessary revenues.

Every farmer in the United States is taxed by his county and by the State; he also pays a share of the taxes collected in various ways for the support of the Federal Government. We believe that in return for his support in tax money and in time of necessity for his personal services the American citizen is entitled to preference in his home market for his own productions from the laws of the Government he supports. We believe that the advantages of our own markets belong to the citizens of the United States, and that all foreign farm productions should pay a duty at the front door as the goods are admitted. In times of scarcity, caused by drought or other unavoidable influences, the foreign farm productions can come in under light duties on a fair basis, and in times of abundance the country thrives better without them.

We believe the farmer as a producer outranks all other people; the manufacturer is next; but without the farmer's products the manufacturer would have to shut his doors.

Legislation against the farming interest is the height of folly, and special discrimination against the farmer is a political crime. Legislation against the farmer will cause more poverty in the cities than most people imagine. The nonproducing, so-called, consumers in cities will be the first to find it out and be the greatest sufferers.

Mr. GARDNER. Mr. Chairman, I yield to the gentleman from Vermont [Mr. PLUMLEY].

The CHAIRMAN. The gentleman from Vermont [Mr. PLUMLEY] is recognized.

Mr. PLUMLEY. Mr. Chairman, on the 4th day of July, 1776, the people of America declared their political independence of the mother country, and on the 4th day of July, 1789, they placed upon their statute books their first decisive declaration of commercial independence.

The earlier declaration was an expression of freedom and equality for all men, the latter a deliberate expression in law of the means whereby the former might be obtained and maintained. It is not a little singular that in 1913, 124 years later, there is an effort by a great party to enact into law the theory and the assertion that the first statute of the new Nation by its First Congress was a constitutional mistake and blunder; that the great minds who in convention framed our organic law did not know, as Congressmen, its powers and limitations, and that the Father of his Country, who approved the law, did not comprehend its purport or its provisions.

The First Congress was confronted with an imperious demand for immediate money; it was also confronted with the urgent necessity to encourage and protect manufactures. It met both conditions under the same act—a protective tariff yielding revenue—clearly, certainly, definitely, without hesitancy, and without question, demonstrating indubitably that, great and consummate as had been their ability in framing the Constitution, equally great was their ability to enact the requisite laws adapted to and in conformity with it, so written as to produce adequate revenue and to inspire, to foster, and to promote American energy, skill, enterprise, and industry.

Concerning the principle and the policy, the right and the wisdom of a protective tariff, there was then no party division, nor was there division then among the great leaders of either party. Madison, of the school of Jefferson, was its advocate in Congress, and Hamilton, the Federalist, was in full accord.

Where they stood then the Republican Party now stands. What they advocated we advocate, their principles are ours, and notwithstanding the tremendous popular electoral vote which placed Mr. Wilson in the Executive chair, I unhesitatingly assert, without fear of successful contradiction, that where the fathers stood in 1789 and where the Republican Party stands to-day, stand also this hour in an overwhelming majority the people of the United states. [Applause on the Republican side.]

On the 4th of November last there was no mandate from the people to the Democratic Party to revise the policy of the Nation, to write a tariff for revenue only, to disclaim and deny all protection to all American industries, to stay the unparalleled prosperity of all the people (which is the unquestioned and undeniable fact of to-day), to return to the not-forgotten sloughs and quagmires and the valleys of dark despair of approximate free trade, to feed on the dry husks and the bitter herbs of an exploded, delusive, and illusive theory. To the great body of our citizens it is not necessary to repeat the sad lessons of the past.

The impossibility of prosperity under a tariff for revenue only has been demonstrated too thoroughly, too often, and too recently to call for repetition. With many millions of our citizens its utter failure is yet a tragic memory, while all have recourse to history and can determine and denounce as they read. They know, who will, that such a tariff laid upon competitive foreign products is both a delusion and a snare. It builds for some while it destroys for others. When written only to produce revenue a tariff should be placed so that its burdens may be borne equally, wherein lies equity. In such matters equality is equity, and inequality is inequity. It is not that such inequality and inequity is the limited and the rare, it is that it is the usual and should be the expected. It is not that it comes unforeseen and occasionally, but it is in its very nature and in its necessary application foredoomed to be unequal, unfair, discriminatory, oftentimes totally destructive, always unjust, inequitable, and indefensible. Such a tariff can never be fair to the people as a whole or in any considerable part, can never be just and wise in principle, safe or salutary in use.

Such products of the foreign factory or the farm as are hopeful articles of large importation are stimulated to activity by low rates of duty; such foreign products as are not suggestive of large importation are charged with a higher duty to gain some revenue; and, regardless of the reasons therefor, the proposed tariff illustrates the wide—the very wide—range in the scale of duties placed upon articles which are competitive with the products of our people. Without stating or considering the reasons therefor, but knowing only that professedly not one rate has been written with the purpose or intent to protect a single American industry, but solely with an eye alert for revenue, we find this tariff bill, like all its predecessors of a similar scope and purpose, full of low rates of duty or no duty at all, so framed to inspire, encourage, and stimulate importation of articles with which the industrial world of America is in sharp competition, while other paragraphs in the same schedule, for reasons which appeal to its makers, have a high, almost prohibitive, rate, practically excluding competition.

Against these low rates the American producer must strive in competition, selling in this lower, less favorable market, while quite possibly he must buy his raw material even from one who has the "accidental" protection peculiar to tariffs so constructed. Many of our industries must struggle for existence in the world's market, with admittedly adverse conditions of labor cost, buying their needed materials of those not exposed to foreign competition, unaffected by the labor conditions of other lands, undisturbed by tariff changes.

To illustrate, "machine tools," an important industry in my State, has now a tariff adequate only to fair protection—of 30 per cent on its finished product—and House bill 3321 reduces this to 15 per cent. This industry is not a monopoly or a trust. There are 224 competitive establishments in 18 different States, employing 30,000 wage earners, with a total annual output of $40,000,000, with an annual average income for the past 10 years of 8.95 per cent on actual invested capital, which have no material protection because of patents. A "machine tool" is of the class of lathes, planes, drills, and the like, and is not the tool of the individual workingman but of the manufacturing concerns which use them in cutting, shaping, and forming metal. Their use has never enhanced but has always reduced the cost of the articles made by them, while, both directly and indirectly, their manufacture and use have lowered the cost of many of the necessaries of life.

The American machine-tool builder has sharp foreign competition, especially in Germany and England, through equally scientific shop systems, equal physical capacity in their skilled workmen, equal plant equipment, with capacity to turn out the same amount of work man for man, and through a wage cost of about one-half. In fact, during the years from 1900 to 1910 in the neutral market of France, not prejudiced in Germany's favor, the American growth has been from 35,000,000 francs to 45,000,000 francs, while Germany has increased from 35,000,000 francs to 110,000,000 francs. We have gained 10,000,000 francs, Germany 75,000,000.

During the past 10 years the American machine-tool industry has steadily lost strength in continental Europe, while during

that same period under the 30 per cent rate there has been a steadily growing invasion of the American market by its foreign competitors, and under the proposed rate of 15 per cent the consequences to the machine-tool industry can be nothing less than disastrous unless met by a lower cost of production, which, under the already highly organized and highly specialized machine-tool shops of America, can only be found in a lower wage to the workmen. But against this means of reduction in the cost of the machine tool comes the hard fact that the incidental protection of associated industries in many instances permits those favored concerns employing the same class of labor and using the same materials to maintain the same wage scale as at present, a wage scale which, indeed, no American industry should be prevented by any tariff rate in any tariff law from maintaining. Between this upper millstone of a foreign competitor producing the goods at 30 to 40 per cent less cost than the American concern and his incidentally protected associated manufacturer, preventing all possible relief in a lower wage scale to its workmen, what is there left to the machine-tool industry and its employees but bankruptcy to the one and loss of employment and wage to the other? Among those associated industries of which I speak, employing the same class of skilled machinists and using the same general class of materials, are automobiles and automobile bodies, rated in H. R. 3321 at 45 per cent ad valorem; motor cycles and finished parts thereof, 40 per cent; bicycles, 25 per cent; breech-loading shotguns and rifles, and the like, pistols of all kinds, 35 per cent; files, file blanks, rasps, and the like, 25 per cent; screws, 25 per cent; umbrella and parasol ribs, 35 per cent; wheels for railway purposes, and the like, 25 per cent; nippers and pliers, 30 per cent; and all articles composed wholly or in chief value of iron, steel, and the like, whether wholly or partly manufactured, 25 per cent.

In making this comparison I am not suggesting that any of these rates has been laid on any other ground than for revenue only. On the contrary I assume, as I have a right to do, that they have been placed solely and carefully on that basis. With that assumption I invite attention to an analysis of these rates as affecting these different industries, and a clear appreciation of the injustice, inequality, and inequity which under the system invoked follows as regularly, as exactly, and as certainly as night follows the day.

I would invite your attention to another schedule in which my constituents are most deeply interested. I would take you to Barre, Vt., the largest center of the granite industry of the world. Thirty years ago the granite industry in Barre had practically no existence; under the fostering conditions of a Republican protective tariff since 1883 it has now no rival.

In paragraphs 100 and 101, H. R. 3321, we find manufactured marble placed at a rate of 45 per cent, reduced from 50 per cent, and manufactured granite at 25 per cent, reduced from 50 per cent. Why the gross dissimilarity in the rates on the finished product? Under the tariff for revenue of 1894 for three years the rate of duty on manufactured granite was at 30 per cent, aside from those three years, from 1883 to the present it has remained with marble at 50 per cent.

Why the change? Aside from the most ordinary monumental purposes both may be classed as luxuries. As a revenue producer it should be so placed and taxed. A man who is able to build a house of marble at a cost of $12 a cubic foot will not notice a change of 5 per cent in his favor, but the Government will lose just that much revenue. Why the reduction of 50 per cent in the rate of duty on granite and of 10 per cent only on marble? Largely they are competitors. Examination of the report of the majority of the Committee on Ways and Means discloses no specific explanation, hence, if found, it must be in the general principles underlying the revision—table 4, page 9, classes marble as a luxury. If a luxury, why any reduction? Is not manufactured granite also a luxury? What man of moderate means buys either, except for ordinary monumental purposes at moderate expense? In what regard is granite, save for such monumental purposes, a necessity? Why is it excessively reduced?

Table 5, page 11, deals in necessaries. Schedule B is anxiously studied, but evidently granite is not classed as a necessity; but grindstones are, and the tariff burden on grindstones should be reduced in accordance with the declaration of purpose on page 9 "to the lowest possible point commensurate with revenue requirements"—and the "robber" protective tariff of 1909 rates them at $1.75 per ton and the "immaculate" competitive tariff of 1913 at $1.50 per ton, a reduction of 25 cents on a ton, of eighty-nine one-hundredths of 1 per cent, or about 3 cents on a 300-pound grindstone. And similarly are luxuries, such as marble, lowered, instead of increased, 5 per cent, and the tariff burdens reduced on the necessary grindstone eighty-nine one-hundredths of 1 per cent only.

Aeroplanes are classed as luxuries, and in accordance with the manifesto on page 9 the committee has kept in mind the "making the luxuries of life bear their proper burden of the tariff responsibilities." Under the "ill-conceived" tariff of 1909 aeroplanes as luxuries were rated at 45 per cent; under H. R. 3321 only 25 per cent—not an increase but a reduction; yes, a reduction of 20 per cent!

"Comfits and fruits of all kinds, preserved, containing over 10 per cent of alcohol," tariff of 1909, 90.98 per cent—H. R. 3321, 70 per cent; and "game, except birds," the excoriated tariff of 1909 places at 2½ cents per pound and the proposed tariff of 1913, which is to make the "luxuries of life bear their proper burden of the tariff responsibilities"—this tariff reduces the duty on game to 1½ cents per pound. "Oriental rugs and carpets, and those woven whole for rooms," under the plutocrat tariff of 1909 bear a rate of 58.10 per cent; under the Democratic poor man's tariff relief of 1913 are rated at 50 per cent. Evidently the Republican tariff of 1909 placed a too heavy burden of responsibilities on luxuries which it is the clear duty of the Democratic tariff of 1913 to correct by lessening them.

There is no answer in the bill or the report to my question: Why is the tariff on manufactured marble reduced only 5 per cent and the tariff on manufactured granite reduced 50 per cent? But there is a reason, and perhaps I find it. In No. 4 of the hearings, relating to Schedule B, on page 565, I find the statement of Mr. Frank J. Harnold, of Townsend, Townsend & Co., 453 West Twenty-first Street, New York City, representing the National Association of Wholesale Granite Dealers, comprising 18 firms engaged in the business of selling domestic and imported granite monuments at wholesale. He recommends that the tariff on manufactured granite be reduced from 50 per cent to 20 per cent. He claimed that at 20 per cent ad valorem the cost of the imported article would be in excess of the cost of the domestic article, and to prove it he submitted a brief in which he shows that certain granite, f. o. b.—

Aberdeen, Scotland, costs $22.87; that the duty, at 20 per cent, is $4.58; freight and delivery f. o. b. cars New York is $7.11; making a total of $34.56.

That certain domestic granite f. o. b. cars at quarry is $30; omitting all transportation charges to the same distributing point, which from Barre, Vt., is easily equal to the freight charges across the water, which, if added at $7.11, makes a total of $37.11, or an excess in cost of $2.55.

That certain other granite f. o. b. Aberdeen costs $59.61; duty, at 20 per cent ad valorem, is $11.92; freight and delivery f. o. b. cars at New York, $18.72; total, $90.25.

That certain domestic granite costs f. o. b. cars at quarry $87; omitting wholly transportation charges to the same distributing point, equal from Barre, Vt., I feel sure, to the shipping charges across the Atlantic, namely, $18.72; total, $105.72; against the American producer, $15.47; and that also certain other granite f. o. b. Aberdeen costs $60.82; duty, at 20 per cent ad valorem, $12.17; freight and delivery f. o. b. cars at New York, $19.13; total, $92.12.

That also certain other domestic granite costs f. o. b. cars at quarry, $88; omitting wholly transportation charges to the same distributing point, which is probably equal to the shipping charges on sea, $19.13; total, $107.13; less, $92.12; to the disadvantage of the American producer, $15.01.

No manufacturers of granite were heard, and the rate of duty was cut to 25 per cent, substantially granting the request of the importer. Whether it was because the importer requested a tariff that would invite competitive importation or because the committee regarded this industry, whose finished product is practically all labor, as one which should be stripped bare of protection and left to combat its foreign rivals with a wage scale that is high while theirs is low, I cannot say, but such is the result of their action—and the consequences must be most serious.

Wages in Barre, Vt., and vicinity: Cutters, 40§ cents per hour, minimum; polishers, 40§ cents per hour, minimum.

Foreign: Cutters, 15 cents per hour average; polishers, 14 cents per hour average.

When the present bill of prices expires the new bill will require $4 a day for eight hours.

The granite business of the United States is in no sense a trust; each manufacturer is in competition with every other. In Washington County, Vt., my home county, there are over 140 manufacturing concerns in direct competition with each other, and I am advised that the same condition exists all over the United States. Should the tariff be raised 100 per cent over the rate of to-day it would not at all affect the prices of the product, owing to the sharp competition which prevails. It would mean simply increased production within the United

States without increase of price to the consumer. If the tariff is reduced so that foreign competitors ship their manufactured product into this country to any considerable extent, it will reduce the output of our manufacturers without lessening the cost to the consumer.

This is a case where that for every foreign monument sold in the United States American labor manufactures one less. The American laborer gets just so much less opportunity to sell his product, and the American manufacturer parts with his profits for the benefit of the foreign producer and the home importer. House bill 3321 makes foreign manufactured granite an easy competitor with American manufactured granite upon terms which give the foreigner marked advantage in our own markets. This is not the tariff revision promised the people by the Democrats in their platform of 1912, nor is it in accord with the declaration of President Wilson in his anteelection speech at Pittsburgh, when he was quoted as saying that his party proposed—

Merely a reconsideration of the tariff schedules such as will adjust them to the actual business conditions and interests of the country. Their desire is not to check but to aid, not to embarrass but to quicken.

In this tariff the Democratic Party make a vigorous assault on nearly every industry in which my constituents are interested. Not alone granites and freestones, but all manufactures of wood, all products of agriculture, of the farm and of the mill, all woolens and cottons, they have either transferred the article to the free list outright or have so reduced the rate of duty as to admit and invite foreign competition on terms which put the American producer at a distinct disadvantage and compels an immediate readjustment of cost in production or a final surrender of the enterprise.

There is no considerable cost reduction possible, except by a lowered wage scale; and no condition should be invited or permitted, if preventable, the effect of which is to reduce any wage scale or lower the standard of living for any American workman. The true standard for all Americans in all particulars is not cheapness but excellence.

The reason given for this attack on the industries and enterprises of my constituents is that it will reduce the cost of living; but it is not so to be accomplished. Recent experience in free hides and free rubber, free coffee and teas, is illustrative of my position. To lessen expense to the user of boards, planks, and other lumber is the explanation given for placing these articles on the free list, but it will not lessen the cost of a single board or plank to the American consumer. A reduction of one-half of the rate in the tariff of 1909 lessened no price to the consumer.

The Canadian lumberman in no case got less than half of the reduction; in many cases he had all; in no case did the reduction reach the consumer. Already the alert Canadian lumberman in making his contracts for next year's delivery is providing that in event of a reduction of tariff on any article of wood in any process of manufacture he shall have the benefit by an increased price for his product, sometimes equal to the cut, and never less than a 50 per cent advance. The larger the deal the larger the Canadian's share in the tariff cut. It will not lower in any part the cost to the consumer, but by the simple operation of the most ordinary law of economics it will transfer the wood manufacturing industry from the United States to Canada; will compel American invested capital to suffer large loss; and will throw out of employment a large force of skilled employees who know no other craft than this.

The people of the United States still favor a protective tariff; they prefer prosperity in America; they enjoy and would promote and maintain our standards of living; they favor in its broadest and most beneficent sense the slogan of "America for Americans"; they love and would cherish the American home; they have faith in the free school, in the free church; they have confidence in, respect, and regard for the manhood and the womanhood which all these forces produce; they would maintain the open door from poverty to prosperity, the pathway from ignorance to knowledge. Under the economic system yet prevailing has been secured the unparalleled general and genuine happiness and prosperity of our people.

It is not a change of system but a readjustment of plans and methods to suit changed conditions which is desired by the American citizen. The ultimate American consumer must be assured of a fair price in the American market. Formerly this was obtained by competition within the United States among producers of the same class. Latterly this has been prevented to a considerable degree by monopolies which have throttled internal competition. The Democratic antidote presented in House bill 3321 is to adjust the tariff so as to permit and invite competition from abroad, without any regard to the relative production cost of the competing articles, and with no effort to provide any relief through tariff schedules to the American producer because of the admitted higher wages which he is compelled to pay.

The true way, the Republican way, is to adjust the tariff so as to retain the American market for the American producer so long as he sells his products at a fair price to the American consumer and subject him to competition from abroad when, and only when, his prices to the consumer are unfair, undue, or exorbitant.

We contend that the fair price and the proper tariff to maintain it shall be ascertained by a scientific investigation through a permanent nonpartisan board or commission into every economic feature, condition, or factor which will aid in ascertaining and definitely determining the true difference in production cost of every foreign product seeking entry at our ports to compete with the similar products of America.

This plan is derided by our friends on the other side of the aisle; it is declared by them to be impracticable and, in fact, impossible. We, on our side, admit that it is no easy task; but in the presence of the thousands of millions of invested capital in thousands of thriving cities and villages all over our broad land, in the face of the millions of prosperous wage earners living under American conditions, with opening American opportunities to every child born within their homes, the continuance and maintenance of which conditions are so dear to every true American heart, so important and essential in every aspect of our national life, we are willing, nay, we are eager, to essay the task, to make practical the impracticable and to accomplish the impossible. We have faith in the ability of the American people to master ultimately an admittedly involved, intricate, and difficult problem.

To the brave, the strong, the masterful, there are no inaccessible mountain tops, no unthreaded canyons, no impassable rivers, seas, or plains. The end sought justifies and requires the best thought, the greatest care, unlimited industry, and the highest courage. We on this side of the aisle turn from your trembling, effeminate, disheartening "You can not" to the resolute, strong, and resourceful "We will." [Applause on the Republican side.]

In the tariff scheme of the Republicans we would save the ship, not scuttle it. We would conserve, not destroy; we would not endanger even. No untried theory, however attractive, should be balanced against the welfare of the Nation. It is still wiser to study markets rather than maxims. It is better to be sane and safe than spectacular and dangerous. We will play no game of hazard when the stakes are the happiness and prosperity of our people, the glory and grandeur of our beloved country. [Loud applause on the Republican side.]

Mr. GARDNER. Mr. Chairman, I yield to the gentleman from Massachusetts [Mr. WILDER].

The CHAIRMAN. The gentleman from Massachusetts [Mr. WILDER] is recognized.

Mr. WILDER. Mr. Chairman, I propose to devote a few minutes only to lining up a few headings that I shall develop more at length in the RECORD. I do this for the reason that I could not be expected to be given as much time as I would like in order to say what I have on my mind. I will make a few observations and then perhaps a few suggestions.

Mr. Chairman, I went through the panic of 20 years ago—or into it—and while I supposed at the beginning of it I had a competence, I lost every dollar I had and was $125,000 in debt when I got through with it. It took 10 of the best years of my life to make my name good. I know something about the conditions of 20 years ago, and I wish to speak largely from matters of history and self-evident conclusions drawn therefrom. We were told of the robbery and iniquity fostered by the tariff to protect the rich and destroy the poor; we were shown the glories of free trade of other nations, and if one will take the trouble to compare the sayings of the principal actors of 20 years ago with those of to-day the deadly parallel column would make a modern crematory look like 30 cents. True, the conditions are different to-day, but the principle is the same. The balance of trade has been running largely in our favor for many years, and our financial strength and wealth by far exceeds that of 20 years ago, and we can bear more distress; yet the people on whom the burden will first fall must feel it just the same. I shall show later how closely allied the tariff is with the question of wages. There are exceptions, of course, and always will be so long as we are human, where the rule does not apply; yet all principles are inexorable, and we can not defy them without paying any more than we can defy the laws of nature without suffering.

Mr. Chairman, so far as I can observe from the address of the President before the two Houses and from the remarks of other speakers, the speeches that have been made here, as I have already said, are very similar to those that were made 20 years

ago. We hope the result may not be the same. I wish to point out in the President's address a few remarks that it seems to me had he been as well acquainted with the practical side of our industrial and economic system as he is with the theoretical side and the schoolroom and books he would not have made them. I wish to quote as a foundation for this remark something once said to me by the then leading chemist, Prof. Josiah P. Cooke, of Harvard University, when I was working with him to produce a device which he very much desired for the laboratory. He stated: "I know what I want to accomplish, and you know how to accomplish it." He then gave me a little dissertation or homily of what education consists in. He said that he had observed many times that the dunces in the classics were at the head of their classes in the laboratory, and vice versa. He said he had written a little pamphlet, and gave me one, wherein he maintained that "education was the acquisition of useful units of knowledge," and although I am a member of the bar, and know a factory from alfalfa to zinthum, I wish to add my testimony to that of Prof. Cooke, that to know a factory is no less a science than to know the law; and, indeed, a man can make a far better bluff with the law, and in less time, than he can become a fine mechanic, say nothing about the intricacies of business and other kindred things. I am going to speak about these things from the knowledge of one who has had a wide and varied experience. Until I was 29 I spent my life in school, on the farm, in the mill, and as a merchant, and then manufacturing until I was 45, when I was admitted to the bar. I have traveled this country all over many times, have been to Europe on somewhat extended tours three times, and have been to Panama and other places with a view to educating myself in matters of human welfare, and I hope to call attention to the facts related to and involved in this tariff discussion so that they will be simple and manifest.

The President in his address spoke of the "duty laid upon the party now in power at the recent elections." President Wilson got less votes than William J. Bryan had at two times when he was a candidate and by far less votes than Taft had four years ago. He is President simply because of the dissension in the Republican Party. The leaders of both minorities in the House are objecting most vehemently and pleading for their country ineffectively that this tariff bill shall not be enacted. The responsible leaders of a majority of the American electorate are doing everything in their power to prevent the adoption of this bill. To talk about such "duty laid" is a mere travesty. The "burden carried" that Mr. President refers to must be the splendid prosperity of the past 16 years. The President is apparently a joker. He asks that the "burden be lightened." Does he mean that if workingmen have less work it will "lighten their burdens"? Can it be the "radical alterations in the conditions of our economic life which the country has witnessed within the last generation" when the same talk was given us 20 years ago?

We are all anxious to "square them with the actual facts." Theories look very beautiful to one who has not given his life in an effort to get the theories and facts together and found that in a last analysis he must square himself with life as he finds it instead of with fine-spun theories. "The law of nature" would demand that we put ourselves on a par with the 300,000,000 Chinese and other countries generally. The law of prudence demands that we take care of this country and make it the grandest in all the earth—that we make it a country of all nations, who can by their character and their disposition affiliate with our civilization, and those whom we refuse to receive should be the criminals, the insane, and those who by their heritage can not appreciate our institutions and the civilization of this country. The true test is whether the goods can or should be produced in this country, together with the facts, is there a substantial amount imported? The President would be surprised if he knew what a large proportion of the business of this country is absolutely free from trusts or "artificial arrangements," yet substantially all of it is to be slaughtered alike. The test seems to be whether or not the strongest can stand it, which practice would slaughter all the weak, which the Democratic Party professes to love and protect. The President discredits himself and offends every true American when he uses these words: "And put our business men and producers under the stimulation of a constant necessity to be efficient, economical, and enterprising, masters of competitive supremacy, better workers and merchants than any in the world." They are all this to-day. The utter fallacy of this thought ought to be apparent to everyone who thinks. The American manufacturer to-day excels the world. Now, if he is to learn from his foreign brother how to compete, as the President suggests, the way is clear. He competes in every respect to-day, except in that the American workingman is better paid. The way is perfectly clear. To compete with the foreign manufacturer, reduce wages to a par of the foreign manufacturer; and, rightly analyzed, this is exactly and necessarily what the President's words portend. The American's wits needs no whetting. Again, he suggests that the Americans are stupid. I resent the imputation for myself and for those Americans who may have been as studious and diligent and resourceful in their field of Americanism as has been the President in his. If the American must "whet his wits" so as to compete with the foreigner, as I have said before, he reduces the wages of American workingmen to the level of the foreigner. The wits the President speaks of become apparent in this way, and this way only. Correctly analyzed, his is a bid for the American manufacturer to reduce his wages to the level of other countries. He states it would be unwise to move toward this headlong.

Will some one tell us, if this bill is not drastic and headlong, how they would go to work to make one so with wool from 11 cents per pound to free, and so forth? What does he mean by a "chance to change"—go into some other business? Is he purposely going to destroy many lines of business? He states that we need the outlet and the enlarged field of energy more than we ever did before. Why? Because he proposes to let in a flood of foreign-made goods? As a rule there is no artificial stimulation except to pay American wages. He says he thinks the tariff should be adjusted as a matter of judgment exercised item by item. Has this been done, does he think, in a month's time? The American manufacturers and workmen of to-day are superior in their methods, skill, and ability to dare and do to anything in the world; they can compete with anything in the world with the same wages, and this is the issue.

Mr. Chairman, the distinguished gentleman from Alabama [Mr. UNDERWOOD] in his principal speech drew a great deal of applause from his followers when he drew attention to the amount that the tariff had been reduced on the various schedules. Now, that reduction is supposed to reduce the cost of living or to reduce something. Who is going to pay it? Those who usually pay these things, who are summed up in the word labor. The assumption is certainly made by this applause that something is to be lowered or some advantage is to be gained by the reduction of these tariff schedules. Now, I am as much in favor as anyone of reducing the rates on the tariff schedules to what I would call a competitive basis, namely, so that under all schedules not made exclusively in this country, where no tariff is needed, they shall be that low so that there is certain competition; indeed, I think I would make an automatic tariff, so that on such goods as can be made in this country the rate would be lowered gradually until there was a reasonable amount of importation, perhaps 10 to 25 per cent, so that it might be known and realized that our American manufacturers were working as close as they could to a low schedule, and when it reached a larger amount than 25 per cent—or if these are not the right limits, fix the right limits—the tariff should be raised. American manufacturers are perfectly willing to stand up to any reasonable competition and let the public prescribe the wage, but it is against all true Americanism that the wage market, which is the fundamental of everything made, shall go into competition. The Republican Party is not in favor of its going into competition except among themselves. The Republican Party is not in favor of supporting the people of other countries abroad. If they want to have our American wages, our American living, our American civilization, let them come to America with a view of becoming American citizens, and I believe all men who come to this country and remain five years and make no move toward becoming American citizens should be subject to deportation, and I believe the aliens in this country should be limited in their privileges of citizenship wholly aside from the privilege of voting. I have been reliably informed that less than 5 per cent of those taking part in the recent disgraceful affairs in Lawrence, Mass., were American citizens. Such a thing should be impossible with aliens.

Mr. Chairman, the distinguished gentleman from Pennsylvania [Mr. PALMER] spoke particularly of a few specialties like Disston saws and the Walk-Over shoes, and then undertook to apply the tariff to these special trade-marked things. You can not do it. He should have applied it to standard things like cotton and wool and low-priced articles. If he was better acquainted perhaps with the details of manufacturing and knew how these things operate, I do not think he would have made that statement. Henry Disston & Son, in Philadelphia, I think is the oldest and largest manufacturer of saws in this country, possibly in the world, and anyone experienced in these lines knows that it takes a long time to develop a good saw. It has more tricks than a cat has lives. Furthermore, it will

not work perfectly unless it has perfect care. I began to file and set and handle saws when I was 13 years old, and I know what I am talking about, and it was tiresome to hear the gentleman from Pennsylvania [Mr. PALMER] discuss and draw conclusive conclusions on a matter about which he apparently knew so little. There are few manufacturers but what will pay more for a Disston saw than any other saw made, for it has a mechanical and continuous activity that is important at every stage of its usefulness; if it is not right in the first place it is never right. The Walk-Over shoe is a common trade-marked, much-advertised specialty. A person buying this shoe pays substantially more for the same grade of shoe than they need to pay, but they obtain a certainty. It can not be applied to cotton cloth, nor worsted nor woolen; they have certain fixed standards which must be mastered by those handling them successfully, whereas a sawyer can not be expected to be an expert on saws, and if he learns to take care of them he does mighty well, and in all factories of any size the man who uses the saw does not keep it in order, but a specialist is appointed to do this work. Nails, structural iron, and thousands of other things come into this field of standards, whereas one has only to think to recall specialties. Of course there is a field in between specialties and standards, but it is utterly confusing to use such illustrations in reference to the tariff.

Mr. Chairman, I want to make the particular statement, which I will develop later, that the question of tariff is a question of wages. I said a few years ago that it was largely wages, but directly and indirectly it is all wages. If you do not think it is, watch the development of it that I will give. Many speakers refer to the wage scale in any given product, then, after having set up their effigy, proceed to riddle it by showing that wages can only be affected to this extent, whereas, as a matter of fact, directly or indirectly, everything that comes into our hands is a question of wages. The so-called laboring man is wont to say that everything is produced by labor, hence everything belongs to labor This proposition is just near enough right to mislead as if it were wholly wrong. Let us use the term "workingman," for I think we have the assurance somewhere that a man who will not work neither shall he eat, and this country has no use for the idle poor or rich who are able to work. There are those who do not want to take the risk of business, for sometimes there are no earnings whatever; other times they are large, but when there are no earnings but losses the laborer gets his pay just the same, and right here I want to say on the whole the American manufacturer does not get more than a fair return. Thousands of them never succeed at all. Some get gain by adopting questionable methods far beyond what is fair. This should be corrected so far as possible, but in order to do it the wheat should not be destroyed; but even so, we heard of this way back some years ago when a certain old gentleman by the name of Laban cheated his nephew, whose name, if I remember rightly, was Jacob, on the question of "who's who" in wives. Later this said Jacob gentleman put up a scheme on the old man in reference to what his, Jacob's, wage should be, and all of you who are acquainted with the Book in which the history of these proceedings is given will remember how the young man tricked the old gentleman by an ingenious trade whereby the young man was to have all the "ring-streaked and spotted" of the flocks and the old gentleman was to have the standard goods only, and it became necessary after awhile to send the young man away in order to prevent his becoming the possessor of all the flock. The story is well worth rereading in view of the terrific howl there is to-day as to some people getting more than their share. It is true, and always has been true, to some extent, but we should not harm the very ones we pretend we want to foster and save as the chief objective of our beneficence. Now I will make one illustration. I think any of the others can be followed through from it.

Take an ordinary steel jackknife. The ore in the ground is worth little or nothing; this will be equally true whether with a jackknife or steel bridge. The miners are paid for mining it; the railroads, or steamship companies, or both, for transporting it (more than half of all our transporting charges are paid out by the transportation company at once in wages); let us assume that it goes to the furnace where it is made into pig of some kind; next to the puddling furnace, and made into steel, and then to a rolling mill and made into sheets or beams. Although there is much detail and intricacy to these processes thus far in the production of ordinary Bessemer steel, and the higher grade steel like Mashel's, is produced by a much slower and much more expensive process, in both material and skill, in any event we arrive at the raw material, and some of the glib talkers then start to make the jackknife, eliminating the fact that up to this point it is more certainly all workmanship than it is further on. We will then pass the jackknife factory without description and we have the completed article emerging from the factory. There is probably not a man in this House who has a jackknife in his pocket that he did not pay more than twice as much for as the manufacturer received for it. I will make some remarks as to where this difference goes later. Now, if this is made in this country more is paid for it at every stage of the proceedings; that is, to the workmen in wages, regardless of whether the tools are the mining tools, transportation company's tools, or in the furnace or factory; the tools, machinery, and buildings all cost to make according to the American standard; but you say some one gets a rake-off all along the line. Well, the workman is worthy of his hire just the same whether he is traveling on the road with his goods, or digging in the office to get his trial balance, or is worrying about how to meet the note due the next day, or is realizing the responsibility more or less that rests on his shoulders to keep his business successful for the families dependent upon it. But you say: "Yes, but these fellows build them a nice house every once in a while." True; who gets the money when they build them a nice house; does not the workman? But you say; "Yes, but he invests in railroad bonds and other things," but who gets the money; are not more railroads built and is not more money distributed? We are driven to the final conclusion that it is all work, save only the possible certainty, if you please, that it is not fairly distributed; but the question of distribution is not my chief objection now, because no one can buy anything with an empty pocketbook; they may be able to buy on credit, but they can not buy anything for cash if they have no cash, regardless of the price; and while you may hinder a man by reducing his wages you destroy him most by importing what he has been making. The reduction of wages is a partial loss; importation is a total loss because it is all work. Here are thoughts enough which if one will follow them out closely he will be surprised at the certainty of truth in my original statement. Much more might be said on this subject, but those not acquainted with this exposition can think anything else out that they want to, with this information before them.

Mr. Chairman, I said I would say something more about the difference between what the consumer pays and what the producer gets. It has been shown, and we have all seen the figures, that we are paying more than twice as much for our farm produce as the farmer receives. If it has not been said before, I will say that we also pay more than twice as much on the average for our manufactured goods as the original producer receives, but the rule must be taken generally as an average, and where it is less in one case it is enough more in another to balance. Now, if our method of distribution could be reduced to a reasonable sum the consumer's price would be fairly satisfactory. It would seem as if 25 per cent of the consumer's price ought to pay for the distribution. This would make an item costing 75 cents from the producer sell to the consumer for a dollar, whereas the average of items for which the producer receives 75 cents is sold to the consumer for $1.50, and often much more. If the producer could sell direct to the consumer this would be facilitated, but we must not forget, in order to do this, much of the high cost of living is fastidious taste. And, besides, we are not satisfied with the living which our forefathers had. The poor people to-day have a living far beyond what I had when I was 10 years of age, and I was not distressed in the least. I saw a woman come into the House Office Building only a few days ago, and there was a slight indication that she was here for a purpose, and I queried to myself, What can she be doing here? She had on a fine new silk hat, good enough for anyone, dressed well, and to my surprise she went into the cleaning room and after a while emerged to scrub up the floors in the House Office Building. I have used these illustrations almost wholly for the purpose not of deprecating the good living people have to-day, still less the plenty of work, but simply for the purpose of showing that the complaint would be largely removed if we could get the product from the factory to the consumer on reasonable terms, but the merchants and middlemen are not wholly to blame. People all over are buying goods far beyond even what is good for them. A skilled physician told me a short time ago that no person after reaching the age of 50 years should eat heavy meat. If we were arbitrarily by some force put upon the diet that was best for us, the high cost of living would be gone, but we have gotten into a habit of everybody kicking everybody else instead of doing their own part. I know this is not the popular way to state it, but it is the true way, and anyone who will honestly stop to think will admit it. There are exceptions, of course, but this is the rule. There was no time ever in this country when a person, by the

same prudence, thrift, and frugality, could lay aside so large a portion of his income as can be done to-day.

Mr. Chairman, there is another point in the bill about which there should be more explanation, namely, the 5 per cent allowed on goods imported in American bottoms. A premium should not be paid, Mr. Chairman, on imports. We should discourage imports. The premium should be paid on exports. Furthermore, is it for the poor man or the rich man that this 5 per cent is being allowed? The poor man sometimes owns a dory or something of that sort, but he never owns ships. The 5 per cent is given to rich men. Ten times the blessing would come to this country if we offered a bounty paid on exports, regardless of whose ships they were carried in. Anyone can understand this import-export business if he applies it to his own transactions. Anyone knows if his income is a thousand dollars a year and his outgo or living expenses twelve hundred dollars he is running in debt at the rate of two hundred dollars a year. On the other hand, if his income is a thousand dollars a year and his outgo eight hundred, he is gaining somewhere at the rate of two hundred dollars a year. In other words, the balance of trade is in his favor. A merchant or manufacturer knows if his pay roll, expenses, and living are $5,000 more than his sales, and the stock keeps about the same, he is running behind at the rate of $5,000 a year, and it is exactly the same with this country. Americans spend abroad, in the first place, and aliens take abroad, likely, well up to $200,000,000 a year, perhaps more. Hence, to keep ourselves square with the world we must export by this amount more than we import, else we are running behind as a country; and the aim should be not to increase our imports, as previously stated, but to keep them as small as possible and increase our exports, that the balance of trade may be as largely in our favor as possible. In other words, that the country's favorable balance of trade may be as large as possible.

Mr. Chairman, again, if you want to reduce the tariff, why take the lowest class of wage earners, those employed in the woolen *and cotton* mills? The gentleman from Illinois [Mr. BUCHANAN] a year ago asked me to admit that the average wage of the people in some of those mills was $5.25 a week. Well, if he thinks so, why attack them? They are the poorest class of laborers we have. I should think they might have been spared.

Mr. Chairman, I want to make a few further remarks about the various reasons for tariff. By tariff I do not mean a prohibitive tariff; that is a misnomer; no tariff should be prohibitive except it is something that, for sufficient reasons, we want to keep out of the country altogether; but there are five important functions of the tariff—"free trade," "tariff for revenue" (American wages for American workmen, commonly called), "protection," "trade balance," and "reciprocity." We will assume, to bring it within the Constitution, that the principal element all the way through is for revenue, but it seems to me utter folly to hinge it altogether on this feature. Some men select a wife because she is beautiful, others because she is rich, again because she may be in fine society, others because she may have a graceful form, but as a matter of fact it is constitutional that she be a woman, and these other graces are all-important and should properly be considered, but no one of them prevailing. Free trade as talked more or less by the Democratic Party is merely imprudence, if not recklessness. In the first place, it is not free trade anyway; it is giving our markets to others regardless of whether or not they give their markets to us. It is our business to care for the great trust that Almighty God has put upon us in disclosing to us the manifest destiny of this country, and He expects us to do it in a businesslike way, and He does not expect us to throw away our heritage, but to use it with a fair, honorable, and high purpose. We may give our markets to those who give their markets to us. This is reciprocity, however; or our markets on certain things for markets on certain other things. The free list should be composed of articles that will facilitate our well-being. A tariff for revenue only is purely mercenary. The tariff should raise as much money as possible commensurate with other beneficent results. THE MUCH-MOOTED DOCTRINE OF PROTECTION, WHICH I PREFER TO CALL THE WORKMAN, IS NOT ONLY PROPER BUT THE ONLY METHOD WE HAVE OF CONTROLLING THE BALANCE OF TRADE AND THE WORKMAN'S SCALE OF WAGES, AND THE WORKMEN SHOULD NOT OVERLOOK FOR A MOMENT THAT THE MAN WHO HAS THE MOST CAN LIVE THE LONGEST IN DULL OR DISASTROUS TIMES; AND IT IS THE WORKMAN WHO OUGHT TO BE MOST CONSIDERED, AND IN ACCORDANCE WITH THEIR NEED OR INABILITY, AND IT IS MERELY A QUESTION OF ADJUSTMENT SO THAT WE MAY PAY AMERICAN WAGES. IT IS NOT A QUESTION AT ALL OF WITS. THE AMERICAN WORKMAN KNOWS HE IS THE EQUAL, IF NOT THE SUPERIOR, OF ANY WORKMAN ON EARTH, BUT HE DOES NOT WANT TO WORK FOR THE SAME WAGES, AND THIS IS WHAT THE TARIFF MEANS TO HIM, AND HE WILL FIND IT OUT SOONER OR LATER THAT A LOWER TARIFF MEANS IF IT LOWERS THE PRICE OF GOODS AT ALL THAT IT COMES OUT OF HIM.

The balance of trade should always be considered. For this country to prosper we must always sell more goods, with what Americans and aliens take abroad, than we buy from abroad. It is wondered many times how England gets along with such a large free-trade or free-market system, but England has thousands of millions of dollars invested abroad, which brings in hundreds of millions every year in interest or income, and she draws a little from every corner of the earth. We draw little from investments abroad. Reciprocity is a feature that should always be considered to foster interchange of trade. Even though we may make the tariff ourselves arbitrarily, it should be taken into consideration what tariff can be levied on this particular article or that particular article with a view to inducing the largest possible return of trade from any given country.

Mr. Chairman, finally, I want to call attention to this fundamental principle: All enterprise, all business activity in this country, is a distribution of wealth at home. All importation is a distribution of substance abroad. The distribution of wealth at home may be unfairly made—and by wealth I mean that which is current, our present activity and wages. By substance I mean that which we have accumulated, for we must first have before we can buy abroad. Our proposition is not to support the workmen across the water by importation. If they value our civilization, they must come over here. Reducing the tariff is going to do one of two things. If it reduces the cost of our purchases, it must come out of some one—that does not mean sharpening our wits, but that the wage must be reduced—or if we are to reduce by importation, the whole wage is gone. You must choose between these things.

Mr. Chairman, the third Massachusetts district, which I have the honor to represent, has as wide a range of manufacture as any in the country. I have counseled with many expert manufacturers in various lines and have weighed very carefully what I have said, and have used much of this expert information in addition to my own practical knowledge, and I am sorry that I can not quote at length from such valuable sources, but have mentioned such affairs which are largely elemental and inevitable and which can not be changed on either side of the aisle. [Applause on the Republican side.]

Mr. MORGAN of Louisiana. Mr. Chairman, I trust I will not be considered unduly officious if I undertake to utter a few commonplace observations in defense of the sugar industry just before you expunge it from the roll of existing American industries.

With the eloquence of a Demosthenes we have been informed by Members of this House that the people demand a reduction in the cost of living. I sincerely hope that each and every Member of this House will bear in mind at the same time the duty he owes to the public, with whose prosperity he has been intrusted.

Mr. Chairman, I have been also importuned by a wise constituency to exert my best efforts to reduce the cost of living. However, that same constituency, in the same breath, philosophically instructed me to contravene and oppose in my humble way every and any attempt on the part of this House to imperil or improvidently destroy any legitimate business. Now, I will make this prefatory statement that I am aware of the fact that it is declared to be a fundamental principle of the Democratic Party that the Federal Government has no right or authority under the Constitution to levy tariff duties except for the purpose of revenue. This is a Jeffersonian principle and in accordance with the principles of true Democracy, because true Democracy demands the greatest good to the greatest number. Mr. Chairman, under Republican rule the moneyed people—the great manufacturing industries of this Nation—have reaped enormous profits at the expense of the masses of the people. Much of these duties were paid by the poorer classes on the necessaries of life, and by the farmer on tools and machinery that are sold in a foreign market at a less cost than at home where they are manufactured, and this charge falls heavily on the State of Louisiana, which is essentially an agricultural State. I believe in the policies and the traditions of the Democratic Party, and I unhesitatingly say that a duty on sugar is in accordance with the principles laid down in the Democratic platform. Furthermore, I believe that as the farmer is taxed heavily for tools and machinery, it is fitting and proper that he should be in some slight manner safeguarded in the product of his toil, especially when this can be done without violating any of the doctrines of Democracy.

Protection for the sake of protection, of course, is untenable, but I do not ask for a protective tariff, but, on the contrary, for the imposition of a revenue duty. It is conceded that the

Democratic Party believes in imposing tariff for revenue, and surely no free-trade theorist dare undertake to refute that sugar is an ideal revenue producer. It is preeminently the best subject upon which to lay a revenue duty. It directly conveys to the coffers of the United States Treasury approximately $53,000,000 per annum, which sum is used to defray and meet the expenses of the General Government. One-sixth of the entire revenue collected by the United States Government on imports is derived from sugar; and sugar to-day is the cheapest necessity of life produced by the American people. Yet, under the assumption that we are legislating for the good of mankind in general, we single out this great and unrivaled revenue-producing industry for the guillotine, unconsciously at the behest of the Sugar Trust. The belief that pervades this country to-day—that is, that sugar should be placed on the free list—is attributable solely and alone to the activities of the Sugar Trust. It precipitated the fight. It has disseminated this belief. Why? Surely not for philanthropic reasons; not for the benefit of down-trodden humanity. No; this cold, calculating, and grasping combination would never do anything that even tended to safeguard the interests of the people. An assertion to the contrary would provoke a smile from the lips of an Egyptian mummy. When the storm of this battle subsides and the smoke disappears in the distance you will observe its fine Italian hand.

Men have died from time to time and worms have eaten them, but not for love.

The Sugar Trust is about to destroy the domestic sugar industry, but not for love of the American people. The question, then, naturally arises, Why? For the reason that the domestic sugar sells in competition to the trust-produced article. It is the domestic sugar that has kept down the prices of sugar, and the verity and correctness of this statement will come home to you before many more moons and strike conviction deep down into the breast of the American people. The Sugar Trust will dump free raw sugar on American soil immediately after this bill is enacted into law and force down the prices of sugar until it accomplishes the destruction of the domestic sugar industry; then it will arbitrarily fix the price of sugar for the American consumers. When this time comes you will be reluctantly forced to stand before the American people and say to them that "I have again erred, and, distressing as it is to admit it, not on the side of the people." It is inconceivable to me how anyone can seriously urge that the destruction of the domestic sugar industry will cheapen sugar. In the summer of 1911, when it became palpably obvious that there would be a shortage in the world's sugar crop, the American refiners were compelled to pay a shade more for raw sugar. However, was there a corresponding increase in the price of refined sugar? No; the American Sugar Refining Co. advanced the price of refined sugar from $4.90 in July to $6.50 in October. The Federal Sugar Refining Co. increased the price of its product to $7.25 and the Arbuckle Bros. to $7.50.

In October, when the domestic beet sugar was put on the market at $6.50, it became imperatively necessary for the refiners to lower their prices or transitorily retire from the market. Consequently, in December the same year, the prices had dropped to $5.53.

Wallace P. Willett, the sugar expert of Willett & Gray, stated before the Hardwick committee that if it had not been for the marketing of the sugar-beet product the price of sugar in America would have gone higher than ever before. Mr. Willett said in part before the committee:

The moment our American beet-sugar product became available on the market the rise stopped, and owing entirely and totally to this American production refined sugars were 1⅛ cents lower than they were at the highest point. But for that American production we to-day would be buying sugar at the world's prices.

Therefore it is evident to those whose comprehension has not been dulled and warped by prejudice that the refiners had a monopoly of the business and availed themselves thereof by arbitrarily augmenting the price of their product until the domestic crop invaded the market. If it had not been for the marketing of the American production these humanitarians would have extorted untold millions from the American people.

The domestic sugar therefore minimizes the profits of the great refining companies of the United States. Hence its home production inures to the benefit of the consuming public. To maintain a duty on raw sugar stimulates and encourages the development thereof, and thereby prevents the refiners from securing a monopoly of the market.

We are told that free sugar will cheapen that commodity, the wisdom of which can only be determined in a measure by a comparison of the prices that prevail in the United States with the prices which obtained in foreign countries. Now, in Germany the retail price of sugar is higher than it is in the United States; Russia likewise; Brazil, the prices are higher; British India, the largest producer of cane sugar in the world, the price is simply a shade under the price in this country; Argentina doubles the price in the United States. In brief, the price of sugar in this country is lower than any other in the world except England, Belgium, Sweden, Denmark, and Turkey. Yet we are determined to place the ban on the domestic sugar industry. In Sweden, Japan, Brazil, and Union of South Africa import duties are laid upon sugar primarily to encourage the industry, incidentally for the purpose of revenue. In Russia, Spain, Italy, Canada, and Denmark a protective tariff is imposed on imported sugar to foster and stimulate home production.

Foreign competition will not affect to any perceptible extent the sugar trade, because of the proximity of the Cuban sugar plantations, in which the refiners are so deeply interested. European competition, on account of the ocean freight, will be a negligible quantity, unless it is bolstered up by bounties, and this is unlikely, nay, impossible, in the face of the Brussels agreement. In other words, we are going to be left to the tender mercies of the American Sugar Refining Co., the Federal Sugar Refining Co., and the Arbuckle Bros.

We are clamoring for free sugar, which we candidly admit will destroy that industry, yet we write into the platform of the Baltimore convention "that we will enact no legislation that will injure or destroy any legitimate industry." Why did you embody that declaration in the Democratic platform? That sentence is as clear and as lucid as the English language is capable of making any sentence. There is nothing ambiguous, equivocal, or uncertain about it. No one can intelligently distort its meaning or justify any misinterpretation thereof. We are told to-day that it does not mean what it clearly enunciates. We are politely and graciously informed that we are laboring under a delusion. It seems to me that it is inadvisable for us to go to equivocating, quibbling, or hairsplitting in our dealings with the American people. That significant sentence was incorporated into our platform for a purpose, and well indeed has it served its purpose. That plank in our platform, more than any other one, assisted in returning, after two decades, a Democratic President and a Democratic Senate, and now we are expected, I presume, to go back to our districts and say to our constituents, "You poor benighted souls, you have undertaken to interpret that which was written by the hand of a strategist." Congressmen on this floor representing doubtful districts, I venture to say, have many times since the last election said of that clause, "Thou wert my guide, philosopher, and friend."

Mr. Chairman, we are reminded that we are engaged in a "hothouse industry," and are excoriated and ridiculed for attempting to make sugar in a temperate zone. We are also informed that cane is a tropical plant, and many other illuminating remarks of the same tenor.

It is charged that we are engaged in an economically illegitimate industry. However, those who undertake to denounce our industry and brand it as illegitimate, tactfully concede that the manufacturers of woolen goods are unable to subsist without a little incidental protection.

Those of you who believe in free trade may extract and glean from declamations of this character satisfaction enough to justify your own judgment in voting for free sugar. However, let me tarry you on your mad and reckless rush to destroy this great industry just long enough to say to you that the people who are engaged in this alleged "hothouse industry" are directly responsible for the cheap sugar that the American people consume to-day, and this you can not successfully gainsay. The ingenuity, skill, intelligence, and brains of the Louisiana producers of sugar have given to the world more improved and modern machinery than all other persons therein engaged. It is alone this machinery that has enabled the producers of sugar to cheapen it, and now you satirically say to him that you must abandon your "hothouse industry"; hurl to the four winds of the earth a hundred and fifty million dollars therein invested; and throw out of employment thousands of men, women, and children depending thereon for their livelihood, and then you will go before the American people and appear in the rôle of a philanthropist. Firmly do I believe that Barnum knew whereof he spoke when he said the American people wish to be fooled.

Give the Louisiana sugar industry an additional respite and before many years it will have strength to stand alone. When that time comes it will be able to compete in the open market and we may not reproach ourselves with having killed it by the application of a principle that, however wise in its general application, would be prematurely applied in this instance. There is no iron-bound policy that can be applied to every condition with equal benefit. Of course, you who recoil from the

mere mentioning of sugar as you would from a leper will in a tragic manner vociferously declare that that "hothouse industry" has been fostered by the American Government for a hundred years. That is very correct, and I desire to remind you that in 1870 the cost of production was from 12 to 13 cents per pound. Now it costs less than 3¾ cents. Suppose the Ways and Means Committee had then placed sugar on the free list—placed it on a competitive basis—do you believe for one second that you would buy sugar to-day on Pennsylvania Avenue for 5 cents per pound? A duty has been laid upon sugar since the organization of the Government under both Democratic and Republican administrations. It has always occupied a conspicuous place on the dutiable list. Every Democratic President that has occupied the White House has recognized that an import duty on this product was equitable and fair, not alone to the producer, but also to the consumer. Now, if we are averse to traveling along beaten paths that experience and time have demonstrated to be necessary to industrial development, we should at least diverge therefrom gradually and rationally.

John C. Calhoun not only voted for a high duty on sugar, but furthermore stated that the Government should encourage its production in this country.

John G. Carlisle, once Speaker of the House and Secretary of the Treasury in the Cabinet of President Cleveland, speaking of the duty on sugar, said, in part:

> The repeal of this duty, therefore, while it would undoubtedly reduce the revenue, would afford very little relief to the people in comparison with the relief that would be afforded by the repeal of duties upon any other articles in common use.

A more pregnant truth has not been uttered since that day on this all-important question. The conditions which then obtained are still extant.

Therefore, as you readily observe, that the friendly attitude of Congress after Congress has led our people to conclude that an import duty on sugar was an underlying and basic economic principle in the scheme of our Government. Hence our people year after year enlarged and extended the scope of this great industry. They have bought expensive mills and machinery requiring an enormous outlay of capital.

Yet, in spite of these facts, in the twinkle of an eye, without rhyme or reason, you seek to destroy an industry and convert the machinery thereof into worthless junk after our people have engaged in this industry for, lo, these many years under the hope and inducements held out to them by both of the great political parties. Now, I respectfully assert that no fair or unprejudiced mind can with justice to itself countenance or approve this attack within our own citadel. In my judgment it is contrary to every principle of justice, reason, and fair dealing, repugnant to the true spirit of the Democratic platform, and in utter disregard of the policy enunciated to-day by our party.

I wish to say that it is at least impolitic to foster and safeguard an industry to-day under any pretext and improvidently forsake it to-morrow. Such an unsteady, unstable, and shifting policy may be productive of very calamitous results. Without madness, pique, or spleen I admonish you to calmly consider the danger that lurks in such methods.

I may be injuring my standing with my party and induce a score or more of Democrats to question my party fealty. I will say, however, not in a spirit of egotism, that I may be espousing the principles of democracy long after some of my critics may be reluctantly forced to accept the ineffable sweetness of private life by reason of their political cowardice. But be that as it may, I intend to represent the best interests of my district. I am here to endeavor to foster and encourage the growth and development of its resources. Hence I will not remain silent as the grave when there is an obvious attempt to enact into a law a bill that provides for the destruction and the wiping out of one of the chief industries of my State upon the continuation of which the welfare and prosperity of my people largely depend. The irresistible effects of this proposed bill would be worse than the ravages of the boll weevil and the devastation wrought by the flood waters of the mighty Mississippi. Therefore were I to give my vote to its passage I would be derelict to the highest duty of citizenship.

Now, I presume that every Member advocates that which he conceives to be to the best interest of his country with a sincerity as deep as ever permeated the human breast. If there is anyone who does not he should be relegated to private life for the good of his country.

I am averse to and deprecate any effort on the part of any Member of this House to impugn the motives of his colleague. I am going to vote the views of my constituency, and in doing so I will transgress no cardinal principle of democracy, violate no part or provision of the Democratic platform, nor deviate one jot from the policy under which we are presumably proceeding.

Mr. Chairman, legislation of this character, in my judgment, is inspired by a misconception of the wishes and needs of the people. Instead of stimulating industrial development, it seems that we are determined to do all we can to stifle it.

We are writing into this bill the obituary notice of the sugar industry—placing the heavy hand of oppression thereon—and our work will, beyond the peradventure of a doubt, inure to the benefit of one of the most unconscionable trusts under the blue canopy of heaven, the Wall Street refiners.

We are proceeding on the assumption that when we remove and relegate to the past a duty on sugar we, in consequence thereof, strike at the very vitals of the Sugar Trust. It is my belief that we are groping in the dark, and it will not require an oracle to bring our errors to light. The advocacy of free sugar by the Sugar Trust is per se sufficient to indicate to me the path that I should follow. These effervescent proponents of free sugar are sinking their knives deep into the vitals of this industry, but after its sepulchral rest they will be called upon to explain to an inquiring and not altogether gullible constituency the cause of high sugar.

The State of Louisiana has stood by the Democratic Party with a fidelity rarely ever surpassed or excelled. She has always given to the Democratic Party her electoral votes with one exception; sent throughout the country speakers in every presidential campaign to espouse and advocate the principles of Democracy, and has regularly contributed to the cause large sums of money to help defray the expenses incident to presidential campaigns. Now, its first official act is unquestionably calculated to temporarily impoverish the State whose loyalty it courted and enjoyed.

For years yellow fever disastrously militated against the development and growth of our State, yet we fought it with a determination never equaled by the human race and, finally, our efforts were crowned with success—yellow fever was consigned to eternal oblivion. Then we enjoyed several years of prosperity; that is, up until 1908, when the boll weevil invaded our State and the ravages wrought by that destructive and deleterious insect resulted in destroying practically the entire cotton crop, and in a measure pauperizing certain sections of the State. Now, while we were engaged in making heroic efforts to rehabilitate ourselves, the flood waters of the historic Mississippi poured in and devastated and swept everything before it. Individual fortunes were destroyed and our people left homeless, with famine staring them in the face. But we met, fought, and controlled, with the assistance of an Almighty God, this calamity, as we fought and subjugated other apparently insurmountable obstacles that have been thrown across our path in life.

And now, while my people are earnestly struggling to reestablish themselves, but still staggering and quivering under this last catastrophe, the party which Louisiana has stood by and supported, as I have said, with unfaltering allegiance, has again assumed the reins of government, and it at once, without ceremony or qualms of conscience, proceeds to deal the State a blow below the belt over which our party seemingly gloats, and we are expected to sit silently by while one of our greatest industries is sacrificed on the altar of a misapplied policy.

Now, I gratuitously mention these facts; however, mistake me not. I am not asking nor do I intend to appeal to you for any consideration of sympathy or humanity. I put my plea for a revenue duty not upon sentimental grounds. I desire to stand or fall by the Democratic platform and the policy recently enunciated by our leaders. It seems to me that you refuse to impose a revenue duty on sugar, which will not injuriously affect, but on the contrary will inure to the benefit of the consuming public, simply because in your judgment you think it may incidentally benefit an American industry. In other words, we appeal for even-handed justice.

Our party has announced to the world that it believes in a tariff for revenue and this revenue to be collected solely from the imposition of tariff duties on luxuries. Away with such sophistry. A perfunctory analysis of this proposed bill will compel anyone who is open to conviction to admit that we are throwing the strong arms of protection around some colossal combinations under the guise of collecting revenue, when in truth and in fact they yield no revenue. "Consistency, thou art a jewel."

Why was crude rubber and raw silk placed on the free list? Both are ideal articles on which to lay a revenue duty. No one would be so unfair to himself as to affirm that sheep and cattle are not necessaries of life. Meat is the food that puts the red corpuscles in the veins and brings the blush of health to the cheeks of our children; therefore should be found on the table of the poor as well as the rich. However, we discover that both sheep and cattle appear on the dutiable list. Why? Certainly not for the purpose of revenue, for the revenue col-

lected from this source is too infinitesimally small to even mention. Now, they produce no revenue and are necessaries of life, yet they both appear on the dutiable list. How in Heaven's name can our party justify its position or its shifting policies before the American people? Where is the Solomon who can rationally vindicate the actions of our party? We again find raw wool on the free list. This, we are informed, will destroy the industry. But, on the other hand, we find woolen goods on the dutiable list, presumably for the purpose of revenue. Of course, this will afford manufacturers, inadvertently, incidental protection. This incidental protection will enable them to compel the "people" we hear so much about these days to pay more for their clothes. How are you going to reconcile your tariff-protected articles with your treatment of the wool, sugar, and other necessaries of life, I am at a loss to conjecture. However, I do admit that these items have been defended with marvelous dexterity; but sometimes eloquence, ingenuity, and even persuasion fail.

Some of the Members of this body when they speak of the farmer exhibit strong signs of emotion. During these eloquent and illuminating dissertations we are carried beyond the thoughts of the farmer into admiration for achievement in oratory. But this buncombe serves no good purpose, as it brings the farmer nothing of a tangible or substantial nature. He needs, and demands, results. We frankly admit that he is the backbone and taproot of this Nation. The Nation's prosperity depends primarily on the prosperity of the agriculturist, and we assure him, before election, that we will be found in the front ranks with those battling for the advancement and development of the agricultural interests of this country; in brief, that we will favor any legislation that will inure to the benefit of the rural population. Yet as soon as we become a Member of this great lawmaking body, in our great anxiety to evidence our grateful appreciation of his worth, we put on the free list the product of his honest toil and industry, and the tools and machinery without which he could do nothing are placed on the dutiable list. A sentence of condemnation is going to be placed on our duplicity, and there is no escape from it.

Mr. GARDNER. I yield to the gentleman from Wisconsin [Mr. FREAR].

Mr. FREAR. Mr. Chairman, I hail from the State of Wisconsin, and my one reason for speaking briefly is to make a comparison of Wisconsin with Alabama in a certain respect. Both States have practically the same population. Wisconsin has four times as many manufactures, according to the census report, as Alabama; but I do not care to refer to that feature of it. I wish to ask a question that is asked by the people of my State with reference to the tariff bill, regarding the comparative showing made by two States as to the effect of the bill.

It does not require any profound knowledge of tariff making to say with the voice of prophecy that if this bill gives relief from present tariff injustice and meets the promises of its confident supporters, then in this country we may throw away rules and methods sacredly accepted by lawmakers since our Government was founded; rules of conduct which to-day are guiding other countries of the world; and henceforth we must depend upon the spirit of infallible personal genius to steer our craft over industrial seas that bristle with commercial derelicts, sunken icebergs, and hidden rocks.

I speak briefly from the standpoint of a new Member, who confesses unfamiliarity with tariff schedules or with conditions that should be fully known before intelligent individual action can be had on this tariff bill. No apology is offered for lack of knowledge, because approximately one-third the membership of this House is composed of first-term Congressmen, none of whom, it is safe to say, has any definite knowledge concerning the justice or fairness of all proposed schedules contained in the bill on which we are to vote.

Older Members advise me that tariff legislation involves much detail and expert knowledge; that less than a score of Members have any intelligent conception of all the schedules proposed in this bill, of the reasons on which they are based, or of the ultimate effect on the country of innumerable changes to be wrought in existing law.

If, then, more than 400 Members are unable to vote intelligently on all the schedules, how are we at this time to predetermine the effect of the bill upon the country? Are we to accept a revolutionary experiment in tariff legislation through a bill reported by the committee to the House practically as introduced a few days ago—a bill of 218 pages, containing many thousands of items—without any testimony on which to justify our votes? Who prepared the bill, and when or where were these schedules determined? What public or private hearings have been had in support of a measure that arbitrarily slashes tariff rates and places hundreds of commodities on the free list?

Pride of authorship goes with this bill, for notwithstanding loud-voiced protests have reached the outside world through doors of the secret Democratic caucus, all is now silent. No argument is more potent than the steam roller, as we are soon to experience in the House on this bill. With doubtful parentage and no birth record or pedigree to its credit, the bill comes to us through the offices of its guardian ad litem, the distinguished chairman of the Democratic Ways and Means Committee of the House.

Thousands of items have been placed before the House to be accepted in their entirety. Schedules prepared by unknown influences are to be sacredly preserved. Not one amendment will be permitted from Republicans or other minority Members. This is the ultimatum. In all its glory the old Republican car of juggernaut was never equal to the modern invention that forces the Underwood bill upon the American people, and the duty of every Member who can not support the measure is to register a protest against its method of preparation and passage and then without delay to accept the rule of the majority. Further than this, I believe, every patriotic citizen hopes that the Underwood bill will meet the predictions of its supporters, reduce the high cost of living, give continued prosperity to the country, and for years to come settle the troublesome tariff question.

BILL DISCRIMINATES AGAINST WISCONSIN.

In registering a brief protest against this measure I do so representing a constituency that is discriminated against by the bill. No privileged interests of Wisconsin are demanding a lease of life, although many substantial industries in our State are apprehensive of results. Doubtlessly weak business interests, here and there, in our State and throughout the country will go under, but responsibility for preparing a bill has been placed upon Democratic shoulders, and carping criticism from political opponents is ill timed. To point out defects showing the spirit of discrimination is sufficient for my purpose.

Wisconsin is an agricultural State, so is Alabama, the home of the distinguished gentlemen whose name the bill bears, and each State boasts of about the same population. Whatever may be the consequences, Wisconsin does not receive nor ask favors for itself, under the bill, that are not granted to the country at large. With its $90,000,000 annual production of dairy products alone, almost two-thirds of the total amount of manufactured products of every character in Alabama for 1909, Wisconsin will maintain its lead in this one industry because soil, climate and water are advantages superior to tariff walls, however high. Its barley and other grains will also continue to stand first in character and production per acre, whether the Underwood bill succeeds or fails. Wisconsin sheep and mutton will capture sweepstakes at every annual international contest, as for many years past, whether or not wool goes on the free list or dressed mutton comes in free from Canada.

In agricultural products our State will share in the general prosperity or depression following the passage of this bill, but it will continue to maintain its position in products raised per acre, because fertility of soil and intelligent farming are not dependent upon tariff schedules. If the Underwood bill that discriminates against the farmers of the country becomes a law we must accept a situation which is the logical result of its verdict, rendered by the country last November.

Manufactures must also conform to that judgment. The 182,583 wage earners in the factories of Wisconsin, who produced $590,306,000 in manufactured products in 1909—the latest available census report—will be able to withstand the shock of a sudden reduction in schedules as well as will the 81,972 employees living in Alabama, whose total manufactures, aggregating $145,962,000, amount to less than 25 per cent of Wisconsin's products, according to the same governmental authority. We have more employees and more interests at stake, but Alabama and Wisconsin have people and interests in common to protect.

DISCRIMINATIONS FAVOR ALABAMA.

Inquiring as to specific items, why does the Underwood bill give to the farmers of the North the empty pretense of protection while tobaccos of the South are protected by rates ranging from 35 cents to $2.50 a pound? Why does the crop of 418,007 bushels of dried peas harvested by the Alabama farmer receive a protective duty of 9.55 per cent ad valorem while $31,667,000 of flour manufactured in Wisconsin is expected to pay 10 cents more per bushel for wheat to grind than do our Canadian competitors who, under the bill, will enter our markets free of duty? What legerdemain of reasoning justifies throwing our doors open to woolgrowers of Australia and the world at large, against whom the Wisconsin farmer must hereafter compete, while 79,349 Angora goats in Mr. UNDERWOOD'S State are protected with tariff duties for the first time in the history of the country? On what theory of "revenue-only" reasoning, aside from political power, is Alabama enabled to save its own goat while it gets ours?

What broad statesmanship has been employed in the construction of this bill which forces 31,968,195 bushels of Wisconsin potatoes on the free list to yearly compete in the home market with tubers from Canada and abroad while in the same schedule 1,573,796 bushels of Alabama peanuts, raised during the same year, are to be protected by a rate of from 10.12 per cent ad valorem to 18.75 per cent in this tariff-for-revenue document?

Without disrespectful allusion to the Democratic tariff bill or the inspiration that possessed its unknown authors, it can truthfully be said that the bill embodies a peanut protection policy, with free-trade frills, while masquerading under the illusive title of "a tariff for revenue only."

A sign posted in the window of a Pennsylvania Avenue grocery store, one block from the Capitol Grounds, for the past week reads "The best granulated sugar 4 cents per pound." Market quotations show that sugar has been cheaper during the past year than for over a decade, and that the price has remained practically stationary during that period, notwithstanding other necessities of life have advanced with the high cost of living. Independent sugar manufacturers insist that this is a practical exposition of the protection principle because independent factories have maintained competition and prevented the Sugar Trust from controlling the home market. It is further insisted that sugar refiners, or the so-called Sugar Trust, are the only ones to benefit by the free-sugar provision in this bill, because beet-sugar and other factories will be unable to compete with foreign sugar growers. Through the destruction of local sugar factories the markets of the world will be controlled by the trust octopus, eventually resulting in higher prices. In support of this claim it appears, while sugar is quoted retail at from 4 to 5 cents in practically every city of the country, the wholesale April quotations in Canada are given at 4.44 cents; Austria, 4.20 cents; Germany, 4.35 cents; France, 5.60 cents; and Russia, 7.44 cents per pound. Have the beet-growing farmers of the country become too rich, or have independent sugar factories rolled in wealth while securing lower priced sugar for the American consumer than is paid by the people of other countries? Thousands of beet growers in my own State are engaged in raising the 256,124 tons of sugar beets used by our own factories in 1911, and these farmers received $2,000,000 for their crop, which they spent at home.

Last year 30,000 acres were devoted to the culture of sugar beets for factories that manufactured approximately 25 pounds of sugar for every man, woman, and child in the State. These factories were erected under an express promise by existing law and under the belief that sugar was as much entitled to protection as tobacco, dried peas, Angora goats, or peanuts.

BILL WILL DESTROY WISCONSIN INDUSTRIES.

Members of the Ways and Means Committee advise me that if sugar is admitted free, as proposed by this bill, it will wipe out every factory and give to the trust a clear field for future operations. Wisconsin growers and manufacturers must abide by the Democratic ultimatum, and if they would secure special privileges granted by the bill they must turn their attention to raising peanuts, tobacco, dried peas, and Angora goats. When farmers get 30 cents a bushel for potatoes that retail for $1 or sell cabbages at the farm for $5 a ton that retail for $25, when manufacturers receive 5 cents a yard for cloth that retails for 25 cents, something more than tariff laws is responsible for the high cost of living. The duty of exposing indefensible schedules that bristle throughout this bill is being performed by experienced Members, and I have pointed out these items only because, like many others that can be mentioned, they are glaringly unjust.

The public weal is a first consideration, and it is unsafe, as well as illogical, to favor special interests in one locality at the expense of the rest of the country, which must pay the price exacted by such interests. While I do not charge that the framers of this bill have intentionally discriminated against one Commonwealth in favor of another, a brief examination of the proposed schedules emphasizes Gen. Hancock's historic utterance, when as a Democratic candidate for the Presidency he declared, "The tariff is a local issue." The principle of protection which governs commercial transactions of nearly every European country of comparative importance, has been too often defined to require any exposition, and from any logical standpoint it is unwise and absolutely unjust to wipe out protective duties because they have been allowed to grow prohibitive on certain items, however culpable the agencies may have been that framed unjust tariff schedules in the past.

A SECRET CAUCUS TARIFF BILL.

The Democratic majority can not halt or turn back if it desires to do so. It must go on and give to the country a new tariff bill according to its promise and its commission from the people. If it does not legislate wisely or, if drunk with power, its present unwieldly majority swings the pendulum to an opposite extreme, the judgment of a disappointed people will be visited upon those now in power as it has been visited on every other party that failed to measure up to its promises or obligations. What shall be said of secret caucus methods or the deliberative judgment of Congress when a Democratic Member, Mr. ADAIR, of Indiana, informs the House (p. 417 of the RECORD):

> I shall vote for this bill as it was reported from a Democratic caucus without dotting an "i" or crossing a "t." * * * If we were to read out of the Democratic Party all Members who took issue with the Ways and Means Committee in our caucus on certain items of the bill, then there would be none left to sustain the committee in presenting the bill as finally agreed upon to the House.

This is the caucus steam-roller bill that Congress is asked to pass. Can any language characterize it and its support more fittingly than this confession?

It has been stated on this floor by Republican Members, older than myself in service here, that the Republican Party has reaped the whirlwind because of incompetent leadership and a failure to keep its pledges. Our Democratic friends will have cause to remember this verdict if the bill is passed in its present form. Promises to make a gradual revision downward, to disturb no legitimate business interests, to act with caution even if with determination, were pledges that gave to the Democracy its present power. Will the Underwood bill bring public confidence or desired relief? There are Republicans present who believe in the tenets of their party and have rendered lifelong service to its principles, yet on whom the yoke of party rests so lightly that their vote would have been cast in favor of a bill not radically opposed to principles in which they believe. Questions confront us, however, on which this measure must stand or fall.

WHO WILL BENEFIT FROM THE BILL?

Will the Underwood bill cause capital to seek investment? If so, when or where? Will it give employment to one additional laborer? Will it increase the wages of a single employee? Will it start the furnaces or add to the looms on this side, or across the water? Will it increase the price of farm products in a single instance? Will it persuade one boy or one girl to remain upon the farm? Will it eliminate the jobber, wholesaler, and the middleman who to-day receive more than one-half of the average cost of articles which move from the farm and factory to market? Will it bring prosperity or disaster to the country?

If goods from abroad are brought here in large quantities and substituted in use for domestic manufactures, what is to become of the factories erected on this side of the water, and what provision does the Underwood bill make for the thousands, aye, millions, of employees who to-day are dependent upon these same factories for a livelihood?

The income-tax provision contained in the Underwood bill is a faint attempt to collect taxes under the constitutional power recently given to Congress. It is a step in the right direction, that has been successfully tried out in Wisconsin under a better law; but if well administered the proposed measure will become an efficient revenue producer. Many Republican Members would support the income-tax feature of the Underwood bill with slight amendment, but in order to do so they are compelled to vote for an entire tariff bill which contains too many objectionable features to justify its support.

If the Underwood bill works successfully, as its defenders predict, if it refutes all precedents and all economic laws in bringing greater prosperity to our people, we of the minority will unite in praise for a measure that must succeed, if at all, through fortuitous chance rather than from foresight or deliberate calculation.

If, on the contrary, the party in power loses a golden opportunity to command the confidence of the country, if this tariff revision falls down because of dark-lanterned methods of preparation or unscientific schedules, then Republicans who do not believe in Aldrichism nor in a stand-still policy must be ready to accept their full share of responsibility for any failure hereafter of our own party to keep its pledges.

A TARIFF COMMISSION IS DEMANDED.

No bill, however carefully drawn, will fully meet public expectation, but any bill presented here for passage affecting the whole economic and fiscal policy of the Government should be prepared with deliberation and in the light of day. Our country is growing so rapidly that tariff changes can not be safely made except by schedules based upon a careful investigation of facts. This method is indorsed by the present Republican minority which has declared in favor of a strong tariff commission, and as evidence of its faith has accepted the woolen schedule that was unanimously supported by the Republicans of the House at the last session. That schedule invites confidence in its pro-

visions because of its careful preparation based upon tariff commission findings, while its substantial reductions from the Aldrich rates now in force give renewed weight to the argument that tariff revision is a job for the surgeon's knife and not for the bludgeon.

Rates on woolen goods fixed by the Underwood bill are from 25 per cent to 50 per cent, on the average, lower than those fixed by the Wilson law of 1896, but for 16 years the Wilson law has performed a ghost walk before the country whenever Democratic tariff tinkering is recalled.

It is a bold prediction to say that by cutting the Wilson law rates in half, the Underwood bill will put the ghost to sleep. It is also a reckless presumption that in the preparation of any tariff law destined to meet with approval of the country, political influences and exigencies can be safely substituted for economic principles. Three weeks ago to-day a triumphant Democracy entered this House charged with the fulfillment of party pledges. Secret caucus rules now hold the party together. A minority composed of Republicans, third-party Progressives, nonpartisans, and independents stands with solid front opposing the passage of this bill. Fresh from the people, unbound by caucus rule, governed by individual conscience, not partisanship; by justice, not expediency, the unanimous voice of the minority Members bespeaks a judgment that will be pronounced by the American people upon the Underwood bill. [Loud applause.]

Mr. UNDERWOOD. I now yield to the gentleman from Colorado [Mr. KINDEL].

Mr. KINDEL. Mr. Chairman, after all I have heard pro and con on the Underwood tariff bill I am reminded of the words of the Scripture:

> I had rather speak five words with my understanding, that by my voice I might teach others also, than ten thousand words in an unknown tongue.

First, I would criticize the reckless handling of the truth by the gentlemen on the minority side of the House when they make the wholesale charge that the new Members are intimidated and bribed into voting for the Underwood bill in order to get patronage or desirable committee assignments. I have been honored with appointment on one committee, from which I was obliged to resign because I did not want to jeopardize my chances of getting on the Committee on Interstate and Foreign Commerce, to continue the work I have been engaged in for 21 years. I desire very much to be placed on this committee, but whether I am or not, I am for the Underwood bill, first, last, and all the time, as the only fair and honest tariff bill that has been presented to Congress by the majority party in 16 years. [Applause on the Democratic side.]

Second, I would take exception to the practice of the minority in branding the majority as cowardly, vicious, hypocritical, and otherwise unworthy of public confidence. I am not one of those who believe that he or his party has a monopoly on virtue. It will no doubt surprise even some of my Democratic friends to learn that I discovered two Republican postmasters in my district with 100 per cent records for efficiency, whom I am urging for reappointment, in spite of much opposition from my colleagues and the Postmaster General. [Laughter.] I am a believer in civil service in practice as well as in theory, for that is the doctrine of the Democratic platform, upon which I was elected. May the meal-ticket, mugwump Democrat take heed of the fate that befell my predecessor. [Laughter and applause.]

I am a manufacturer and a granger and not a politician. I warned him four years ago that he would have to do certain things to see that we in Colorado got a square deal and fair play. He defaulted in that particular, and two years later I decided to get some one else to run, but I had to run myself on a Prohibition ticket. [Laughter.] I am a German and I drink beer. With a glass of beer in one hand and a Carrie Nation hatchet in the other I got 17,000 votes. [Laughter and applause.]

In like manner I now give warning to the gentleman from Wyoming—of many terms here—that, though he gallantly praises the women of his State, who have voted there for 43 years—since 1869—the women of Wyoming will prove his political downfall. [Laughter.] All that is needed is to instruct the women as to the real issues and they will vote right, as was demonstrated last fall in my district, when they retired my predecessor, a protection Democrat, and elected a real Democrat by from 3,000 to 5,000 votes more than the State and National ticket, and that, too, in a Republican stronghold. [Applause on the Democratic side.]

Once it is inculcated into the minds of the women of Wyoming that it is equitable transportation rates and not high tariff that is needed to develop the illimitable resources of Wyoming and the trans-Mississippi West they, like the voters of Colorado, will displace their present Representative and Senators by Democratic successors.

Wyoming, with a population of 146,000, has scarcely any manufacturing industries. The latest manufacturing statistics for the State, found in the report of the Thirteenth Census, shows but 2,867 wage earners. With all its high-tariff representation in Congress and with high tariffs prevailing it was unable to operate successfully its soda mills, glass works, and other manufacturing industries. How can Wyoming and the entire Rocky Mountain section with such freight rates be anything but a one-lung hospital, a globe trotters' station, and a repair shop?

It is true that the Wyoming freight rates have been equalized somewhat, both eastward and westward, by reflection of the Kindel efforts in Colorado. This is certainly not to the credit of the gentleman from Wyoming, who poses as a grammarian, a parliamentarian, and a Missourian, whom we hope to show before the next congressional election just where to get off. [Laughter.]

I regret to say that under high tariff we have lost in my own city of Denver two woolen mills, a paper mill, cotton mill, rolling mill, tannery, cooper shop, match factory, white-lead works, cement works, stove works, boiler works, medicine plant, tin-can factory, hardware factory, knitting factory, saddle factory, envelope factory, and several other factories. I do not pretend to say that protective tariff was responsible for this loss, but they certainly were not able to exist under high tariff and discriminative freight rates.

A most fitting epitaph in this connection would be that of Kingsley:

> So fleet the works of man, back to the earth again;
> Ancient and holy things fade like a dream.

To expand and develop our matchless western resources we must have commercial equality—the currency of transportation as well as the currency of cash. It is not high tariff we need, under which and in spite of which these enterprises were lost to us, but a square deal—fair freight rates.

A certain old Roman made himself famous by declaring that "Carthage must be destroyed," and sticking to it till Carthage was destroyed. I petition the Democratic Party to emulate that old Roman by declaring that discrimination must be destroyed, and sticking to it until discrimination no longer exists either in tariff or transportation.

Now, on the sugar question the gentleman from Wyoming said in part:

> It is certain no new factories would be built, and in a few years at most the beet-sugar industry would be but a memory of the constructive character of Republican and the destructive character of Democratic policies.

I want to read a telegram, showing that we are going to build more factories:

GREELEY, COLO., *April 24, 1913.*

Congressman GEORGE KINDEL,
Washington, D. C.:

Officers of the Weld County Beet Growers' Association incorporated the New Freedom Beet Sugar Co. to-day to build beet-sugar factory in Weld County. I am confident of the continued prosperity of the sugar industry, even though the tariff be reduced as recommended.

WARD DARLEY.

To show you what has happened to our section, take the freight rates westward; they are on the books to-day, and you are paying $2,000,000 for an Interstate Commerce Commission to regulate transportation tariffs.

Here are a few examples of tariff (freight) rates, of which the gentleman from Wyoming "keeps on layin' low and sayin' nuffin":

Carpets:	
New York to Pacific coast, per 100 pounds	$1.50
New York to Wyoming points	3.50
Boots and shoes—rubber:	
New York to Pacific coast	1.50
New York to Wyoming points	3.13
Structural iron and steel:	
Pittsburgh to Pacific coast	.80
Pittsburgh to Wyoming points	1.20½

I helped celebrate the opening of the Woolworth Building in New York the other day, and I am getting at what it will cost to duplicate that building in Wyoming or San Francisco. I am satisfied it will cost 200 per cent more per ton mile to drop the material off in Wyoming.

Mr. UNDERWOOD. Mr. Chairman, I yield the gentleman two minutes more.

Mr. KINDEL. Mr. Chairman, let us take up the question of the rate on wool. From California terminals to Boston the rate on wool is $1 a hundred; that is, for wool in the grease. From Wyoming to Boston, a thousand miles shorter distance, it is $1.76. Talk about manufacturing and protection! The gentleman from Wyoming could not have started a scouring mill in his State, much less a woolen mill. The scoured-wool rate from California terminal points to Boston is $1.30; from

Wyoming it is $4.22½. The rate from Cheyenne to Omaha on scoured wool is $2.35. Manufactured woolen goods and cloth from Omaha back to Cheyenne take the first-class rate—$1.25. Talk about tariff! It is freight rates. That is what is the matter with Wyoming.

In conclusion, Mr. Chairman, I will say that the people of Wyoming are not full of prunes for electing a man like the gentleman from Wyoming [Mr. MONDELL]. [Laughter.] They could not afford to be. Here is the rate on prunes: California to New York, $1.10, while from San Francisco to Cody, which is about the center of the gentleman's State, it is $1.63. It is too expensive to be full of prunes in Wyoming. Thus I could go on, Mr. Chairman, but I will not inflict myself any further on the House at this time, as this is my first attempt. [Cries of "Go on!"]

The CHAIRMAN. The time of the gentleman from Colorado has expired.

Mr. UNDERWOOD. Mr. Chairman, I yield to the gentleman from Illinois [Mr. FITZHENRY].

Mr. FITZHENRY. Mr. Chairman, when the pending measure is signed by the President of the United States, as it undoubtedly will be, it will mark the first great advancement in the battle which the common people of this country have been waging for more than a quarter of a century to regain control of their own Government. With the passage of this bill the people of this country are serving notice upon all men that no person, either natural or artificial, can acquire a vested private interest founded upon the taxing power of a free people. It marks the end of a fiscal policy which has very aptly been described as "the great American delusion," and means the adoption of a new policy in the manner of raising the revenues of the Government.

The policy of a high protective tariff as exemplified during the last half century in the United States was conceived during the exigencies of war and nurtured by a special privileged class, who, through the susceptibility of succeeding Congresses and administrations, have come to believe that they can, as a matter of right, use the taxing power of our Government for their own aggrandizement.

No country on the face of the earth has been so generously blessed with the richest of resources necessary for the comfort of a people and the development of civilization as this one. Yet, after a trial of this unwise and fundamentally wrong high-tariff policy, our great natural resources have been plundered and dissipated, and by its application it has created and developed classes in our midst by establishing tariff-baron and special privileged aristocracy and degrading the laboring classes. The beneficiaries of the special privileges doled out in former tariff laws have permitted the captains of industry to sell their products in protected markets and exacted millions of tribute from the people of the country, while these same captains of industry have been permitted to buy their labor in the free-trade markets of the world.

This high-protection policy has limited the markets of our commerce; it has destroyed the American merchant marine and hindered our development; it has fostered inefficiency and destroyed rigid economies in great industrial institutions; it has made goods scarce and unduly increased the cost of living; it has lowered wages and overworked and degraded labor; it has exploited the lives of children and been the incubator of trusts; it has corrupted our politics and encouraged reckless extravagance in governmental expenditures; it has placed a premium upon conspiracies in restraint of trade.

In the infancy of the Republic patriotic statesmen found it expedient in raising revenues for the purpose of economically administering the affairs of the Government to so levy their customs taxes as to subsidize and encourage new industries in a land entirely detached from former bases of supplies. But this practice was not indulged in to any very considerable extent until the statesmen of this country reached a consciousness of the fact that such practices were in violation of the Constitution of the United States, and that sooner or later, if the practice was continued, it would become a menace to the perpetuity of our Government. It became apparent to the fathers that if we would perpetuate our heritage we must keep constantly in view the polar star of the new Government, that doctrine so vividly elucidated by the author of the Declaration of Independence and the founder of the Democratic Party, "Equal rights to all and special privileges to none." This was the seed which was planted upon American soil to grow and develop into the sheltering tree of life of the Republic. This doctrine was kept constantly in view by the statesmen of the early epochs of our history until our customs-tax system became exemplified in what was known as the Walker tariff of 1846.

Prior to the enactment of the Walker law great political battles had been waged upon the tariff question. This act was so free from discriminations against producers and impositions upon our people and was such a satisfactory revenue producer that the tariff question ceased to be an issue between the then great political parties. For a considerable period in our history, while the country was operating under the Walker law, the tariff question was never mentioned in the platform of any great political party. Great prosperity reigned among our people; our foreign commerce grew to tremendous proportions. It was under this law that our flag was seen upon every sea, and its presence at once bespoke the largest, the fastest, and the finest ships engaged in foreign commerce.

At the beginning of the last century our flag covered a tonnage of 970,000 tons, but half of the British tonnage of that time, which was 1,850,000. Gradually our commerce gained upon that of the mother country, until in 1860 our shipping amounted to 5,350,000 tons, while that of Great Britain, including her colonies, was 5,713,000 tons. Even these figures do not convey all of the facts. A part of the tonnage was steam, and as steamers can make quicker voyages than other vessels they were rated at a higher carrying capacity. In 1860 we had a much greater steam tonnage than England, and when this fact is taken into consideration the total carrying power of the two countries in that year was, United States, 7,960,000 tons; Great Britain, 7,219,000 tons. It will thus be seen that in 1860 the young Republic was not only enjoying peace with all the world and prosperity at home, but for once in her history she was the merchant-marine mistress of the seas. This was the condition which existed during what might be called the last Democratic tariff in our history. [Applause on the Democratic side.]

Consider the next picture. Internal strife developed, and we were thrown into the dread arbitrament of war. It at once became apparent that there would be a heavy draft upon the Government Treasury, and as a war measure the customs duties were greatly increased by Congress, with the understanding, of course, that as soon as the war was over we would return to a revenue basis.

Just prior to the Civil War 69 per cent of the total imports and exports of this country were carried in American ships and 31 per cent in foreign ships. Ten years later the proportions were almost reversed, 35 per cent of our foreign commerce being under the American flag and 65 per cent under foreign flags. In 1880 only 18 per cent of our foreign commerce was carried in American ships, and it has continued to dwindle, year after year, until in 1912 it had shrunken in the neighborhood of 9 per cent.

Mr. Chairman, two great causes have contributed to this result. When the war broke out it was but natural that our shipping should decline. Ships of the Confederacy took out foreign registry to elude the Union Navy, while those of the North went under foreign flags to escape the southern privateer. It was at such an unhappy hour in the history of this Republic that economic adventurers and those seeking to profit off of congressional bounty began their careers. Under the guise of assisting in the reconstruction of the country the war taxes were not only maintained but increased. It was then that the wise ones, under the guise of encouraging infant industries, saw that by virtue of a high protective tariff they would be permitted to use the taxing power of the Government for the attainment of private ends. Strange to say, Congresses and administrations have been susceptible to this cry, and while the country was recovering from the unfortunate condition created by civil strife huge fortunes were amassed, and those who had been reaping the harvest developed a school of statesmenship and furnished the sinews of political warfare so bountifully that for now well-nigh a period of half a century the same influences have maintained an almost unbroken hold upon the Government of this country. This policy has brought about the results I have heretofore intimated by limiting the markets of our commerce, aided by unwise and unreasonable navigation laws, our foreign shipping has been absolutely destroyed, and the American seaman has become a negligible quantity in over-seas transportation.

Under the Payne-Aldrich tariff law and its predecessors the high protective policy has so effectually prohibited competition with great American industrial institutions that it placed a premium upon consolidation and conspiracies in restraint of trade and monopoly. By the invention of the process of capitalizing and financing special privileges, granted by law, sufficient funds have been raised to make it possible to compel consolidation or surrender of independent plants, or the annihilation thereof, to such an extent that trusts and monopolies have literally taken hold of the industrial life of this country.

The pending bill is not ideal even from a Democratic standpoint, but it is such a decided step in the right direction and along lines demanded by the people in the campaigns of 1908, 1910, and 1912 that no Democratic Member can hesitate to support it. The bill does not fully meet the ideas of the chairman of the Ways and Means Committee [Mr. UNDERWOOD], who presented this bill to the House, but it is the beginning of a series of tariff revisions which in years to come will bring about a freer trade among our people and between this and other nations, and is a full compliance with the demand for an immediate downward tariff revision. It will have a tendency to break the power of the great trusts and monopolies of this country upon our markets.

The baneful effect of the high protective policy is illustrated by the sugar trade.

For more than a century the Government has been protecting and encouraging the sugar industry in the United States, either by a protective tariff or a bounty, at a tremendous cost to the people. Under the Payne-Aldrich law a duty of 1.95 cents was levied upon refined sugar. For the convenience of calculation let us consider that duty as 2 cents. The annual consumption of sugar in the United States is about seven and one-half billion pounds. Whether this tariff tax of 2 cents a pound on sugar is levied upon sugar which finds it way from the cane fields and beet-sugar factories of this country or from foreign markets to the tables of the consumers of this country, every pound of it bears either the tariff or the bounty of 2 cents. In round numbers this tariff amounts to a tax upon the American people to the extent of $150,000,000. Upon that portion of the sugar upon which a tariff tax is collected at the custom-houses, the revenue goes into the United States Treasury, and during the year 1912 the Government received from that source about $52,000,000, leaving the stupendous sum of $98,000,000 that was collected from the American people that went into the coffers of somebody other than the Government. Where did it go? It is a well-known fact that the sugar industry of the United States is controlled by the American Sugar Refining Co.—the trust—and that the sugar market of the country is absolutely dominated by that trust.

This tremendous special privilege, in the hands of the sugar kings of this country, has enabled them to control the price of raw material produced in this country as well as their market, and being so generously favored they have been able by the negotiations of its stocks and bonds to not only control the sugar-refining business, which involves the market for sugar cane, but also to control the sugar-beet factories of this country. With the tremendous protection on sugar and the long period of time which the sugar-cane industry in Louisiana and Texas has been encouraged by this Government, the total cost of the cane industry in those two States to the American people is almost beyond human conception. Yet the lands of the cane planters will be worth just as much for other crops, their implements and stock will be just as valuable in the cultivation of other crops, while that portion of their possessions which will become useless, if they are compelled to go out of the cane-growing business, would not exceed $30,000,000. After a century of encouragement to this institution we have reached a consciousness of the fact that sugar cane is a tropical plant and can not be grown profitably in a temperate zone. More than this, this great tax that is levied upon the American people to encourage that industry has not always found its way into the pockets of the planters of sugar cane, for upon repeated occasions the planters of Louisiana and Texas have been compelled to sell their raw sugar at prices much less than the world's price, with the sugar tariff added. Why? Because there was practically one buyer for their crop—the Sugar Trust.

It is said the placing of sugar on the free list will ruin the beet-sugar industry in this country. This assertion, I believe, is absolutely untrue. Beet sugar can be manufactured for considerably less money than cane sugar, and, so far as the growers of sugar beets are concerned, they have been compelled to sell their product in practically a free-trade market under the old law. The duty under the Payne-Aldrich tariff law on sugar beets amounts to only 10 per cent ad valorem, or about 55 cents per ton. In addition to this, American beet growers will continue to have the legitimate natural protection which comes to them from the tariffs of water and railroad transportation. After a careful examination into the facts, I am firm in the belief that the modification and final repeal of the duty on sugar will not interfere in the least with the growth of sugar beets and the manufacture of beet sugar, but may squeeze the water out of the stocks of the Sugar Trust. [Applause on the Democratic side.]

The proposed law makes a radical reduction in the tariff on sugar, and futher provides that on the 1st of May, 1916, it shall go absolutely on the free list. This delay in placing sugar upon the free list is a special consideration given to the people of Louisiana and Texas in the light of their unfortunate experience in the last few years. In some sections their crops have been destroyed by pests, and last year great floods dealt havoc to their industry. The history of the development of the Sugar Trust is but the recital of the development of similar trusts in protected lines.

One of the cardinal principles of Democratic tariff making has been the placing of raw materials upon the free list. One of the important reasons why raw material should be admitted into the country free of duty, if only a revenue duty is to be levied upon manufactured products, is because practically all other manufacturing countries admit raw material free of duty. A duty upon raw material to the extent of a protective rate at once increases the cost of the manufacturer's products into which the raw material is made, and to that extent amounts to a discrimination against the home manufacturer and in favor of the foreign manufacturer. The Republican policy of taxing raw materials has really been a disadvantage to the home manufacturer, because it handicaps him in the competition which he meets in the markets of the world. This has been one of the causes which has assisted in the limitation of the foreign commerce of this country. The doctrine of free raw materials is one that was believed in and applied by such great Democrats as Mr. Walker, Mr. Morrison, Mr. Mills, President Cleveland, and the present Secretary of State, Mr. Bryan.

President Cleveland, in his last annual message during his first term, enunciated the Democratic doctrine upon raw material in the following language:

> The radical reduction of the duties imposed upon raw material used in manufactures or its free importation is, of course, an important factor in any effort to reduce the price of these necessaries. It would not only relieve them from the increased cost caused by the tariff on such raw material, but the manufactured product being thus cheapened that part of the tariff now laid upon such product as a compensation to our manufacturers for the present price of raw material, could be accordingly modified. Such reduction or free importation would serve besides to largely reduce the revenue. It is not apparent how such a change can have any injurious effect upon our manufacturers. On the contrary, it would appear to give them a better chance in foreign markets with the manufacturers of other countries who cheapen their wares by free material. Thus our people might have the opportunity of extending their sales beyond the limits of home consumption, saving them from the depression, interruption in business, and loss caused by a glutted domestic market, and affording their employees more certain and steady labor, with its resulting quiet and contentment.

In 1892 he was reelected to the Presidency, together with a Democratic House, but without a Democratic Senate. A tariff-for-revenue-only bill was passed by the House, known as the Wilson bill. When it went to the Senate its revenue features were destroyed by amendment, and protective features interposed. Finally, after the passage of the bill as amended by the Senate, it came back to the House for conference, and upon this occasion President Cleveland wrote a communication to Mr. Wilson, the then chairman of the Ways and Means Committee, in which he spoke as follows:

> One topic will be submitted to the conference which embodies Democratic principle so directly that it can not be compromised. We have in our platforms and in every way possible declared in favor of the free importation of raw materials. We have again and again promised that this should be accorded to our people and our manufacturers as soon as the Democratic Party was invested with the power to determine the tariff policy of the country.
>
> The party now has that power. We are certain to-day as we have been of the great benefit that would accrue to the country from the inauguration of this policy, and nothing has occurred to release us from our obligation to secure this advantage to our people. It must be admitted that no tariff measure can accord with Democratic principles and promises or wear a genuine Democratic badge that does not provide for free raw materials. In these circumstances it may well excite our wonder that Democrats are willing to depart from this the most Democratic of all tariff principles, and that the inconsistent absurdity of such a proposed departure should be emphasized by the suggestion that the wool of the farmer be put on the free list and the protection of tariff taxation be placed around the iron ore and coal of corporations and capitalists.
>
> How can we face the people after indulging in such outrageous discriminations and violations of principles?
>
> It is quite apparent that this question of free raw materials does not admit of adjustment on any middle ground, since their subjection to any rate of taxation, great or small, is alike violative of Democratic principle and Democratic good faith.

Hon. William J. Bryan, the present Secretary of State, in the Fifty-third Congress discussed the question of free coal, using this language:

> They tell us that free coal can not benefit the interior. Take the tariff off from coal so that the New England manufacturers can buy it for less and they can manufacture more cheaply, and then by cutting down the tariff on the products of their factories we can compel them to sell at a lower price to the people of the South and West. That is the reason our folks are interested in free coal. So long as we lay burdens upon what the manufacturers use they can with some justification ask a tariff on the product of their looms.

Mr. Chairman, in the first place I believe we can make no permanent progress in the direction of tariff reform until we free from taxation the raw materials which lie at the foundation of our industries.

In 1892, in another speech in Congress, Mr. Bryan reaffirmed the Democratic position upon this subject in the following language:

It also takes away entirely those specific or compensatory duties which were added to the ad valorem rates to enable the manufacturers to transfer to the back of the consumers the burden which a tariff on raw materials placed on the manufacturer. The reason why I believe in putting raw material on the free list is because any tax imposed on raw material must at last be taken from the consumer of the manufactured article.

You can compose no tax for the benefit of the producer of the raw material which does not find its way through the various forms of manufactured product and at last press with accumulated weight upon the person who uses the finished product. Another reason why raw material should be upon the free list is because that is the only method by which one business can be favored without injury to another. We are not in that case imposing a tax for the benefit of the manufacturer, but we are simply saying to the manufacturer, "We will not impose any burden upon you." When we give to the manufacturer free raw material and free machinery we give to him, I think, all the encouragement which people acting under a free government like ours can legitimately give to a free people.

As great as was the disagreement between Mr. Cleveland and Mr. Bryan upon questions of finance, it will be seen by these quotations that their ideas upon the question of free raw material in tariff making was entirely harmonious. Indeed, their views as then expressed were in harmony with those of all of the great Democrats of history and the views of the distinguished chairman of the Ways and Means Committee [Mr. UNDERWOOD], under whose direction this bill was drawn. This bill has been constructed upon that line.

During these debates I have been greatly entertained by gentlemen upon the other side of the aisle who have attacked the measure. It has been alluded to as the "Underwood patented competitive tariff"; it has been stated that it was neither a protective measure nor a free-trade measure; it was neither fish nor fowl; and that is true. In so far as the duties levied by this proposed law may incidentally be advantageous, it is protective; in so far as the necessaries of life which the people are demanding are concerned, it is a free-trade measure. In addition, it furnishes the industries of this country with free raw material with which to work in their mills and factories. But the decisive change of policy in our fiscal system which is evidenced in this bill is the changing of our revenue system from one of protection to one of competition. Gentlemen on the other side of the House do not seem to understand the difference, and that is not at all remarkable, because there are none so blind as those who will not see.

Protective tariff either prohibits or limits competition or it is a failure. The competitive tariff encourages competition. The differences between these two systems is very much akin to the difference between a maximum and a minimum schedule of freight tariffs.

My own State—Illinois—is a pioneer in the movement to regulate railroads. It has a railroad and warehouse act, which creates a commission composed of three citizens, and one of the duties of this commission is to prescribe a reasonable maximum schedule of freight rates. It was never designed that the commission should prescribe a freight tariff for current use, but it is provided for the fixing of a maximum schedule beyond which no railroad can go. In other words, in order to be a reasonable maximum schedule it must be liberal enough to permit the smaller struggling lines of railroad, which operate wholly within the State and are not connected with any through lines to the extent that they could participate in through business, might live. A rate that would be a reasonable price for the transportation of freight upon such a railroad might be an exorbitant price for another railroad differently situated and which was so located that it participated in through business. The railroads of Illinois, like the captains of industry of the United States, readily saw this and encouraged the commission to prescribe a liberal maximum schedule. Neither the commissioners nor the legislature ever dreamed that such a schedule would become a current schedule for everyday use. Just as some of the members of this body, when adopting very highly protective tariffs, probably did not dream that the industries affected would use any more of the protection afforded than was necessary to protect themselves from the aggression of foreign competitors. But a few years ago the shippers of Illinois discovered that the rates charged them for shipments originated in and destined to points in Illinois were so much more than the interstate rate that they could not compete with shippers engaged in similar lines living just across the State line. The wholesale grocers of Cincinnati and Columbus could make shipments of their goods from those points into central Illinois at a lower freight rate than the local shippers could procure for short hauls to the same customers. In a hearing before the railroad and warehouse commission it was determined upon the evidence of canceled freight bills that the citizens of Illinois were paying from 75 per cent to 300 per cent more for local shipments in the State than the shippers of Indiana, Ohio, and Michigan were paying for local shipments of the same kind of goods the same distance and in many cases upon the same railroads. An inquiry into this condition of affairs disclosed the fact that the railroads of Illinois had simply adopted the maximum schedule of the State as their current schedule, while in Indiana, Ohio, and Michigan the rates were the product of the Central Traffic Association, composed of representatives of the various railroads, and that their schedules instead of being a maximum schedule was a minimum schedule.

In other words, the minimum schedule was established for the purpose of legitimatizing competition between the railroads themselves, while in Illinois the harvest was so rich that the railroads under the guise of State regulation simply accepted the maximum rate in lieu of a competitive rate. "Oh," it may be said, "yet the State of Illinois prospered and developed wonderfully, and did so while this law has been upon the statute books." This suggestion, however, is answered by the thought that Illinois is so blessed by nature that she has prospered and developed in spite of this handicap, just as the United States has prospered and developed in spite of the Republican high protective policy.

Tariffs in this schedule are constructed for the purpose of raising revenues sufficient to administer economically the affairs of this Government. While doing this they are so constructed as to encourage competition, keeping down the cost of living, which is ever going higher and higher, while the Republican tariff prohibits competition on all commodities the prices of which are not fixed in the free markets of the world. As I said before, this law may bear some inconsistencies, it may not be perfect, but it is the product of an honest effort to keep faith with the people of this country by making an immediate and rational downward revision of the tariff. It is the result of conservative patriotic deliberation. It is a full compliance with the Democratic platform; it is a fair response to the request of President Wilson in his recent message to Congress when he said:

We must abolish everything that bears even the semblance of privilege or of any kind of artificial advantage, and put our business men and producers under the stimulation of a constant necessity to be efficient, economical, and enterprising masters of competitive supremacy, better workers and merchants than any in the world. Aside from the duties laid upon articles which we do not, and probably can not, produce, therefore, and the duties laid upon luxuries and merely for the sake of the revenues they yield, the object of the tariff duties henceforth laid must be effective competition, the whetting of American wits by contest with the wits of the rest of the world.

The pending measure not only liberated a vast number of commodities so as to stimulate trade, but the amount of revenue which will be raised from the customs taxes provided under it is many millions of dollars less than the amount raised under the present Payne-Aldrich law. The deficit created by this radical change is amply provided for by the levying of a very moderate income tax. It is estimated that the income-tax feature of the present law will raise substantially $80,000,000 of revenue, thus placing a just portion of the burdens of government upon a class of people who never have paid their proportionate amount of the taxes collected to defray the necessary cost of administering our national affairs.

The CHAIRMAN. The time of the gentleman has again expired

Mr. UNDERWOOD. Mr. Chairman, I yield one minute more to the gentleman from Illinois.

Mr. FITZHENRY. Mr. Chairman, when the arguments interposed by those who have resisted this measure are carefully considered the objections advanced may be reduced to a comparatively few propositions.

First, a strong appeal has been made for a retention of the rates of the present Payne-Aldrich law, which have been so overwhelmingly and so justly repudiated by the people at the polls. The burden of the argument of the gentlemen on the other side of the aisle has been that the duties as laid down in that measure were just and proper. This position is taken now in the light of the arguments of many of the same gentlemen last fall, when it was admitted that the Payne rates were probably a little too high and should be reduced. If the people's rights are to be considered in tariff making at all, it is plainly the duty of this House to pass this bill. In 1908 the Republican national convention declared for the revision of the tariff because the rates of the old Dingley law were excessive and burdensome. President Taft, in a public speech following that convention, interpreted the platform to mean the "downward revision" of the tariff.

On the promises of a downward revision the Republican Party was returned to power, with full control of both branches of Congress, when the present Payne-Aldrich tariff law was enacted. It did not take the people of the country, who in the end pay all of the tariff exactions, long to realize that instead of making "an immediate downward revision" of the tariff that the Republican Party had fooled those who had intrusted them with power and in special session had made a decidedly "upward revision" and increased the burdens of the people. Yet these are the rates that gentlemen would have the Democratic Party put in the pending measure. They would have the present Congress and administration break faith with the people in the hope that an outraged public opinion might return their party to power. How presumptious is their proposition! Should we break faith with the people as they have done it would do the Republican Party no good, for if public opinion can be analyzed at all the American people have fully decided to relieve themselves of the onerous burdens of high and prohibitive tariff taxes. The Democratic Party is the instrumentality chosen to perform this duty; it is now endeavoring to honestly execute a public trust committed to it. Should we do as you did four years ago an outraged public opinion would at the next election relegate the Democratic Party to the "valley of the shadow of death," as it has your party, and the next Congress would be made up of members of the new Progressive Party, with as large a majority as we now enjoy.

The gentleman from Massachusetts [Mr. GARDNER], one of the Republican leaders of this House, in a speech the other day correctly described the predicament of his party. You will remember he said:

> We failed to move with the age. That was the head and front of our offending. The Republican chieftains could not adjust their views to modern schools of thought. They persisted in governing the country in their own way, not in the country's way, and so we came to grief. * * * It makes very little difference now whether the Payne law was a fulfillment of my party's pledges, as I earnestly believe, or whether it was a double-dealing, interest-controlled, diabolical perversion of our promises, as the country believes, or wishes to believe. The Nation does not want the Payne law; the Nation will not have the Payne law.

Yet in the light of the testimony of so distinguished a witness as the gentleman from Massachusetts [Mr. GARDNER], the burden of the argument of gentlemen on the other side of this House is a plea that the old tariff rates of the Payne law be reenacted into the pending measure. The Democratic Party does "move with the age." The people have made their demands upon their Representatives in no unmistaken tones, and it is the purpose of the Democratic side of this House to give the people not only what we think they should have but what they want. Aside from the matter of principle, we would indeed be dull if we failed to profit by your experience.

Second. The next objection urged is that the tariff rates as laid in the pending measure are not "protective," but are competitive. In other words, the complaint is that the rates contained in this bill do not prevent or prohibit competition but encourage it. We at once plead guilty to this impeachment, and I might add that that is why many of us are here to-day. It was because the Republicans would not "move with the age" but, rather, insisted upon granting special privileges to favored manufacturers at the expense of the people that their forces in this Chamber are a shattered and dismembered minority to-day.

Third. The one paramount objection to this bill that has been urged all through this debate is that the law does not provide for a nonpartisan tariff commission to ascertain the difference in the cost of production of goods and commodities at home and abroad. Gentlemen say the Congress should have accurate information of facts concerning tariffs procured by a tariff board before it enacts a tariff law. They did not need a tariff commission to advise them when they passed the McKinley bill nor the Dingley bill. They needed no tariff commission to advise them when they passed the Payne-Aldrich bill, increasing the tariff rates each time. Do gentlemen believe that "accurate information" is unnecessary to increase the taxes of the people but very necessary to reduce them?

This is strange reasoning, but it is their position. They provided for a commission in the Payne bill, but that was after they had fixed the rates, and their President deliberately vetoed measures passed by the last Congress for the relief of the people, because the Tariff Board had not yet reported the facts concerning the schedules affected. Finally, after the Tariff Board did report upon those schedules and established the fact that reductions proposed by the Democratic measures were very conservative, and after the same bills were reenacted, then their President vetoed the measures again for reasons that were satisfactory to himself.

All these touching appeals in behalf of a tariff commission are idle and, in my judgment, made for "home consumption." I question their good faith, for nobody knows better than the gentlemen on the Republican side of this Chamber that the Democratic Party wants all the information it can get concerning tariffs. Gentlemen know that in the last Congress the Democratic Party provided for the creation of a tariff commission that is designed to be one of the permanent departments of this Government. Their Tariff Commission was found unsatisfactory, and the information it furnished proved to be incomplete, fragmentary, and unreliable. It refused to furnish sources of information to the chairman of the Ways and Means Committee of the House of Representatives. An expert employed by it gave up his position in disgust and printed several articles exposing the methods of the Tariff Board, and detailing facts tending to support the charge that their board was deliberately suppressing and emasculating facts in order to sustain the rates of the Payne-Aldrich law, upon which both your party and your Tariff Board were repudiated by the country.

The Democratic Party created the Bureau of Foreign and Domestic Commerce, with a tariff division, in connection with the Department of Commerce at the last session. This board has even more power than the Tariff Commission of the Taft administration. The important duties of the bureau, as provided in the Democratic measure, which is now a law, are these:

> To ascertain, at as early a date as possible, and whenever industrial changes shall make it essential, the cost of producing articles at the time dutiable in the United States, in leading countries where such articles are produced, by fully specified units of production, and under a classification showing the different elements of cost, or approximate cost, of such articles of production, including the wages paid in such industries per day, week, month, or year or by the piece; and hours employed per day; and the profits of manufacturers and producers of such articles; and the comparative cost of living and the kind of living; what articles are controlled by trusts or other combinations of capital, business operations, or labor; and what effect said trusts or other combinations of capital, business operations, or labor have on production and prices.

This bureau was not of service in the writing of the pending measure, as Members well know, because the late Republican administration refused to authorize an appropriation for that purpose. But I give notice now, upon the authority of the chairman of the Ways and Means Committee, Mr. UNDERWOOD, the matchless leader of the majority of this House, that this new bureau, whose duty it is to procure the information you apparently so much desire now, will be vitalized by an appropriation at the present session. Gentlemen well know that under the Constitution of the United States this Congress has absolutely no power to delegate the making of a revenue measure to a tariff commission, nonpartisan, bipartisan, or otherwise. They know that the most any bureau or commission can do is to furnish Congress with information. Tariffs are only provided for the purpose of raising revenue, and can lawfully be provided for no other purpose. The Constitution expressly requires that all bills relating to revenue must originate in the House of Representatives.

It is idle to talk of taking the tariff out of politics, but you can do what the people did last November—you can take designing politicians away from the tariff. Tariff making is merely tax levying, and it has been said that the science of taxation is the science of government. This being true, how can the tariff question ever be taken out of politics? You can stop passing laws that will put $7 in the pockets of a favored few while you are putting $1 in the vaults of the United States Treasury, and that is exactly what the pending measure proposes to do. That is why the few who have so long been so greatly benefited by the enjoyment of the special privileges of high-tariff laws are so strenuously opposing this bill.

The sincerity of the opposition of the bill upon the tariff commission grounds can be ascertained by a brief inquiry. Since the Constitution requires that all revenue bills must originate in the House of Representatives—and it would require an amendment to the Constitution to permit them to be originated by a nonpartisan tariff commission—why have not either the Republican or the Progressive minorities in this House offered a bill to submit a constitutional amendment to the several States for ratification authorizing a "tariff commission" to perform that function?

One of the crowning features of the pending measure is that it provides for a graduated income-tax law. Under the old tariff system of taxation the revenues of the Government have been raised by a tax upon the things which human beings use in providing food, clothing, and shelter for themselves, and this tax has been paid when these commodities of necessity and convenience, or the means of procuring them, are purchased. In other words, a tariff tax is a consumption tax. The poor man's family pays practically the same amount of taxes as the richest,

because the actual difference in the consumption between the rich man and the poor man is not great. In this way the poor man is required to pay more than his proportionate share of the expense of the National Government, and it is to remedy this great injustice that the Democratic Party has made a very substantial reduction in the tariff taxes, and to meet this deficiency caused by this reduction provision is made in the pending bill for a tax upon the incomes of the well to do and the rich, as well as the incomes of corporations.

Under this new feature of taxation each will be taxed in proportion to the benefits of the Government which he enjoys, as evidenced by his annual income. Under the present system the richer a man grows the less he pays in relation to his prosperity or income toward the expense of running the National Government. The purpose of this law is to make it necessary for each person to pay in proportion to his individual prosperity. The income tax is not laid upon those whose incomes are less than $4,000 annually, while those persons whose incomes exceed that amount are required to pay a tax of 1 per cent upon the amount over $4,000. In addition to this tax the Underwood bill provides that an additional tax of 1 per cent shall be paid upon all net incomes in excess of $20,000 and not over $50,000; 2 per cent additional upon all incomes over $50,000 and not over $100,000, while an additional tax of 3 per cent is levied upon all net incomes of $100,000. The normal income tax levied upon individuals is also levied upon the incomes of corporations, with the exception, however, that the corporation is not entitled to the $4,000 exemption.

Since this bill has been introduced the Members of this House have been deluged by circular letters sent out by the great insurance companies of this country to policyholders and signed by policyholders and mailed to the Members of the House. The law levies a tax upon all insurance companies except fraternal societies and associations not organized and conducted for financial profit. The law expressly exempts from the operation of the income-tax law the proceeds of a life insurance policy paid upon death, but this exemption does not seem to be satisfactory to the big insurance companies. They say that they are doing business upon the mutual plan and by a system of advertising have succeeded in making every policyholder believe that he is participating in all the profits of the insurance company. Yet a recent investigation established the fact that $100,000 worth of stock of the Equitable Co., of New York, sold for $3,000,000. It has assets amounting to more than $400,000,000.

One hundred dollar shares of stock in the Ætna Life were reported to be worth more than $10,000; $100 shares of Metropolitan Life, $15,000; $100 shares of the Prudential, $17,000. The attempt of these great insurance companies to have this House amend this bill so that it will not apply to them was, in effect, asking the Congress of the United States to grant that company an exemption in the nature of a special privilege that would make the stock in their company, which is owned by individuals, still increase in value by leaps and bounds. The corporation tax as now laid in this bill will not have the effect of embarrassing the rights of a single policyholder, but it may prevent the value of the shares of capital stock from increasing to more enormous values. This tax is one which does not interfere with the policyholder, but has to do with the income of the stockholder, and I believe that this feature of the income-tax section of the proposed law is one of the most noteworthy features of the entire act.

The enactment of the pending measure into law will prove to be the greatest achievement in revenue lawmaking of the last 50 years. The farmer who has been compelled to sell all of the products of his farm in the free markets of the world in competition with the world and who has, on the other hand, been compelled to buy the things he uses and needs in a protected special-privileged market, will find abundant relief in this measure. The laborer and mechanic who have been compelled to sell their labor in the free-trade labor markets of the world and yet been compelled to buy all of the necessaries of life and their tools of industry in a protected special-privileged market, will find great relief. This bill metes out justice to the poor as well as the rich. It is written in the interests of the vine-clad cottage as well as the stately mansion. It is written to encourage the thrift of our manhood and womanhood. It will rebuild and reestablish the American merchant marine, which will bear the products of our labor, our factories, and our fields to other climes. It is the first great Democratic step to equalize the burdens of Government among the people and tends to equalize the opportunity of every citizen for liberty and the pursuit of happiness. It is the fruit of the great doctrine "equal rights to all and special privileges to none." [Applause on Democratic side.]

Mr. UNDERWOOD. Mr. Chairman, I yield to the gentleman from Illinois [Mr. HILL].

Mr. HILL. Mr. Chairman, I regret very much that the time is so limited that I am not permitted to make some general observations relating to some of the speeches that have been pretended and feigned as arguments against this bill. Inasmuch as my time is so limited, I will confine myself to some remarks that I have prepared.

Mr. Chairman, I will not be expected in the brief time allotted to me to say anything that will change the vote of a single Representative on the other side of this House, because they came here wearing peculiarly goggled glasses, furnished and fitted on them by the sleek, pampered, favored few and specially designed so that their visions are always and constantly focused on the heaping hoards of accumulated riches they have been giving to them by legislating to them a "reasonable profit" on their business. No one on your side of the House, once fitted up in this splendidly fashioned visor, can see the other side of a proposition, and never will unless the courageous leader of the second great political party in this country gives you another sparring match. In the event that he does, he will get your so-called goggles, and unless you can muster more patriotism than you now have you surely will be knocked stone blind.

I was very much amused the other day when the astute gentleman from Wyoming [Mr. MONDELL], who almost lost his voice yelling "soup house," prefaced his remarks by saying:

> Viewing your legislation as we do, our profound regret with regard to it arises from the fact that while you alone are responsible, the evil effects we anticipate can not be confined to you or those who agree with you, but will fall as a deadly blight upon the whole body of our people.

How easily and truthfully he might well have said:

> Viewing our legislation as we do, our profound regret with regard to it arises from the fact that while you alone will be responsible for depriving our specially favored industries from a further continuance of their illegalized "reasonable profit," which we wished again to anticipate, and can now no longer be confined to our industries or those who agree with us, but the benefits of the Underwood bill will fall as a delightful godsend upon the whole body of our people.

[Applause on the Democratic side.]

Your "reasonable-profit" system of legislation has made it possible to-day that you view the horrible spectacle of about 10 individuals in this country owning almost 90 per cent of all the wealth of the whole body of our American people, who have thought they were living under a free flag and in a free country. Almost all of the speeches from the other side of the House declare to be in favor of a tariff that will be fair to both the manufacturer and the consumer. And yet you say to enact such a law you must tax one class to get a "reasonable profit" for the other. The task of doing this is as difficult as it will be to find water naturally flowing uphill. Oh, but you say the consumer does not feel an indirect tax, and then we pay our employés so much better wages under this system. Now, let us see if this be true.

The cost of living under your system has in the last 10 years increased about 50 per cent to every consumer, and the average increase in wages paid to the laboring man is about 20 per cent. You would therefore have the wage earner believe that you can take 50 cents from him and give him back 20 and by that process make him ultimately rich or well off financially. For years you got away with this kind of argument, but you now find that your false and deceptive theory will no longer win. [Applause on the Democratic side.]

If everybody was so prosperous and the entire country was going along so well with its equal and fair taxation, as you claim, why did you not return to power as formerly? You now realize how false the doctrines of your "reasonable-profit money gods," which you espouse and proclaim, have been.

The protection theory of taxation with a "reasonable profit" for the manufacturer will be successful when it gives and legislates a like reasonable profit to the men and women and boys and girls who are creating the wealth. If it is fair, as you view it, to legislate a "reasonable profit" to one man or class of men, it is equally as fair to legislate a reasonable profit to all other men, women, and children who create this wonderful profit. Then it would be that more than 6,000,000 wage earners in this country would share in all these fabulous creations of wealth. That theory of legislation would be unconstitutional and you know it. Then, any theory of "reasonable profit" legislation to any class is unconstitutional.

On account of this theory of taxation you find yourselves the miserable remnant of a once popular party. The few of you who are here to-day do not agree upon a plan of attack against the great majority on this side of the House. The only proposition you can unite upon is to yell "soup houses" and "panic." Your tracks in the golden sands of this Republic have overtaken you, because they were made by the light of a false theory. You are wiping them out by that part of your anatomy where the gentleman from Wyoming [Mr. MONDELL] said the Democratic badge is worn. [Applause on the Demo-

cratic side.] You are now leaving only a blurred mark on this same sand. And you have left a very marked blur upon the happiness and contentment of 6,000,000 wage earners. [Applause on the Democratic side.]

In the past you have promised relief and were relied upon to give it and returned to power only to do what you had promised you would not do. On these promises for the four presidential elections, preceding the last one, your party came in by an overwhelming vote of the people. Your promises were broken as fast as you could break them. In the campaign of 1908 you and your leader, Mr. Taft, specifically promised to give relief by revising the tariff downward. It was revised not downward, but upward, and then proclaimed as the best tariff law ever enacted by Congress. It is the law made following the campaign when your platform defined a protective tariff to be one that "equals the difference in the cost of production at home and abroad, together with a 'reasonable profit' to the American industries." It was the finishing touch of fancy Republican legislation, in utter violation of their solemn pledge to the people. Again in the last campaign, after a spectacular convention in Chicago last June, where many of your honest and courageous men told you what not to do, and in the face of this warning, intoxicated with the glory of former delusions, you put your O. K. upon what you had done for the past four years and former administrations and put your clumsy leader on the pike for a second heat. Yes, your candidates and your "reasonble-profit" theories came in in these former four elections by an overwhelming vote, but went out at the last election by unanimous consent.

If about 10,000 votes had been properly placed in the puny States of Utah and Vermont, you never would have been heard of at the roll call of electors when the vote for President was taken.

In the infamy of your false doctrines birth was given to a new and not third party, but a second party. It is the Progressive Party, made up of men who do not fear to do what they think is right. And under the terms of their program or contract or platform with the people, as they may choose to call it, they are pledged to vote with us on the tariff until they can secure a scientific nonpartisan tariff commission. Some Republicans are inclined to dislike Progressives because Republican downfall is attributed to them. They are not to be blamed. They nor no other intelligent person could tell what you would do by what you said. It reminds me of the adage "The truth itself is not believed from one who often has deceived." They did not know where you would go nor what you would do. It reminds me of an Irish sculptor who came to this country. The Irishman found work at his trade. In going to and from his work he was accustomed to pass a graveyard. One morning as he went to work he saw a newly erected monument in the graveyard and went over to see it. Upon viewing it he found it to be the monument of Patrick O'Brien, of Kilkenny, Ireland, which was the home of the sculptor, and being a fellow countryman he took time to read the inscription, which was:

As you are now, so once was I;
As I am now, you, too, shall be;
Prepare thyself and follow me.

All day long the sculptor thought over this epitaph, and that night as he started home he took his chisel and underneath the inscription chiseled these words:

To follow you is not my intent
Until I know which way you went.

[Laughter.]

So it is; no one was warranted, except the officeholders and favored few, in following the Republican Party.

In the last campaign it was announced from one end of this country to the other by the Republicans and Progressives that this country would be ruined if the Democratic Party went into power. Misery, want, and starvation would be everywhere throughout our land and country. I hardly believe they actually thought so. No one believes that Republicans and Progressives are not patriotic. If they are patriotic, as all believe, and they actually thought that if the Democrats should come into power misery, want, suffering, and starvation would go into every nook, corner, and recess of this fair land over which Old Glory proudly waves, ever and ever bespeaking "the land of the free and the home of the brave," then they would have joined hands and gone to the ballot box on November 5 like true patriots and good Samaritans to save this country and its people.

Good patriotic people to-day everywhere throughout this land and country will lend their help and votes to pass the Underwood tariff bill and all measures that the people of this country demanded by their votes, instead of singing swan songs of the dying and fatted, favored few.

Much has been said to the effect that Thomas Jefferson was a high protectionist. None who know his history and his teachings will ever become so blinded as to believe it. As has been said here in this committee by my colleague from Illinois [Mr. STRINGER], Jefferson advocated nothing in all his career that would tax all the people for the benefit of the few. No Republican in former years ever considered any of Jefferson's utterances as tending toward the protective or "reasonable-profit" theory of the Republicans of to-day. It is a new discovery by the latter-day saints of the shattered remnant.

No one will dispute the fact that under the system of government handsomely rendered us by the Republicans for the last 50 years, nine-tenths of all the wealth of the country has aggregated into the hands of about 10 persons. Now, suppose we take a glance at what was said by Lincoln, whose every heart throb was wholly and completely in sympathy with the masses. He is the idol of all Republicans. Just a few days before his assassination he wrote:

It has indeed been a trying hour for the Republic, but I see in the near future a crisis arising which unnerves me and causes me to tremble for the future of my country. As a result of war, corporations have been enthroned, an era of corruption in high place will follow, and the money power of the country will endeavor to prolong its reign by working upon the prejudices of the people until all wealth is aggregated in a few hands, and the Republic is destroyed. I feel at this time more anxiety for the safety of my country than ever before—even in the midst of war. God grant that my fears may prove groundless.

Mr. Chairman, corporations were enthroned after the close of the Civil War by special tariff taxation. Ah, who would say that an era of corruption in high place had not followed when you have an abundance of undeniable testimony that corporations and the money power of this country have made public officials in the legislatures of this country and molded legislation in their favor in return for their liberal support. Is there any doubt but that the money power is endeavoring to prolong its reign by working upon the prejudices of the people when it tries to scare the wage earners and laborers by howling "soup houses," "panic," starvation, and destruction when it finds its past favors now slipping from it. [Applause on the Democratic side.]

All know that by this system for the last 50 years the wealth of this country has been aggregated in the hands of a few. Then the prophecy of the great Lincoln is being daily verified.

Again he wrote:

I affirm it as my conviction that class laws, placing capital above labor, are more dangerous to the Republic at this hour than chattel slavery in the days of its haughtiest supremacy. Labor is prior to and above capital and deserves much higher consideration.

[Applause on the Democratic side.]

This was a great prophecy. The day of this dreaded dream of the immortal Lincoln has dawned. Corporations and money lords beat and throttle the body politic, all because they are and have been receiving a legislated "reasonable profit" at the expense of labor and the masses.

"Is there no balm in Gilead?" Yes, Mr. Chairman; there is. The people spoke with no uncertainty at the last election at the rate of about eleven and one-half millions to three and a half millions against the past policy of the Republican Party. And it is our duty now to release the people from that unjust and unrighteous system of taxation. [Applause on the Democratic side.]

Trusts and monopolies by the hundreds have entwined this fair land of ours under this system within the last 50 years. Honest competition has been stifled and driven out. No man dares to enter into business without first bowing down his head to kiss the toe of these hydra-headed monsters of greed and avarice to obtain their consent. Trusts, indeed, have been enthroned, and our Republican friends say they must be further protected and given a "reasonable profit." So reasonable has that profit been under this protection that they all can and do make and manufacture American products here in our own country, pay the freight on these products of their factories from here to England, Germany, Russia, and many other foreign lands, and there sell them in competition with the products of those countries cheaper than they can sell them to the American people at the doors of their factories. Protect an industry at home so much that it can not treat you with the same respect that it does the foreigner. Even American sugar sells cheaper in London than at home. God forbid that I may ever give support or sanction to such a law.

Let all such laws be outlawed. Let us have an end of all special legislation, except for patriotic service.

If a manufacturer is paid $30 for a suit of clothes under the tariff, which without tariff could have been bought for $16, the wage worker who earned the $30 and bought the suit is robbed of $14. The law compels him to pay $30 for $16 worth of goods; compels him to work for half price and buy for double price. The manufacturer gets a clear gift of $14. Such laws are wealth to the industry. They are poverty and death to the

wage earner. Trusts and monopolies have the right idea and clever methods. It's their infernal rapacity for greed that prevents them from declaring a general increase in wages of from 50 to 300 per cent and an almost equal reduction in selling price and still amass multiplied thousands annually. By them the people are plundered. Competition is killed, bought out, or starved out. They are conscienceless and unpatriotic. They know less about conscience than Balaam's ass knew about the principles of Hebrew grammar. Never again let it be said that this has been a Government of the rich, by the rich, and for the benefit of the rich.

Mr. Chairman and Democratic colleagues, in the beginning of the nineteenth century it was Napoleon's ambition, greed, and lust for power that not only prompted him to become conqueror of the French and Spanish empires, but also to try to become conqueror of the sea. It was Lord Nelson who was in command of the British Mediterranean fleet. With only 13 ships he sailed to the West Indies after the enemies' fleet, which numbered 30. Not finding them there he sailed back in pursuit. Lord Nelson obeyed orders, and on the 21st day of October in 1805 came in conflict with the conqueror. Nelson said in plain and forceful words to his soldiers, "England expects every man to do his duty"; and the battle of Trafalgar was won and England saved from invasion.

In the campaign last year, which ended on November 5, the Democratic Party came into its own, and now has a plain duty to perform to save our people from further invasion, and the concordant cry everywhere is that the great Democratic Party expects every Democrat to do his duty. You will do your duty by voting for the Underwood tariff bill. The country expects it and Democracy demands it, and then it is the favored few will receive the scriptural injunction:

Go to, now, ye rich men, weep and howl for your miseries that shall come upon you. Your riches are corrupted and your garments are moth eaten. Your gold and silver is cankered, and the rust of them shall be a witness against you, and shall eat your flesh as it were fire. Ye have heaped treasure together for the last days.

And the people will be blessed. [Applause on the Democratic side.]

Mr. UNDERWOOD. Does the gentleman from Massachusetts desire to proceed now?

Mr. GARDNER. I yield to the gentleman from Kansas [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, I yield to the gentleman from New York [Mr. CHANDLER]. [Applause.]

Mr. CHANDLER of New York. Mr. Chairman, I know little about the tariff, but, strange to say, though a modest and retiring man, I have suffered from no embarrassment whatever from any private conversations on the subject that I have had with any Member of this House. My excuse for speaking at all upon the tariff is the justification of Col. Ingersoll for discussing the immortality of the soul. He said that where nobody knew everybody had a right to guess.

Now, after listening to the tariff discussions of a week I have some very positive convictions, with a few reservations. I know perfectly well that the Democrats are wrong. I also know perfectly well that the Republicans are wrong, and at times I have serious doubts about the Progressives. [Laughter.]

I wish to deprecate, in the very beginning, the spirit of partisanship and sectionalism that pervades the tariff discussions in this House. I do not intend by this to read a lecture to anyone or to rebuke anybody. You know that the Progressives are nonpartisan. We have in our party all kinds of people of good qualities. I do not see why Democrats and Republicans should be eternally at each others throats. I do not see why sectionalism should forever embitter the debates in Congress. The historical Democratic Party is entitled to the gratitude, homage, and love of the world. The historical Republican Party is equally entitled to the love, homage, and gratitude of mankind. When we look backward across a century and a quarter of magnificent national history we see that the two great parties founded by Jefferson and by Lincoln have divided almost equally the glittering prizes and splendid triumphs of American public life. The first half century was a period of almost unbroken Democratic triumph. Federalists, Whigs, and Know-Nothings occasionally dotted an "i" or crossed a "t," but the great chapters of our early history were written by Democrats. The great founder of the Democratic Party is said to have written the Declaration of Independence, assisted by about four others. Louisiana, Florida, and Texas were added to the Union during the early Democratic régime. In other words, Democrats rounded out the early Republic from sea to sea. And any Republican who does not view with patriotic pride the Democratic achievements of all those years is an incomplete and unpatriotic citizen. [Applause.]

Then came the Republican Party, with a mission almost divine—to free the slave and maintain the Union and to build upon the foundation laid by Democrats a finer form of a better political civilization. During these 50 years of almost unbroken rule this masterful party witnessed the emancipation of a race, carried to the benighted of distant lands our language, our literature, and our laws, builded the most marvelous industrial civilization known to the children of men, and in every struggle of its magnificent career carried above the embattled hosts, and ofttimes through clouds of darkness and despair, in one hand the torch of progress and in the other the starry banner of the free. And any Democrat who does not stand with uncovered head in the presence of the record of the Republican Party is likewise an incomplete and unpatriotic citizen. [Applause.] In other words, the great achievements of both the Democratic and Republican Parties are the common heritage of all Americans everywhere. These considerations should destroy all unpatriotic desire to malign and misrepresent.

But I have not eulogized these two political parties for mere purposes of amusement or pastime or from any desire to please or conciliate. I have done it simply as a protest against the attempt to substitute personality for argument and to use the shibboleth of sectionalism as a means of winning applause.

We Progressives sincerely hope that the adoption of our national program will destroy sectionalism and promote political fraternity in the Nation by offering to all the voters of the land, men and women alike, from North, East, South, and West, a program of principles and a medium of political expression that will be acceptable to them.

I wish at this time to pay my respects to the venerable leader of one of the minorities on this floor. My distinguished colleague from New York [Mr. PAYNE] quoted figures this morning to show that in a few months or years there will be nothing left of the Progressive Party. But, unfortunately for an exhaustive discussion of the subject, the gentleman did not go far enough. He told you what had happened in St. Louis, in Chicago, and in Nassau County, N. Y., but he did not tell you what happened in Massachusetts at the recent special election for a Member of Congress. He did not tell you that in the first national election after last November, in the first election in which national issues were considered, the Progressive Party substantially maintained its own, while the Republican Party lost 45 per cent of its vote. [Applause.] He failed to state that with the personality of Roosevelt out of it, with the theft of the Chicago convention out of it, and with the moral considerations that entered into the last campaign entirely removed, the Progressive Party in Massachusetts served notice upon the world that it had come to stay. [Applause.]

I also wish to pay my respects to my distinguished colleague from Alabama [Mr. HEFLIN]. On last Saturday afternoon he treated the House to a most extraordinary performance. He sought to discuss the tariff by ridiculing and defaming the Progressives and Roosevelt. He called attention to the very few Progressive Members in this body and derisively sought to locate them here and there. He showed, by doing this, that he was ignorant of the true philosophy of history. He ought to know that quantity does not count, but that quality does. He ought to know that in the magnificent developments of the civilization of this earth numbers and masses have counted for little. He ought to know that Emerson was right when he said, "All history resolves itself very easily into the biography of a few stern, stubborn characters," and that when we say France we do not mean France, we mean Charles the Great, Henry IV, Louis XIV, and Napoleon Bonaparte.

He ought to know that his own party, the Democratic, is but the lengthened shadow of a single man; that the Reformation sprang from the brain of Luther, and that Christianity came from the teachings of a few unlettered fishermen casting nets for a livelihood in the waters of Gennesaret.

Furthermore, a becoming spirit of gratitude and candor would have suggested to him that it was nothing but right and just to say to you that behind the 19 Progressive Congressmen in this House stands a vast army of more than 4,000,000 voters, who love their country better than their party and are more than willing to sacrifice all the traditions of party politics to realize the highest good for the Commonwealth. And before the distinguished gentleman from New York [Mr. PAYNE] assumes to make fun of the Progressive Party he should remember that in the electoral college our party cast eleven times as many votes as his party. Our party registered 88 electoral votes, while his party received only 8. You should not forget these figures, and above all things you should not lose a proper sense of humor nor a sense of the due proportions of history. A proper sense of humor would have kept the gentleman from Alabama [Mr. HEFLIN] from referring derisively to the few

Progressives in this House. A proper sense of gratitude would have also deterred him. Instead of delivering a bitter tirade against the Progressives he should have made this kind of speech:

"My little Progressive friends, you are welcome here. We are glad to see you, for if you had not been here there would have been no Democratic majority. [Applause.] Stand pat. Do not be afraid; we will protect you if the Republicans get after you. Do not feel bad in your present isolation. We know how you feel; we have felt that way ourselves. We were in your fix for a half century, excepting a few short years. We were a sad, small, hopeless, humiliated minority, and if it had not been for you Progressives we would still be wandering around in the same desert in which the public had confined us for nearly 50 years." [Applause.]

I respectfully suggest that this would have been the proper speech, under the circumstances. Instead, like a big bully just out of jail, he jumped on the first small boy he met.

Then he saw fit to take a fling at Roosevelt. He referred to the suggestion once made by Roosevelt that the inscription, "In God we trust," should be removed from our gold dollar. Now, my esteemed colleague should not have made a reference of that kind. Roosevelt suggested that this be done as an act of reverence, in order to separate the kingdom of God from the kingdom of Mammon. [Applause.] Furthermore, I respectfully suggest to Democratic Congressmen and to the Democratic Party that they should not refer to nor tamper with the gold dollar. [Applause.] Under the leadership of Dick Bland for nearly three decades and during the free-silver saturnalias of Bryan they used every endeavor to degrade the gold dollar in every market of the world. I repeat that Democrats should be careful in their behavior toward this coin.

Again, the same distinguished gentleman called Roosevelt "a wild man from Africa" and in the same breath invoked the spirit of Andrew Jackson upon a Democratic Congress. When Jackson went to Salisbury to study law they called him "the most roaring, rollicking, game-cocking, horse-racing, card-playing, mischievous fellow ever seen in this town." But, mind you, this was only the boy, the stripling, the sapling, if you please. This was not "Old Hickory," the grown-up tree, with gnarled branches and ripened trunk.

Jackson once killed a man named Charles Dickinson in a duel; he threatened to hang Calhoun as high as Haman; tried to horsewhip Thomas Benton; challenged Gen. Winfield Scott to a duel; overran Florida without Executive orders and had two eminent British gentlemen hanged, thereby nearly bringing us into a war with Great Britain and Spain; and, when President, broke up his Cabinet by his own headstrong violence. This was the mild-mannered man whose spirit was invoked in this House by a Democratic Congressman in the same breath that he employed to call Roosevelt the wild man from Africa.

I have referred to Jackson and Roosevelt in this connection only to illustrate to you the ludicrous inconsistency of a Democratic mind engaged in congressional debate. [Laughter.] But a more serious matter now confronts us. My esteemed colleague from Alabama seriously asserted that Roosevelt had never hurt or "busted" a trust. Now, what connection Roosevelt's record as a "trust buster" has with the discussion of the tariff I do not know. I am aware that there is a theory that the tariff is the mother of the trusts. Indeed, a distinguished gentleman only to-day asserted in this House that the tariff was "an incubator of the trusts." Maybe so and maybe not. We know as a matter of fact that England is loaded down with trusts, and yet they have no tariff over there. But if the gentleman from Alabama thinks to identify Roosevelt and the Progressive Party, if he seeks to find an inseparable connection between the tariff and the trusts, and if in the same breath he censures and ridicules the Progressives and Roosevelt by charging that Roosevelt never hurt or "busted" any of the trusts, and that the Progressives are therefore not to be believed when they say that if intrusted with power they will revise the tariff or curb the trusts, then let me say that we accept the challenge and join the issues offered.

I shall now proceed to show that Roosevelt curbed, crippled, destroyed, and "busted" more trusts than all the Presidents of the Republic who went before him. [Applause.] In the language of Thomas Jefferson, "let facts be submitted to a candid world." I am going to quote you two editorials from two great Democratic papers to prove that Roosevelt during his term as President was the greatest trust "buster" of the earth. [Applause.] I want to offer this proof at this time and make it a matter of record, because the Progressives are going to introduce antitrust legislation in this body a little later on, and we want Democrats and Republicans to know in advance what Roosevelt's record on the trust question is and where it may be found.

I shall read you first an editorial from the New York World, an able, brilliantly edited, independent Democratic journal. At the time this editorial was written the judgment of the World was absolutely unbiased. There was no reason for concealment or misrepresentation. A full, free, and unbiased statement of facts was intelligently and fearlessly uttered. I read this editorial all the more cheerfully and unhesitatingly, because in politics, as in law, the most valuable testimony is that drawn from a hostile witness. And this editorial of the New York World, a Democratic organ, and an ardent advocate of the election of Judge Parker in 1904, of Bryan in 1908, and of Wilson in 1912, is by far the bitterest denunciation of Democrats and the completest vindication of Roosevelt, in the matter of trusts, to be found in the political literature of this generation. This editorial was written the day following the decision of the United States Supreme Court in the Northern Securities case in 1904. Let me read it. The title of the editorial is simply "Facts," and they are numbered in parentheses from 1 to 6. The World says:

(1) The antitrust law was framed by a Republican, was passed by a Republican House and a Republican Senate, was signed by a Republican President.

(2) The law remained a dead letter on the statute books during the entire second term of Grover Cleveland, a Democratic President. Through those four years of Democratic administration all appeals and all efforts of the World to have the law enforced were met with sneers, jeers, and open contempt from a Democratic Attorney General, Richard Olney, who pretended that the law was unconstitutional, and who would do nothing toward prosecuting violators of it.

[Applause.]

(3) The first effort to enforce the law was made by Theodore Roosevelt, a Republican President. The first Attorney General to vigorously prosecute offenders and to test the law was a Republican Attorney General, Philander C. Knox.

(4) The decision of the Supreme Court of the United States, given as a finality from which there is no appeal, upholding the law as perfectly constitutional and absolutely impregnable in every respect, as the World for 12 years constantly insisted, was due to five judges, every one of whom is a Republican.

(5) The dissenting minority of the court included every Democratic judge of that tribunal, to wit: Chief Justic Fuller, of Illinois, Mr. Justice White, of Louisiana, and Mr. Justice Peckham, of New York. All those distinguished Democrats not only voted against the constitutionality of the law, but denounced it as a danger to the Republic.

[Applause.]

And here is the milk in the coconut:

(6) Under these circumstances it does not seem probable that the Democrats can make great capital in seeking to monopolize the antitrust issue and charging the Republican Party with the crime of being owned body and soul by the trusts.

[Applause.]

It is just as well to record some plain truths, however unpleasant or surprising. Such is the exact language of the New York World, the leading Democratic journal in the East, written in 1904, when there was no inducement to misrepresentation or concealment.

Oh, but you say, these are glittering generalities. You have used fine rheotric, but you have failed to tell us what trusts he has curbed or destroyed. Then I will enumerate. I will cite another editorial from a Democratic paper, the New York Times of June 22, 1906. Remember that this paper is now also no friend of Roosevelt, although it was friendly to him at the time the editorial was written. The Times said:

Waiting with the crowd at Trondhjam to see King Haakon crowned, Mr. William J. Bryan being importuned for an expression of opinion upon Democratic chances of success in 1908 made no direct answer but shaped his thoughts on another subject in this language: "I will say this, the next election will decide whether America is to swallow the trusts or the trusts are to swallow America."

That is the subject. That is the text. Here is the discourse or sermon of the Times on that subject:

Much has escaped the attention and knowledge of Mr. Bryan during his travels. Evidently he has not seen the American newspapers. If he had, he would know that so far from trying to swallow America, or any other solid food, most of the trusts are now too scared to eat anything. They are taking thought, not wherewithal they shall be fed, but how they shall be saved. One look into the hunting room of the White House would convince Mr. Bryan that he is far, very far behind the times—that he is prophesying of past events, beating in doors already wide open, and gravely concerning himself with superfluous works. There hang the heads of a larger number and wider variety of octopedean monsters than could be found in any other gentleman's collection. Moreover, the incomparable hunter is still at it, panting maybe with the exertion incident to past triumphs, but flushed with the joy of present pursuit and bigger bags yet to be made.

We invite Mr. Bryan's attention to the lengthening roll of trusts, trade restrainers, monopolizing corporations, and other isolated offenders recently chastened or still under chastisement.

There is the Tobacco Trust, compelled by the decision of the court to lay bare its guilty secrets and yield up the presidents of two of its constituent companies to indictment. In a proceeding begun under the Sherman Act the Paper Trust has been bidden to discontinue its unlawful price-fixing arrangements.

Mr. HARDWICK. Would it bother the gentleman if I should ask him one question?

Mr. CHANDLER of New York. Not at all.

Mr. HARDWICK. Was this before the Tennessee Coal & Iron incident, or afterwards?

Mr. CHANDLER of New York. This was in 1906. The gentleman knows the dates. This was published June 22, 1906.

Mr. LAFFERTY. That was before the Tennessee Coal & Iron report.

Mr. CHANDLER of New York. Yes; before it. Listen now. I will give you an enumeration, if you want them:

The Drug Trust has been enjoined, both as an association and as individuals, not to continue in effect retailers' price lists fixed by the manufacturers.

The Federal sleuths are on the trail of the Gunpowder Trust with explosive intent.

Against the Fertilizer Trust 80 indictments have been found, and suits are under way to break up an unlawful combination between cottonseed oil mills and phosphate works.

We need not dwell upon the awful drubbing administered to the Beef Trust, which is about to pass under the discipline of rigid Federal *inspection of its products.* Furthermore, in Kansas City, the other day, three great packing concerns, and the very ones that have been so shown up in Chicago, were found guilty by a Federal jury of accepting unlawful rebates from the railroads.

The Standard Oil Co., the biggest and most formidable of all the trusts, is writhing under Commissioner Garfield's exposure of its monopolistic and forbidden practices, and shivers in daily expectation of a summon to court.

The Chesapeake & Ohio Railroad Co. was punished for departing from its published freight rates in transporting coal to New England under a contract with the New Haven Road.

The New York Central Road has been investigated for giving rebates to the wicked Sugar Trust.

The great and proud Pennsylvania Railroad has been shamed by the Interstate Commerce Commission's disclosure of its promiscuous bribery of its subordinate officials by independent coal operators.

Then there is the rate bill, which puts all the freight systems of the country under Federal regulation as to their freight charges; which makes pipe lines, sleeping cars, and express companies common carriers, thus bringing them under Government control, and which decrees the divorcement of product and traffic from transportation, making it necessary for the coal roads to part with their mine properties.

I want you to bear in mind that I am reading this in answer to the declaration that Roosevelt had never busted or hurt a single trust.

Mr. Bryan knows, of course, what has happened to the great insurance companies. Their power of control over finance, business, and legislation has been broken.

Bear in mind that this is a Democratic paper talking all the time.

Now, here concludes the Times:

This is a list of achievements with which the most ambitious President might be content, upon which he might be well satisfied to rest his reputation. But it is not enough for Theodore Roosevelt. "I should dearly love to roast a Quaker," said Sidney Smith. Being asked by one of his listeners if he had considered that the Quaker would suffer acutely during the process, he replied: "I have considered everything." Mr. Roosevelt is now, according to report, resolved not to roast but to imprison one great railroad president as an example to the others. All the great railroad presidents have been invited by the Interstate Commerce Commission to come and tell their story and submit to cross-examination. They are summoned by invitation or suggestion, rather than by subpœna, in order that the proceeding may give them no immunity from indictment and the jail. An invitation extended in this spirit is naturally most alluring. At the proffer of these hospitable attentions their bosoms glow with the grateful joy with which the condemned criminal regards the headman sharpening his ax or the pirate's captive watches the crew projecting over the ship's side the plank he is to walk.

Could men in that frame of mind, men sweating in guilty terror and ready to scream with fright at their impending doom, be at the same time formulating plans for swallowing America? Mr. Bryan has chosen the wrong issue again. Long before he sees the tally sheet of the convention roll call which his Democratic friends expect will make him their candidate the trusts will sleep under the blossoming daisies. The acts of Congress and the decisions of the court have already tamed them and are in a way to make them as harmless as cooing doves. Mr. Roosevelt says that Secretary Taft is the only Republican who can beat Mr. Bryan in 1908.

[Laughter.]

I have to read this whole editorial. [Laughter.]

Now, if Mr. Bryan comes to America to engage in a warfare upon the trusts anybody can beat him. He will be fighting not windmills, but ghosts of dead things. It is the conservatism of Mr. Bryan in comparison with the radicalism of Mr. Roosevelt that has newly commended him to attention and dawning confidence. Possibly he might make headway as a friend and protector of distressed corporations. The work of trust smashing has been swift and rude. Mistakes have been made of which time and experience will suggest the needed correction. Inevitably there will be reaction against radicalism. It is in the field of conservative statesmanship that Mr. Bryan will find his opportunity.

Mr. CLINE. Will the gentleman yield?

Mr. CHANDLER of New York. I can not yield; my time is so limited.

Mr. CLINE. Just for a second. I wanted to ask whether in that list of prosecutions or investigations the Harvester Trust is mentioned?

Mr. CHANDLER of New York. This was in 1906, and Mr. Roosevelt had not yet gone out of office. There is no mention here of the successful conclusion of the suits against the Standard Oil Trust and the Tobacco Trust. The suggestion has been made that nothing ever came out of it that amounted to anything, but I wish to remind the gentleman that Roosevelt was not the judiciary of the country.

Mr. HARDY. Is there any mention there made of his having invited Paul Morton into his Cabinet?

Mr. CHANDLER of New York. You have heard the entire editorial.

Mr. BEALL of Texas. Is there any mention there——

Mr. CHANDLER of New York. Before I yield I will ask the Chairman how much time I have remaining.

The CHAIRMAN. The gentleman has one minute remaining.

Mr. CHANDLER of New York. Gentlemen, I am not half through my speech, and I have only one minute. I will ask if I may have an extension of five minutes.

The CHAIRMAN. The time is within the control of the gentleman from Massachusetts [Mr. GARDNER].

Mr. CHANDLER of New York. But I want it understood that I am not here to defend Mr. Roosevelt. He needs no defense from me. His official record is his impregnable defense. His public career is the pride of his countrymen, the ornament of history, and the wonder of the world. [Applause.] His influence for civic righteousness falls like a perpetual benediction upon his countrymen everywhere. He is the grandest combination of conscience, heart, and brain beneath our flag, and monuments will be dedicated to him long after the small-calibered peanut politicians of the American Congress who seek to deride and defame him have passed into merited oblivion and into dust. [Applause.]

Now, let me say in conclusion that there are many things in the pending tariff bill that I favor. Many of its features appeal to me strongly. My party platform calls for the immediate downward revision of all those items in the schedules of the present tariff law that may be shown to be exorbitant, and this without waiting for the information furnished by a tariff commission. I stand squarely by my party platform. But there are different ways of moving downward. You can go down a hill in a sleigh to the music of tinkling bells and joyous laughter. This is happy, healthful, downward movement. Or you can pitch over a precipice and land at the bottom a mangled mass. This is destruction and suicide. I fear that our Democratic friends have revised the tariff downward in a way that means destruction to many of our most important industries and to living wages for millions of our American workingmen. For these reasons I can not support the bill.

The boast of the Democrats is that the proposed new tariff law will force competition between manufacturers in the United States and those in foreign countries, and that in consequence import commodities will be reduced in price and the high cost of living diminished. This is pure speculation. But it is certain that under the operation of the new law, if this bill is passed, American laborers will be forced into competition with the cheap labor of Europe. The result will be either starvation wages or enforced idleness, with a notable decrease in American savings-bank deposits.

The new tariff bill is to be commended in that its intentions are good. It is designed to reduce the high cost of living. And to this end most foodstuffs are put on the free list. This includes meats, flour, bread, milk and cream products, salt, swine, corn, fish, and cornmeal. But it is to be doubted whether this benevolent design will be accomplished. The optimism and expectations of Democracy are in danger of being thwarted and defeated by many intervening causes that affect the high cost of living. Chief among these causes is the law of supply and demand.

For a number of years the price of all kinds of meats has been steadily rising. Our Democratic friends ascribe this gradual increase in price to the high tariff and the Beef Trust. They seem to ignore the simple law of supply and demand. During the last 20 years our population has been increasing by leaps and bounds, at the same time that our general meat supply has been diminishing.

In 1900 there were more than 69,000,000 meat cattle, cows, bulls, and so forth, on the farms and ranges, with 1,600,000 not on farms or ranges. In 1910 there were only 61,000,000.

In 1900 there were 61,735,000 sheep and lambs, with 231,000 not on farms or ranges. In 1910 there were 51,800,000.

In 1900 there were 64,680,000 swine, with 1,800,000 not on farms or ranges. In 1910 there were 58,000,000.

The rapid increase in population and the equally rapid decrease in the bulk of the meat supply are more potent factors, in my judgment, than the tariff in affecting the high cost of living. It remains to be seen whether the anticipated increase in the importations, under the new law, of cattle, sheep, and swine from Canada, Mexico, and elsewhere, will seriously affect the high cost of living in the matter of meat consumption. There is good authority for the assertion that the law of supply and

demand is operating as seriously in Mexico and Canada as in the United States.

The trouble with the Underwood bill is that it is crudely drawn, is based upon insufficient information, and goes into effect before American business interests, that are certainly entitled to consideration and respect, have time to adjust themselves to the changed conditions that must inevitably follow. The last German and French tariff laws did not become operative until a year after their passage. We should have shown some consideration to American business men by allowing them at least six months to adjust their affairs to the requirements of the new tariff.

The fact is that we need a nonpartisan tariff commission to deal with the subject of tariff legislation. The whole subject of tariff reform should be taken out of the hands of politicians and placed in the hands of nonpartisan business experts whose duty it would be to study the tariff question scientifically rather than politically. The Progressive Party is the only political organization in the country that sincerely favors a nonpartisan tariff commission.

The incorporation of the income-tax bill into the tariff bill was a clever political move on the part of the Democrats. From a parliamentary point of view, it was both legal and legitimate, and it would be, therefore, wrong and ungenerous to style it a political trick. But the result, nevertheless, has been to place many Congressmen in a serious dilemma. I am now and have always been in favor of a graduated income tax. I believe firmly in this principle of taxation; and, notwithstanding its numerous defects, I should very much like to vote for the income-tax feature of the general revenue bill. But I understand that I shall be compelled to vote "aye" or "no" on the entire bill; and I shall be compelled to vote "no," for I believe that present conditions are more tolerable than will be those created by this new Democratic tariff measure. However, I do not want to be understood as expressing satisfaction with present conditions. I repeat that the tariff question will never be correctly settled until we have the aid of a nonpartisan tariff commission to help us in the task.

I am opposed to this bill because I believe that its effects will be exceedingly injurious to the prosperity of the people of the great city that I have the honor, in part, to represent. New York is the metropolis of the Nation. Every commercial and industrial interest of consequence is represented there. What is helpful or hurtful to the Republic is helpful or hurtful to its greatest city; and if the new tariff law paralyzes American industry and degrades American labor, the people of the metropolis must inevitably suffer from the national paralysis and degradation. I shall vote against the passage of this bill because I believe that by so doing I am serving faithfully the highest interests of both the Nation at large and the great city that I am proud to call my home. [Applause.]

Mr. UNDERWOOD. Mr. Chairman, I now yield to the gentleman from Tennessee [Mr. McKELLAR].

Mr. McKELLAR. Mr. Chairman and gentlemen of the committee, it is with a great deal of diffidence that I undertake either to discuss the tariff question or to follow so distinguished and eloquent a speaker as the gentleman from New York [Mr. CHANDLER] who has just preceded me. He said he was diffident and eloquent a speaker as the gentleman from New York [Mr. calmer when he thought of the fact that nobody in the House knew much more about it than himself.

I am unlike the gentleman from New York. I feel like the most of men who are here before me this evening are well versed on this question—a thousandfold better versed on it than I am—and it is for this reason that I feel diffident.

I want to say that the distinguished and eloquent gentleman from New York, the gentleman who belongs to a new party and who says that he thinks a great question like this ought to be discussed calmly and dispassionately, that he makes a delightfully eloquent speech—not on the tariff but upon Col. Roosevelt. Did he discuss the tariff calmly and dispassionately? Did he discuss the tariff at all? Who knows—those who have been sitting here for the last half hour and have listened to him—what are the views of the gentleman, or the Progressive Party, on the subject of the tariff, judging from his calm (?) and dispassionate (?) speech? But I do not want to discuss Col. Roosevelt or the Progressive Party.

I want to discuss the question of the tariff for a few moments, if you will bear with me. The Republican Party, if I understand these gentlemen, believe in a tariff fixed on the basis of the difference of the cost of production at home and abroad, with an addition for a freight rate, and with a "reasonable profit" to protect the manufacturer, or to protect the producer. What that reasonable profit is, gentlemen, is the limit of the American people to stand for.

Every succeeding Republican tariff has been higher than the one before. I ask this great expert sitting here before me, a member of the Ways and Means Committee, the gentleman from Michigan [Mr. FORDNEY], Is not that a fact? Taking the general average, is it not true that the McKinley bill was higher than the bill that preceded it, and the Dingley bill higher than the McKinley bill, and the Payne bill the highest of them all?

Mr. FORDNEY. No; I do not agree with the gentleman.

Mr. McKELLAR. I understand that to be correct, and the gentleman to be wrong; but be that as it may, I have been in the House nearly two years, and I want to say that I have not heard a single man—Republican, Progressive, or what not, who has stood here or elsewhere—undertake to defend the Payne tariff bill except Mr. PAYNE himself. And, remarkable to tell, in listening to the distinguished and eloquent gentleman from Massachusetts [Mr. GARDNER] the other day, I found that Mr. PAYNE did not believe in two schedules in his own bill—Schedule I and Schedule K. There is nobody willing to stand for it, and the distinguished gentleman from Massachusetts himself pleaded in confession and avoidance.

But they say the Republican Party believes in something else, and that is a tariff board. Of course, a nonpartisan tariff board composed of only protectionists! What has been the uses to which you have put that board? Why, it was simply provided to give an excuse to the American people for the high rates of taxation that you imposed upon them, and that was all.

But here comes our friends the Progressives. As I understand the science of government, it is really and truly the science of taxation. The attitude of a political party toward its government is its real attitude on the question of taxation. What is this party's attitude on taxation? Why, in the platform of the Progressives they said something about the rates of the Payne bill being too high, but what does the distinguished and splendid gentleman from Kansas say about it? He says, "Oh, we are very different from the Republicans with whom we have formerly been associated; we have an entirely new scheme. These Republicans believe in a tariff board. We have got a better scheme than that; we want to let things remain where they are until a 'scientific commission' passes on these questions."

Therefore it seems the only difference between the old-time Republicans and the new Progressives is the difference between a "tariff board" and a "scientific tariff commission." All are in favor of a protective tariff. Now, gentlemen, I need not discuss the Democratic view, because it is in this bill. I am thoroughly and heartily in favor of the bill. It is a long step in the right direction.

As explained by our majority leader, we are opposed to any commission. We are opposed to any tariff board, because we believe that the Ways and Means Committee of this House is more competent than any board or any commission to deal with this subject.

The Constitution and laws of this country provide that this body shall fix its tariff laws, and we believe we have all the information and ability to fix them. I want to say that in my judgment no abler body could be found in this country to do this work. The various members of this committee have all shown here on the floor of this House and in the caucus a remarkable intimacy with the facts in which they are dealing, and the distinguished author of this bill is the ablest statesman, I believe, in this or any other country on the question of tariff duties. He and his Democratic colleagues on the committee deserve the thanks of every American consumer. As he explained, he is for a competitive tariff, meaning by that the basis on which the tariff duties shall be fixed is the difference between the cost in this country and the cost abroad, together with the addition of reasonable rates.

If we are to have a tariff at all, there can be no doubt that this bill is the proper kind of a tariff. I am heartily in favor of this bill. The bill puts most foodstuffs on the free list. It puts many articles of necessity on the free list, it reduces the tariff upon all articles of necessity, and is certain, in my judgment, to reduce the cost of living in this country. The bill is distinctly in favor of the consumers, and as the consumers form the great majority of the people in this country—indeed, as all the people are consumers, while only a few are protected producers and manufacturers—the bill is easily and manifestly to the great interest of the great majority of the people of the country.

FREE LIST.

The free list in this bill is the largest free list that has ever been given to the American people.

The farmer gets his plows, harrows, headers, harvesters, reapers, drills, planters, mowers, thrashing machines, cultivators,

cotton gins, wagons and carts, and all other agricultural implements free of duty. The southern farmer gets his cotton bagging, so long in the hands of the Bagging Trust, free of duty. He also gets his ties for baling up his cotton free of duty.

The consumer gets his biscuit, bread, and buckwheat flour free of duty. Cash registers, linotypes, sewing machines, typewriters, tar and oil spreading machines used in the construction of roads are all brought in free. Coal is also made free. Corn meal is made free of duty. Gloves of all kinds are made free of duty. Fertilizers are to be brought in free. Iron ore, lard, leathers of all kinds, lemons, fresh beef, veal, mutton, lamb, pork, bacon, hams, meats of all kinds come in free. Milk and cream come in free. Horseshoe nails and the like come in free; also oatmeal and rolled oats, oils of various kinds, potatoes, salt, tanning materials, wheat flour, lumber and all kinds of wood, wool of all kinds; while on sugar the tax is reduced one-third *and taken* off entirely in three years. All of the foregoing articles directly have to do with the present high cost of living, and putting them on the free list will certainly bring about a reduction in the high cost of living.

REDUCTIONS.

While the tariff has been taken off altogether on the articles above enumerated, the duties have been reduced on practically every necessity of life. These duties have not been indiscriminately cut down, but they have been reduced with two definite objects in view. One is relieving the people of an unjust burden of taxation inflicted upon them by the Republican Party, and the other is a due regard for the industry affected with a view of permitting every legitimate industry to continue its business and prosper.

PROTECTION IS WRONG.

Mr. Chairman, my belief about the tariff is this: That the whole scheme of a protective tariff is wrong in principle. Indeed, I may go further than that and say that while I believe that this bill ought to become a law, and while I am thoroughly and heartily in favor of this bill at this time, I believe that any system of tariff duties is wrong in principle. I do not believe that any government is justified in principle in fixing a tariff, the results of which gives a portion of the tax to a certain favored class of people and a portion of the tax to the government. Any tariff duty practically works this result. All taxes ought to be imposed upon a basis of benefits received by the taxpayer. I do not believe in class legislation, and I hope the day will soon come when it will be possible, without any injury to business, to remove all tariff duties, for I believe that the removal of all tariff duties will work to the greatest good of all the American people.

EXCUSE FOR PROTECTION.

A number of excuses are offered by the protectionists for a high tariff. They say that in the first place that because the tax is an indirect tax that the people do not feel it; that each one is taxed only a small amount, and that he does not realize that he is being taxed when he buys his food and his clothing and other articles of consumption.

Under the protective system it is estimated that for every dollar that the Government gets out of the tariff duties four dollars is legislated into the pockets of the protected manufacturer or protected producer.

Is this right in principle? Can it be defended in principle? Why, Mr. Chairman, it is no more to be defended than any other jobbery is to be defended. This combination between the protected producer and the protected manufacturer and the Government is not much better than for the Government to go into partnership with a band of highwaymen, with the understanding that the highwaymen are only to take a very small amount from each person and that the Government is to get one-fifth of the proceeds and the band the remainder.

But the protectionists say that it is to encourage home industries. Mr. Chairman, I notice that they are not laying so much stress on this phase of the question of late. Our home industries do not need to be thus encouraged by an improper alliance with the Government. A home industry which can not stand by itself ought not to stand. The American people ought not to be taxed to encourage industries that can not stand by themselves. Why should the great body of the people be taxed for a limited class of manufacturers and producers? Why should the merchants and artisans and farmers and miners, and all those that work and labor by the sweat of their brow and consume, be taxed for the benefit of a small class of favored producers and protected manufacturers? Is there any reason for it? Can it be defended as a matter of right? And yet that is what our Government is doing under the Payne tariff law.

It is estimated that we now get about $300,000,000 of revenue from tariff duties, and at the same time the American people are taxed twelve hundred million more—according to estimate—which goes into the pockets of the protected manufacturer and protected producer of certain protected articles. That is certainly not right.

But they say it is for the benefit of the laboring man. Ah, Mr. Chairman, that has been the artful dodge of these Republican protectionists for a long time. How many laboring men did this committee have before them, urging that a protective tariff be upheld for their benefit, and on the other hand, how many manufacturers did they have before it? There were many manufacturers and practically no laboring men. In addition to that these very manufacturers who stated that the high tariff would be for the benefit of the laborer were compelled to admit that in all factories that three-fourths or four-fifths of the work was done by cheap imported foreign labor. They are the worst enemies of American labor instead of being their friends. But they say that it is such a small tax that the people do not feel it.

The time was when we were obliged to have a tariff on imports in order to obtain sufficient revenue for this Government. That time has passed. The income-tax amendment has solved that problem. We can now run this Government without tariff duties at all. We can run this Government without a protective tariff, without a tariff for revenue only, without even a competitive tariff. We can run it with all ease, and I want to show you just how simple a problem it is.

The chairman of the Ways and Means Committee [Mr. UNDERWOOD] gave the figures the other day. He said that for the next fiscal year it would take about $995,000,000 to run the Government. He expected to get the revenue in the following way:

From post-office revenue, $280,000,000; from internal revenue, $322,000,000; from sale of public lands, $5,000,000; from incidental sources, $52,000,000; from customs duties, $267,000,000; from income tax, $69,000,000; total, $995,000,000.

INCOME TAX FAIREST.

Take these figures. Take the $322,000,000 that come from internal revenue and add 40 per cent on whisky, cigars, and tobacco, all articles of luxury, and increase the tax on all these articles, which would not be felt by this country at all, and what do you have? You have $128,000,000 more. Then add your $5,000,000 from public lands; then the $52,000,000 from general sources. Add to this $280,000,000 from the post office, and then your $69,000,000 from the income tax, and add 200 per cent on the income tax, and you get $138,000,000 more, which furnishes you the $995,000,000 necessary to run the Government without any customs duties. In other words, you raise the income tax on wealth 200 per cent and you get your money. Oh, you say, you can not do that, as that would raise the income tax too much. Have you seen Judge HULL'S figures? If you have, you will find that even if this income tax is raised 200 per cent more than it is in this bill it will then be only one-half the income tax that England puts upon her incomes. They claim also that if you put any greater tax on liquors you can not get more revenue, because it will increase the number of illicit stills. This is not true. Whisky ought to be taxed high and strictly regulated.

The income tax is the fairest tax in the world, and there is no better way of raising revenue to run the Government. Duties upon imports is a tax upon the consuming public and falls most heavily upon the poorer class of our people. The income tax falls on those who are able to pay it and those who derive most benefit from the Government.

PRESENT SYSTEM INDEFENSIBLE.

But the protected interests, so powerful in the Republican Party, say: "What are you going to do about labor and our infant industries?" I say that the industry, whether it be a producing industry or a manufacturing industry, that can not stand alone in this country ought to fall. It is a matter of principle, it is a matter of right. Why should the whole American people be taxed for the benefit of a few favored classes, whether producers or manufacturers? Suppose this Government should undertake to levy a tax of 1 cent upon every man, woman, and child for the benefit of the gentleman from New York [Mr. PAYNE], who sits before me. Such a tax would produce $1,000,000 and would not hurt any one especially, and it would be a great boon to the gentleman from New York. But could anyone defend that kind of an individual tax? Yet this protective tax is the same thing. We raise upward of $300,000,000 from custom duties, and at the same time, according to the figures of the experts, twelve hundred millions of dollars are legislated into the pockets of the protected manufacturers and producers. It is not right, and it is not fair. It is indefensible. As for the laboring people, I believe I can say for them that

they prefer an income tax to a tariff tax which does not protect them.

THE SECTIONALISM IN THIS BILL.

Mr. GARDNER, of Massachusetts, said we ought not to be sectional in framing this bill, and by inference he declared our bill is sectional. I want to say to him in all kindness, because I am a great admirer of his, and he is one of the most courteous, able, and delightful men in this House, I want to admit this bill is sectional. But I say the section it favors is his section and not the section we come from—in the South or West. I want to call the attention of the gentleman and of other gentlemen who believe as he does, if you should build a wall around your portion of this country it would not be 60 day before you would need succor from the outside world. You do not produce your own wool. You do not produce your own cotton. You do not produce your own coal. You do not produce your own foodstuffs. You do not produce your own mill machinery. You do not produce any raw material. All these things you get from other parts of the Nation. You are absolutely dependent upon the rest of the country for your daily sustenance. Under these circumstances ought you not treat the rest of the country in a spirit of fairness? Ought you to desire longer to place or keep these enormous tax duties upon the rest of the country for your particular benefit? This bill simply cuts down your unfair profits, and, if you will permit me to say it, it seems to me you ought to see the situation as it is and be in favor of this bill. The time has passed when this Nation is obliged to raise its revenue from custom duties, and those who are interested in manufacturing protected articles and those who are interested in producing protected material should bear this in mind.

WHAT OF THE FUTURE?

In my judgment, Mr. Chairman, the passage of the income-tax amendment to the Constitution marks one of the greatest epochs in this Government. It marks the end absolutely of a protective tariff, and the beginning of a system which will eventually develop into free trade with all the nations on the earth. The old outrageously unjust system of taxing the whole body of the consuming public in the interest of a small class of protected manufacturers and protected producers is obliged to go.

There are not only internal reasons for this, but there are external reasons for this. Protection might have been all right when this country was composed of a mere strip along the Atlantic and there was great difficulty in getting enough revenue to support the Government; but now that we have become a great Nation and are branching out; now that we own Alaska, the Philippine Islands, the Hawaiian Islands, Porto Rico, and Panama, it means trade expansion. We have arranged in this bill to have free trade with all these dependencies. The reasons are manifest. Because of our increased trade abroad our exports amount to the mighty sum of $4,000,000,000. It is absolutely necessary that the tariff wall that we have built around us should be leveled in order that our people get the full benefits of their commercialism.

We are legislating in this bill in favor of the American ships. We want the trade and commerce of all nations. Our people are ambitious to sell and lead in the markets of all the world, but we can not do it with an effete worn-out system of high-tariff laws in our country. If we want to trade with other nations, we must let them trade with us without restriction. It is a proposition very clear to my mind, and I believe the American people have likewise waked up to the same situation, and if the last election means anything at all it means that in the future, as soon as we can adjust ourselves to the new conditions, that the American people will trade just as freely with all the other nations of the earth, and they will trade just as freely with us, as we now trade in and among our own States. It is a condition which we ought all to bend our energies to bring about.

If the States were permitted to fix import duties, no doubt certain individuals and classes in the several States would be greatly benefited, but every sane person who understands commercial conditions knows that such tariff duties would be ruinous to interstate trade and the welfare of the people generally. No one for a moment would propose such a change. Now that science and invention have brought the nations of the earth in closer contact and closer commercial communion than even our States were 100 years ago, it must necessarily follow that the old system of putting up a tariff wall to bar out trade and commerce with other nations must of necessity go by the board. In our new conditions and surroundings a tariff on imports can only be defended on the grounds that it is necessary to secure revenue for the maintenance of the Government, but now that we know that this scheme of taxation is so unfair and unjust and so discriminating; now that we know it is so unnecessary; now that we know that we can raise the revenue for the maintenance of our Government by a scheme of taxation that everyone, regardless of politics, must admit is fair and just—taxes levied not upon the rich and poor in equal degree, but taxes levied in accordance with benefits received—we ought, and I believe we will, adopt that system of taxation as soon as we can adjust ourselves to it without serious injury to our American commerce and to our American business and industries. [Applause on the Democratic side.]

Mr. UNDERWOOD. Mr. Chairman, I yield to the gentleman from New York [Mr. LEVY].

Mr. LEVY. Mr. Chairman, the pending bill proves our sincerity to the pledges of the Democratic platform, and it will be a source of pride to me to have been a member of the majority, whose good fortune it is to pass this bill to relieve the burdens of the people of this country. It will be a help to all—to the laborer as well as to the business man, to the farmer as well as the mechanic—and I have no fear that our American manufacturers will fail to meet competition from abroad. I feel that American enterprise and American ingenuity, which has never failed to overcome obstacles in the past, will adjust itself to the changed conditions due to this bill, and that in a short time the country will be enjoying unbounded prosperity.

But while I am proud of this bill as a whole, while I am proud of the party that will have the honor and credit of passing it, while I congratulate our colleagues on this side of the House, and especially the chairman of the Ways and Means Committee on his matchless leadership, and while I am glad to stand squarely on the Democratic platform and raise my voice in support of Democratic doctrines, I feel that I ought to utter one word of warning. Why should the income tax be laid unless absolutely necessary?

I disagree with my distinguished colleague from Tennessee [Mr. HULL] that the income tax has come to stay. When the question of the constitutional amendment was before the House and all the legislatures of the country, especially New York, it was stated that the income tax would not be enforced except in times of war and dire necessity. This is the most obnoxious kind of taxation, yet I am heartily in favor of levying an income tax if the necessities of the country warrant it.

The income tax has been the cause of financial distress in nearly every country in which it has been enforced. Since the enforcement of the high income tax in England "soup houses" have been more in demand than ever. The late Samuel J. Tilden was elected President of the United States on this very issue—his opposition to the income tax—and after his election it was promptly repealed. The enforcement of the income-tax section of the pending bill will cause inquisitorial investigation throughout the country into every household and into every one's private affairs whether he earns one dollar a day or a thousand. Why impose upon the people of the United States by passing this income tax section so soon after its ratification by the State legislatures and enforcing it so promptly?

Our distinguished leader [Mr. UNDERWOOD] has stated that after the pending bill is enacted into law the deficit will amount to about $69,000,000 from internal-revenue taxes, custom taxes, and other incidental sources to be made up by the income tax. At the present time there is in the general fund of the Treasury $140,301,272.14 cash, and balance expended out of the general fund reimbursable from proceeds of Panama Canal bonds not yet sold $171,755,804.11—which is equivalent to cash in the Treasury—making the enormous total of $312,057,076.25. At the end of the present fiscal year the surplus will amount to about $40,000,000. The surplus for the Post Office Department will amount to some $5,000,000 for the present fiscal year, and for the next fiscal year will amount to some $20,000,000. The deficiency of $1,785,523 in the Post Office Department for the past fiscal year was made up by the first of the present year—before the parcel-post law went into effect—and there is now a surplus in the department. Since the parcel-post law went into effect the receipts over expenditures have been so large that I can frankly say that there will be an increase in the surplus for the department, and this will continue to increase to such an extent, which, together with the large customs receipts collected from the increased importations which will follow the enactment into law of this bill, that within the course of a few years there will be no need of levying a tariff to raise revenue for running of the Government. Why not allow the corporation tax to remain in force, and, if you do, the collection therefrom will amount to about $32,000,000 yearly. This, together with the surplus for this year, will more than make up the deficiency of $69,000,000.

If by any unforeseen circumstances there should be a deficiency after this bill is enacted into law it should be paid out of the general fund of the Treasury every year until the surplus therein decreases to $50,000,000, and in no case should

it be allowed to exceed this amount. I am opposed to a full and overflowing Treasury; it excites the cupidity of everyone whose business it is to promote enterprises requiring public money. With a bare Treasury there would be no incentive for a raid upon it, and it would be the greatest safeguard that could surround the administration.

I have always followed in the footsteps of Thomas Jefferson, the father of Democracy, who was opposed to having the tax-gatherer at the doors of the people, and have no fear of success when we follow in his footsteps. Therefore, I deplore the enforcement of this obnoxious class of taxation when we are at peace with the world and have an overflowing Treasury.

The distinguished gentleman from Tennessee [Mr. HULL] is in error when he states that the income tax has proven popular in most countries where it is enforced. The enforcement of taxation of this kind will reflect more upon the laboring classes than it will upon the rich, and will be the cause of spreading a feeling of socialism throughout the country. I have grave fears for the party that is the cause of levying this iniquitous taxation on the people without justification, and when the dove of peace is hovering over us and not the slightest sign of a war cloud in the sky. It would endanger our chances of success at the polls at the next presidential campaign.

I am one of those who believe that this tariff bill will not create a deficit; on the contrary, I am convinced that for the first six months of its existence the revenue receipts from customs duties will be far in excess of the amount now collected and will make up any deficiency. At the end of 18 months instead of a deficit it will create a surplus in the Treasury. This being the case, I am in favor and urge that the income-tax section of the pending bill be so modified as to postpone its enforcement until the balance in the general fund of the Treasury does not exceed $50,000,000. [Applause.]

I will print the following as a part of my remarks:

POST OFFICE DEPARTMENT,
THIRD ASSISTANT POSTMASTER GENERAL,
Washington, April 28, 1913.

Hon. JEFFERSON M. LEVY,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN LEVY: In response to your request of to-day over the telephone for a statement as to the revenues for the current half of the fiscal year, I have to inform you that as postmasters' accounts are rendered quarterly, and the following quarter is required to audit and settle them, it will be readily seen that definite figures are not yet available for the March quarter for the purpose of showing the fiscal transactions in that quarter or as indicative of the probable transactions in the quarter ended June 30. However, revenue reports from the postmasters at New York, Chicago, Philadelphia, Boston, and St. Louis for the months of January, February, and March, 1912 and 1913, are at hand and show percentages of increase over the same months of the previous years, as given in the following table. The marked increases in receipts for January, February, and March, 1913, is unquestionably due to the inauguration of the parcel-post system, which became effective January 1, 1913, and the percentages of increase in receipts for three months in 1913 over 1912 will give an idea of the increased business due to the parcel-post system, when compared with the receipts for the same months in 1912 over 1911.

	Per cent of increase, 1913 over 1912.	Per cent of increase, 1912 over 1911.
New York:		
January	22.34	1.45
February	14.65	3.96
March	15.99	7.19
Chicago:		
January	29.91	8.97
February	29.45	3.17
March	12.98	2.23
Philadelphia:		
January	8.17	6.46
February	6.91	4.24
March	12.29	2.04
Boston:		
January	14.17	4.50
February	13.43	3.51
March	17.06	2.62
St. Louis:		
January	14.86	2.23
February	13.98	2.06
March	10.87	5.27

Respectfully,

A. M. DOCKERY,
Third Assistant Postmaster General.

Mr. GARDNER. Mr. Chairman, I yield such time as he may desire to the gentleman from North Dakota [Mr. YOUNG].

Mr. YOUNG of North Dakota. Mr. Chairman, it is a very significant fact that while the platforms of the different political parties declared in favor of downward revision of the tariff that the Democratic Party was the only one which promised to perform that task cautiously and in such a way as not to injure or destroy legitimate industries. To quote from the national Democratic platform:

We recognize that our system of tariff taxation is intimately connected with the business of the country, and we favor the ultimate attainment of the principles we advocate by legislation that will not injure or destroy legitimate industry.

When party platforms are ambiguous or require explanation the chief candidate on the ticket has by custom come to be understood as the proper one to interpret to the voters the meaning of the platform.

Mr. Wilson, the candidate of the Democratic Party for President, undertook to interpret the provision of the Democratic platform just quoted.

WILSON INTERVIEWED.

According to a special dispatch in the New York Times of August 1, 1912, from Sea Girt, N. J., Congressman Redfield, now Secretary of Commerce in President Wilson's Cabinet, was interviewed by a special correspondent, to whom he said concerning Gov. Wilson, with whom he had just talked:

He is not for free trade. He is not for drastic action of any kind. He is willing to work through a series of years to accomplish the result of a tariff for revenue, at which he aims. He is not disposed in any way to inflict changes that would upset and destroy business. His views are clear and sound, and he has no rash or hasty ideas.

I outlined the situation to Gov. Wilson in this way: I told him that a big manufacturer had all his capital tied up in his plant, and that the tariff was a large figure in the cost of his goods. I said this manufacturer could not turn his stock over in a week, or a month, or even a year, as a wholesaler could. If the tariff on his goods were 50 per cent where it ought to be only 20 per cent then there would be an opportunity for the display of great wisdom.

In outlining this case I did not urge clemency upon the governor. I said the revision ought to be as full and complete as the case demanded, but that the revising ought to be done in gradual stages, not in sudden jumps. I suggested stages of, say, 5 per cent a year until the 20 per cent basis was reached. That would do justice and conserve business interests at once.

I compared the tariff problem to the case of a man who owed you $5,000. If the whole lump sum were demanded at once you would probably put him out of business, but if you agreed to take $50 a month until the sum was paid you could get your money in full and your debtor could save his business. I want to see the governor (Wilson) give every business a chance, and yet I believe that every schedule in the present tariff bill could be improved by a downward revision.

We talked of the need of a general downward revision on almost every schedule in the tariff. The revision should be thorough, but should be made by degrees. We should make progress slowly, in my judgment, instead of trying to clear too much in one jump. We want to reform the tariff, but we do not want to do more harm than good. Business men have money invested in their plants, machinery, and stock, and this money can not be turned over like a department store turns over its goods. A store gets rid of its stock quickly; a manufacturer slowly. The work need not be less thorough if done by steps instead of by a single leap.

The governor has his own views as to fairness and moderation in dealing with the trusts. We talked considerably about them. It is my opinion that the governor believes that the Government should first establish its own policies so clearly that it could be readily understood instead of being misinterpreted.

After Congressman Redfield had gone, Gov. Wilson talked about him to the reporters.

"I enjoyed him and was greatly instructed by him," said Mr. Wilson. "Most people who talk about the tariff talk about general principles. Mr. Redfield talked facts almost exclusively."

"And did Mr. Redfield speak to you in favor of a general downward revision at a slow rate of speed?"

"Oh, as to that," replied the governor, "we are perfectly agreed. You fellows sent to your paper some extracts of a speech on the tariff that I made some time ago. I am not for free trade, but for gradual downward revision."

SPEECH OF ACCEPTANCE.

While in Mr. Wilson's speech of acceptance there is a clear declaration in favor of downward revision of the tariff, it is qualified by these words:

We do not ignore the fact that the business of a country like ours is exceedingly sensitive to changes in legislation of this kind. It has been built up, however ill-advisedly, upon tariff schedules such as I have indicated, and its foundations must not be too radically or too suddenly disturbed. When we act, we should act with caution and prudence like men who know what they are about and not like those in love with a theory.

WILSON AT DETROIT.

In a special dispatch to the New York Times under date of September 19, 1912, from Detroit, Mich., Mr. Wilson was quoted as follows:

In all my speeches on the tariff I have made it clear that changes in the tariff must be made slow enough not to disturb legitimate business interests.

WILSON ON RECORD AGAIN.

Again, in a speech delivered in New York, November 1, 1912, reported in the New York Times, Mr. Wilson said:

I get telegrams about every second hour now asking me to deny that I am a free trader, showing that there are some persons in the United States who believe that the Democrats do not understand the business structure of the country in which they live. How many Democrats were there at the last election? Not enough to elect a government, but almost half the voters in the United States were Democrats even then, more than half of them are now, and unless these gentlemen are all

going out of business they are not going to vote to destroy business or to touch any sound or stable thing in the United States. But I am wasting my breath. Nobody believes for one moment that the Democratic Party is going to upset honest business in the United States.

NO MANDATE FROM THE PEOPLE.

In spite of these direct appeals to protectionist voters, Mr. Chairman, and in spite of the fact that many of them voted for him, Mr. Wilson received far from a majority of the votes. He lacked a million votes of receiving a majority, and of the votes he did receive a portion were protectionists. There were many votes of protest. Some voted for Roosevelt because they did not like Taft; some for Wilson because they were afraid of Roosevelt. The mandate of the people was obscure at best. His party, therefore, has no moral right or commission from the people to enact a radical, drastic tariff measure.

So I appeal to you gentlemen who have given your approval in caucus to the introduction of this bill to consider well the probable operation of it. You can not afford, after the preelection promises of your candidate for President and other leaders, to turn a deaf ear to those who plead with you for justice to the farmers and other producers.

First of all, it should be remembered that for many years the tariff duties upon farm products were absolutely valueless to the farmers. During that period, while the manufacturing industries were being built up the farmers were constantly being advised to stand by the protective system, with the assurance that a home market would eventually be created which would be valuable to them. This home market did not come, however, until the last few years. In other words, the farmers were the last to receive actual benefits from the protective system, and under this Underwood bill they are the first to be brought to the block for slaughter.

THE FARMERS CRUCIFIED.

As other speakers have already called particular attention to the discriminations and the rank injustices done the farmers in the agricultural schedule, I shall discuss only briefly the items in this schedule. The duty upon wheat is reduced from 25 cents per bushel to 10 cents per bushel. Barley from 30 to 15 cents per bushel. Oats from 15 to 10 cents per bushel. Butter from 6 to 3 cents per pound. Beans from 45 cents per bushel to 20 cents per bushel Eggs from 5 cents per dozen to 2 cents per dozen. Hay from $4 per ton to $2 per ton, and potatoes are put on the free list. Flour is also put upon the free list, and it is claimed by farmers in my district that free flour will ultimately mean that it will make the duty of 10 cents per bushel on wheat of little value. They, the farmers of my district, believe that they are entitled to have reasonable duties imposed against both wheat and flour.

Potatoes sold in our State last year, f. o. b. cars, for 25 cents per bushel. It is true that in some of the States potatoes retailed for from $1 to $1.25 per bushel, but if those who are responsible for the introduction of this Underwood tariff bill wish to reduce the cost to the consumer, attention should be given to the middlemen and retailers, rather than to the farmers, whose profit upon potatoes at 25 cents per bushel is very small, as there is a large amount of labor involved in raising that crop. In that connection it might be well to remember that the labor in raising potatoes, as well as the item of labor generally upon the farms, costs more than the labor upon the Canadian farms. Canadian farmers are permitted to secure strong, healthy, industrious young Scotchmen, or strong young men of other nationalities by writing to the Allan Steamship Co., or some one of the other steamship companies, advancing the cost of transportation, and in that way secure such men for a year's work at a very low price, and the amount of work they do is exceptionally large as compared with the quantity of work done by many of the men whom our farmers must employ at higher wages. This can not be done by the American farmers on account of the alien contract labor law.

It should also be remembered that the Anglo-Japanese treaty went into effect the 1st day of this month and that the Japs have a practically open door to Canada.

WORSE THAN CANADIAN RECIPROCITY.

In addition to flour and potatoes, the following products will be admitted to the United States absolutely free if this bill is passed:

Beef, veal, mutton, lamb, pork, bacon, cured meats, milk and cream, condensed milk, wool, rye and rye flour, swine, tallow, corn and corn meal, bran and wheat screenings, broom corn, lard, flax straw, buckwheat and buckwheat flour. It is the belief of those who have given this subject the most careful study that the Underwood bill, if it becomes a law, is bound to be more injurious to our farmers than the Canadian reciprocity treaty, so called, could possibly have been had it taken effect.

Imported cattle, sheep, and hogs are taxed 10 per cent ad valorem to make it appear that the farmers and live-stock growers are being protected, but when it is found that beef, pork, mutton, hides, and wool come in duty free the agricultural schedule is demonstrated to be a sham.

It is claimed that the farmers will be able to buy their farming machinery cheaper. This is not true. The special report of the Department of Commerce upon the Harvester Trust shows that all farm machinery is now sold cheaper in the United States than in any foreign country. This is corroborated by the fact that there are no importations of farm machinery, and there is no duty against English manufactured machinery.

But granting, for the sake of argument, that farm machinery can be purchased cheaper, it should be remembered that each article of farm machinery is supposed to last for several years, while what the farmer has to sell is sold each year. As the farmer has more to sell than to buy, he is damaged by a horizontal cut in tariff rates; but, so far as this bill is concerned, a horizontal cut in the tariff has not been made. On the contrary, the farmers have been discriminated against, and they have been made to suffer to carry out the appearance of reducing the high cost of living.

Economy will decrease the farmer's expenditures, but no amount of thought or foresight will add to the price of what he has to sell, therefore the all-important thing is to preserve all the markets we have. Of these the home market is by far the most valuable.

COMPETITION.

Competition under fair conditions is the principle for which we should stand. For instance, if it should prove to be true that the discriminating clauses of this bill against the flour manufacturers should drive them out of business it would mean that the farmers' market for wheat would depend only upon the competition of foreign buyers. Or if the mills can continue to do business that their ability to buy wheat will be decreased.

A dozen years ago when a large portion of the wheat grown in the United States was shipped abroad the farmers were unable, as a rule, to sell their wheat for the export price, that is to say, the Liverpool price less cost of transportation. In our State the prices ruled all the way from 6 to 10 cents per bushel below an export basis. Since then many flour mills, both large and small, have been built in our State and others, which has created a constant local demand for wheat, with the result that wheat has been for a number of years selling at a premium over the export value, in other words, above the Liverpool price with the cost of transportation deducted.

That is one instance of the value of home competition, and the principle holds true, or will hold true, under proper laws of regulation with other industries in the United States. If the manufacturer of any article in this country is driven out of business, and we are thus made dependent upon the production of other countries, we will certainly suffer on account of the lack of competition by home manufacturers. It is desirable to have competition from those living in other countries, but it should be fair competition, and the home manufacturer should be protected to the extent of the difference between the cost of production at home and abroad. Competition is the great principle which should at all times be kept in mind, not only in the framing of a tariff bill but in the framing of all laws passed by Congress respecting the commerce and industries of the country, and it should never be forgotten that the sweeping away of tariff duties is just as likely to prevent competition by destroying established industries at home as it is to secure competition by taking off all barriers to foreign importations. For example, the American woolgrower can not compete upon equal terms with the Australians, because under the favorable conditions of that country the Australians can afford to raise sheep profitably and give away the wool. But what will the final result be under free wool? Sheep raising will cease to be an industry in this country, which will probably affect Australian wool, raising its price. It will also affect the market for meat by reason of the decreased supply of domestic mutton, and thus undoubtedly increase the price of other meats.

And so it will be found that at all times competition is the correct principle, and that the only way to secure competition is to place our farmers, manufacturers, and other producers upon equal terms with foreign producers. Any other plan will either destroy our industries or lower the standards of American living.

No one will deny that there are abuses existing and that there are inequalities and injustices under the present tariff act to correct. But a plan of relief should be found without striking a blow at the farmers, destroying commerce, and paralyzing honest business. The remedy should not be worse than the disease.

THE DOG AND THE SHADOW.

The fable of the dog and the shadow is in point. It happened that a dog had gotten a piece of meat and was carrying it home in his mouth to eat it in peace. Now, on his way home he had to cross a plank lying across a running brook. As he crossed he looked down and saw his own shadow reflected in the water beneath. Thinking it was another dog with another piece of meat, he made up his mind to have that also. So he made a snap at the shadow in the water, but as he opened his mouth the piece of meat fell out, dropped into the water, and was never seen more. Beware lest you lose the substance by grasping at the shadow. [Applause.]

The country is in a highly prosperous condition to-day. To quote from a disinterested source, Mr. F. D. Warren, editor of the Socialist newspaper, the Appeal to Reason:

Measured by every standard of prosperity, the past four years have been the most prosperous in the history of the United States. Bank deposits have been greater; railroad earnings have been larger; dividends have been more regularly paid and of more generous proportions; working men, women, and children have been more steadily employed; wages have been higher than in any four-year period in the history of the Nation. The demand for farm products has grown enormously and at prices that have lined the purses of the fortunate land-owning farmer with gold and silver.

Why not be true conservationists? Why say to the farmers, manufacturers, and other producers, "Here's your hat. What's your hurry?" There is not a town or city in the United States that will not go to some expense to secure the location of factories, and sometimes they are even given bonuses, and most of the States have immigration agents or development commissioners who seek to bring in farmers. Why should the Nation have a different policy from a town, city, or State? Why not hold fast that which we have? It is much easier to destroy than to create. This does not mean that we should maintain the present tariff schedules. I speak as the representative of a large farming district and with some knowledge of the subject, as I have personally devoted some time to farming for several years. The farmers will not object to substantial reductions all along the line, but they naturally resent being converted into pack horses, and will vigorously denounce as time goes on the attempt to make them wholly responsible for the high cost of living. The farmers know, too, that the cost of living has been increasing all over the world. This bill practically puts grain and stock raisers' products on the free list. The most superficial examination of the agricultural schedule will show that.

In conclusion permit me to again quote President Wilson upon the subject of the tariff:

When we act we should act with caution and with prudence, like men who know what they are about and not like those in love with a theory.

Mr. UNDERWOOD. Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and Mr. CLINE having assumed the chair as Speaker pro tempore, Mr. GARRETT of Tennessee, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 3321 and had directed him to report that it had come to no resolution thereon.

RECESS.

Mr. UNDERWOOD. Mr. Speaker, I move that the House take a recess until 7.30 o'clock to-night.

The motion was agreed to; accordingly (at 6 o'clock and 36 minutes p. m.) the House stood in recess until 7.30 o'clock to-night.

EVENING SESSION.

The recess having expired, the House was called to order at 7.30 o'clock p. m. by the Speaker pro tempore [Mr. CLINE].

Mr. HARDWICK. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 3321.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the state of the Union for the further consideration of the bill H. R. 3321—the tariff bill—with Mr. GARRETT of Tennessee in the chair.

Mr. GARDNER. Mr. Chairman, I yield to the gentleman from New York [Mr. CALDER].

Mr. CALDER. Mr. Chairman, I have the honor to represent in this House a part of the city of New York, the great metropolis of the western world and the chief market place for the products of the United States.

I have listened with great interest to the discussion during the past week and have noted with keen regret that in some of the speeches delivered there seems to have been a disposition to align the rest of the country against that great metropolis. This has been very strange to me, for I have always felt that the people of the great agricultural communities of the land depended upon us just as much as we do upon them. It has been well said, "That the riches of the country come out of the earth," and while that is true to a large degree, nevertheless, but for the market place where you might exchange your commodities and receive cash or its equivalent, your prosperity would amount to little. And so, at the mouth of the magnificent Hudson we have built up a great city of which every citizen of the United States should be duly proud. It has occurred to me that the prosperity of that city is the barometer of the success of the entire country; that through our gates from the rest of the world come the products of the other countries to be distributed throughout our land, and, again, through our gates goes the produce of the farm and the mill into our great ships and across the ocean to be delivered to all the rest of the civilized world. And so, when men have risen in their places both at this session and at other times to criticize our method of doing business and our magnificent success, it has seemed to me that they were attempting to injure in the eyes of the world that magnificent city, whose growth is unequaled in the history of time, whose standing is first as the greatest manufacturing city of the world, and which is to-day, or soon will be, the greatest financial city of any period.

Now, as I said a moment ago, what has been your prosperity has been ours, and I think it but fitting that I call the attention of the country to the development of that great city under the benign influence of a Republican tariff and the administration of that party here at the seat of government. I am going to give you just a few figures showing the great progress which has been made in the wealth and business of that great city. I submit the following. First, as to the amount of money deposited in our banks:

Deposits in savings banks, New York City, Jan. 1, 1898	$545,379,256
Deposits in trust companies in New York City	358,380,703
Deposits in State banks of deposit in New York City	189,046,695
Total deposits in national banks Dec. 17, 1896	528,003,025
	1,620,809,679
Deposits in savings banks, New York City, Dec. 31, 1912	1,167,322,204
Deposits in trust companies, New York City, Dec. 26, 1912	1,096,478,972
Deposits in State banks, New York City, Dec. 26, 1912	398,866,193
Total deposits in national banks Apr. 4, 1913	1,370,112,212
Total deposits in New York banks	4,032,779,581

You will observe that the savings banks deposits during 14 years have increased from $545,000,000 to $1,167,000,000, more than 100 per cent; and when I tell you that the savings banks are prohibited from receiving deposits from any one person exceeding $3,000, you can readily appreciate the fact that this gigantic increase in the savings of the people of a community is, in the end, the great evidence of its prosperity. In addition to this the total deposits in all the banks of the city have increased in the past 14 years from $1,620,809,679 to $4,032,779,581. This shows that in addition to the prosperity of the working people of our city the business men have prospered beyond anything to be dreamed of. Some one might say that the whole wealth of the country has come to us. This is not so, as I can demonstrate to you in a moment.

In December, 1896, the total deposits in all of the national banks of the country amounted to $2,142,556,399, while in February of this year the total deposits in the same banks amounted to $8,361,165,397, an increase of $6,218,608,998. An examination of the records will show that the proportionate increase of deposits in the national banks outside of New York City is greater than that in the great metropolis.

Now, as a further evidence of the development of the metropolis of America under a Republican tariff and a Republican administration at Washington, permit me to show the assessed valuation of the real property in that city. You will observe, beginning in the year 1900—

1900	$3,168,557,000
1905	5,221,582,000
1910	7,044,192,674
1912	7,861,898,890

You will observe that under a Republican administration at Washington the assessed valuation of the real estate in New York City has increased in the short space of 12 years over 150 per cent, or nearly $4,700,000,000.

I have here figures relative to the number and cost of the new buildings constructed in New York City from 1900 to 1912, inclusive:

Year.	Number.	Cost.
1900	6,281	$78,416,002
1901	7,655	145,892,593
1902	6,496	111,535,299
1903	7,502	112,326,826
1904	11,365	150,148,816
1905	17,359	244,648,193
1906	17,345	221,886,227
1907	16,162	179,050,346
1908	13,967	162,912,548
1909	19,190	254,061,035
1910	13,608	194,059,399
1911	13,770	178,698,154
1912	13,000	210,505,237
Total	163,700	2,244,140,675

These figures are startling when you stop to consider that we have constructed during the past 12 years in New York City over 163,700 buildings, and that over 100,000 of these buildings are dwelling houses for one and two families, and that of these 100,000 over 95 per cent were purchased by the people who occupy them. These houses are being purchased at from $4,000 to $7,000 from the savings of the mechanic, the clerk, and the small storekeeper.

Another evidence of the development of the city is the increase in post-office receipts. I have the figures here, beginning in 1900, which indicate that the post-office receipts in the city under a Republican tariff and a Republican administration have increased during the space of 12 years over $16,982,579, about 150 per cent:

1900	$11,129,379
1901	12,147,064
1902	13,597,881
1903	15,262,710
1904	16,524,563
1905	17,879,214
1906	19,715,868
1907	21,483,769
1908	21,525,484
1909	22,948,415
1910	25,485,349
1911	27,219,637
1912	28,111,958
Total	253,031,296

I might go on with innumerable instances. Let me cite the growth of the manufacturing industries taken from the Census Reports. In 1899 the number of people engaged in manufacturing industries in the city of New York were 432,000, and the value of their product was $1,172,877,000; the capital invested in these industries was $853,338,000. In 1904 the amount invested in the manufacturing industries of New York City was $1,100,000,000, and the salaries and wages paid amounted to over $220,000,000, the value of their product over $1,526,000,000, the number of men employed exceeded 530,000, while in 1909 the capital invested was $1,365,000,000, the value of the output was $2,029,000,000, the amount paid in salaries and wages was $445,000,000, and the number of men employed over 650,000. I can tell the story in no better way than to print from the Census Bulletin on Manufacturing, published in 1910, the following:

New York City is not only the leading city and the commercial center of the United States, but also the industrial metropolis, holding first place in the total value of manufactured products as well as in many individual industries. In 1909 the population of New York City was practically equal to that of the State of Ohio, and exceeded only by Pennsylvania, Illinois, and New York itself, but the value of its manufactured products exceeded that reported by any State except Pennsylvania and New York. This predominance in manufactures is closely connected with the abundant supply of labor, its large immigrant population being in particular an influential factor in causing manufacturing enterprises to locate there. New York City is the chief center of trade between the United States and Europe and also one of the principal distributing points for domestic trade. This commercial importance has also contributed greatly to the high rank of the city in manufacturing industries and to making New York the financial center of the United States, thereby rendering it easy to obtain capital for the establishment and extension of such industries.

Measured by the increase in value of manufactured products, the industrial development of New York City from 1904 to 1909 was greater than from 1899 to 1904, the increase being $503,169,570, or 33 per cent, for the period 1904–1909, and $353,652,745, or 30.2 per cent, for the period 1899–1904. During the more recent 5-year period the average number of wage earners in the manufacturing industries of the city increased 89,286, or 19.2 per cent, as compared with an increase of 76,130, or 19.6 per cent, for the earlier period. Of the 44,935 manufacturing establishments reported for the State in 1909, 25,938, or 57.7 per cent, were located in this city; the proportion for 1904 was 56 per cent, and for 1899, 53.5 per cent.

The establishments in New York City reported 55.2 per cent of the wage earners and 60.2 per cent of the value of products for the State in 1909, as compared with 54.2 per cent and 61.3 per cent, respectively, in 1904. The value of the city's manufactures represented 9.8 per cent of the total value of manufactured products for the United States in 1909 and 10.3 per cent in 1904. Of the 243 industry classifications employed in compiling the 1909 statistics for manufactures of the State, 217 were represented in this city, 131 of which covered industries with products valued at more than $1,000,000.

There were 21 industries in New York City in 1909 for which a value of products in excess of $20,000,000 was reported. For two of these industries, the refining of cane sugar and the smelting and refining of copper, statistics can not be presented separately without disclosing the operations of individual establishments. The other 19 industries, arranged in order of value of products, are indicated in the following tabular statement, which shows the absolute and relative increase in this respect between 1904 and 1909, and also the percentage which the value of products for each industry represents of the corresponding total for the State:

Industry.	Value of products: 1909.			
	Amount.	Per cent of total for the State.	Increase over 1904.	
			Amount.	Per cent.
Clothing, women's	$266,477,000	97.8	$98,058,000	58.2
Clothing, men's, including shirts	218,411,000	82.1	68,927,000	46.1
Printing and publishing	183,509,000	84.6	45,007,000	32.5
Slaughtering and meat packing	95,862,000	75.4	39,924,000	71.4
Foundry and machine-shop products	63,853,000	41.4	5,916,000	10.2
Tobacco manufactures	62,488,000	81.5	11,963,000	23.7
Bread and other bakery products	61,904,000	71.8	17,904,000	40.7
Liquors, malt	53,409,000	68.8	10,301,000	23.9
Millinery and lace goods	51,239,000	98.3	18,896,000	58.4
Fur goods	39,874,000	96.5	14,595,000	57.7
Gas, illuminating and heating	34,117,000	80.6	4,402,000	14.8
Paint and varnish	26,664,000	93.4	3,834,000	16.8
Musical instruments, pianos and organs, and materials	25,516,000	75.8	6,586,000	34.8
Furnishing goods, men's	25,496,000	60.4	8,883,000	53.5
Patent medicines and compounds and druggists' preparations	24,984,000	66.9	6,868,000	37.9
Lumber and timber products	24,122,000	33.3	2,903,000	13.7
Copper, tin, and sheet-iron products	23,303,000	60.6	5,914,000	34.0
Artificial flowers and feathers and plumes	21,098,000	99.7	17,132,000	432.0
Confectionery	20,062,000	78.6	6,017,000	42.8

It will be noted that for five of the industries included in the preceding tabular statement more than 90 per cent of the total value of products for the State was reported from New York City, the proportion rising as high as 99.7 per cent in the case of the manufacture of artificial flowers and feathers and plumes. In seven other industries the establishments located in New York City contributed more than three-fourths of the total value of products for the State. For only two industries included in the table—the foundry and machine shop and the lumber industries—was less than one-half of the total value of products for the State reported from New York City.

The leading industries in New York City in 1909 were the making of women's clothing and of men's clothing. There were 5,521 establishments in the two industries combined, which gave employment to an average of 161,400 wage earners and manufactured products valued at $484,888,000. The printing and publishing industry was next in importance, with 2,883 establishments, 48,322 wage earners, and products valued at $183,509,000. The value of the products of the three industries just mentioned represented 32.9 per cent of the total value of manufactured products for the city, and they employed 37.9 per cent of the average number of wage earners engaged in all manufacturing industries.

In addition to the 118 industries presented separately for New York City in Table I, page 62, there were 99 others which for various reasons are included under the head of "All other industries." Some of these industries were among the most important in the city, 36 reporting products in 1909 exceeding $1,000,000 in value. These industries are: Awnings, tents, and sails; babbitt metal and solder; bags, other than paper; baking powders and yeast; billiard tables and materials; chocolate and cocoa products; cloth, sponging and refinishing; cordials and sirups; cork, cutting; dentists' materials; dyestuffs and extracts; flavoring extracts; flour-mill and gristmill products; glue; grease and tallow; hat and cap materials; hats, straw; iron and steel, steel works and rolling mills; iron and steel forgings; labels and tags; lapidary work; liquors, distilled; mineral and soda waters; moving pictures; mucilage and paste; oil, linseed; oil, not elsewhere specified; oilcloth and linoleum; paper patterns; pencils, lead; petroleum, refining; signs and advertising novelties; smelting and refining, copper; sugar refining, not including beet sugar; tin foil; wire. Of these, 4 reported products valued at $10,000,000 or over; 6, products between $5,000,000 and $10,000,000 in value; and 26, products between $1,000,000 and $5,000,000 in value.

Of the five boroughs which form New York City, the Borough of Manhattan is the most important industrially, the value of the manufactured products reported by the establishments within its limits in 1909 constituting 68.4 per cent of the total for the entire city. The proportions of the total contributed by the other boroughs in that year were as follows: Brooklyn, 20.6 per cent; Queens, 7.5 per cent; the Bronx, 2.1 per cent; and Richmond, 1.5 per cent. Each borough made substantial gains from 1904 to 1909 in all items covered by the manufactures statistics, with the single exception that the Borough of Richmond shows a decrease in the number of proprietors and firm members. The relative increase in value of products was much greater in the Boroughs of Richmond and Queens, however, than in the city as a whole, while in the Borough of Brooklyn it was considerably less, the percentages of increase being as follows: New York City, 33; Borough of Richmond, 76.1; Borough of Queens, 63.2; Borough of Brooklyn, 11.7; and the Boroughs of Manhattan and the Bronx combined, 37.2. The leading industries in the Borough of Manhattan were to a large extent the same as those previously enumerated for the city as a whole, while in the Borough of Brooklyn refined sugar was the leading product; in the Borough of Queens, smelted and refined copper; in the Borough

of the Bronx, pianos and organs and materials; and in the Borough of Richmond, soap.

The totals presented for New York City do not include the statistics for three establishments operated by the Federal Government, namely, the United States navy yard, with 3,622 wage earners and products valued at $7,032,416 in 1909; the United States naval clothing factory, with 96 wage earners and products valued at $670,198, located in Brooklyn; and the United States Lighthouse Establishment, with 60 wage earners and products, such as illuminating and signal apparatus and machinery and other lighthouse supplies, valued at $995,745, located at Tompkinsville, in the Borough of Richmond.

I have often wondered if the gentlemen who have written this tariff bill—mostly lawyers, men who have had little to do with the business of the country, men who have not had to brush shoulders with the everyday workingmen, men who have not had to solve the problems of business—were competent to prepare legislation of this character which deals with the business of the everyday life. I am an employer of labor, and a man once said to me that I could not be a friend of the workingman because I employed him. Study the business problem of New York City, consult the workingmen themselves, the real workingmen, not some of the demagogues who claim to lead them, the man who labors himself, and in ninety-nine cases out of a hundred he will tell you that his employer is his best friend. Their interests are one. In our city in the past 15 years there has been an average increase in compensation among the working people of at least 40 per cent, and while it is true that prices have increased in proportion, nevertheless, the people of that city are more prosperous than at any time in the history of the country, and to-day if a man will make the least effort it is easier to save money out of his wages than ever before. I might go into detail and discuss this bill, which I am fearful will bring disaster to our city and the country.

Take, for instance, the lumber schedule. I am a builder. I construct from 50 to 100 houses every year in the city of New York. I am what you might call the ultimate consumer. I buy the lumber and cut up and put it in buildings. Now, when the Payne tariff bill was under discussion I thought perhaps there was something to a reduction of the duty on lumber, and I went home and talked to the lumber merchants in my city and asked them if the duty on lumber was reduced would any benefit come to me, and then to the people to whom I sold and rented my houses. The men to whom I talked said "Absolutely not," that the very moment we reduced the duty on lumber that moment the Canadian would raise the price. And so he did. The very next day after the Payne bill became a law the Canadian raised his price. I tell you, frankly, my friends, that the people of New York City have not received a particle of advantage from that reduction. Now, as to the further reduction under the Underwood bill. When I was home in New York last week I talked with several of these gentlemen and they advised me that they had made contracts for the fall, and that their arrangements with the Canadians provided that they shall divide the duty. The Canadian puts his price up one-half and the lumber merchant gets the other half. I am making contracts myself for lumber to be delivered this fall, and I have asked the same question and have been informed that the price to me will be the very same as it was this spring. Now, this is a situation I know myself. We are going to reduce the duty on lumber and convey the impression to the people that they are going to get cheaper homes. Can anything be more silly?

Take the sugar problem. The great sugar refiners of this country—and I know whereof I speak—are very much pleased at the prospect of reducing the duty on sugar. I know an officer of one of the great refineries. He is delighted at the prospect. I asked him whether he thought the consumer would get any benefit. He reminded me of the time previous to the Spanish War when the duty was placed on coffee. We bought it then at 28 cents a pound. The duty was taken off after the war, and we are now paying 35 cents for the same coffee. Sugar will be exactly the same. The duty will be divided between the foreign sugar planter and the refiner. The United States Treasury will lose the revenue, and the consumer will not get sugar cheaper but in some way will be compelled to make up the deficit in the Treasury caused by putting this commodity on the free list.

Let me refer to the ready-made clothing. I talked to a gentleman, who is the principal owner of one of the largest stores in New York, since this tariff bill was reported. I said to him: "Is it a fact that you will be able to sell your $10 suit of all-wool clothing for about $8?" He said, "No; it will sell for the same price, but we will give you better wool." "Do you not advertise at present that this $10 suit is of all wool?" "Yes," he replied, "but the new wool suit will be better grade." "Will it wear much longer?" "Well, maybe not, but it would be better." And so I talked to a prominent tailor in my city along the same lines. I asked him if the $25 suit of clothes he has been making a specialty of would be any cheaper. He said, "No"; but he thought it would be a better grade of goods, but did not expect it would be sold any cheaper. I talked to another of the leading tailors in New York City. I asked him if he was going to be able to sell his $35 suit of clothes and $40 overcoat cheaper. "No," he said, "but you will get a finer grade of wool." And so, on every hand there is the same excuse, showing the consumer will get nothing except the glad hand. They tell you of better material, but never any saving in price. They reduced the duty on cheap gloves. Did the people here benefit? No. The makers abroad raised the price.

I have made inquiry relative to the total valuation of imports and exports from the city of New York and from the United States from the days of the Wilson-Gorman tariff bill down to last year, and propose inserting the same in the RECORD.

Imports into and exports from New York and the total United States, respectively, with duties collected on imports during the fiscal years ending June 30, 1895, to 1912, inclusive.

Fiscal years, June 30.	Imports.				Exports.	
	New York.		Total United States.		New York.	Total United States.
	Value.	Duty.	Value.	Duty.	Value.	Value.
	Dollars.	*Dollars.*	*Dollars.*	*Dollars.*	*Dollars.*	*Dollars.*
1895	477,741,128	101,750,165	731,162,090	147,901,218	325,580,062	807,538,165
1896	499,932,792	106,666,185	759,694,084	156,104,598	354,274,941	882,606,938
1897	480,603,580	118,365,076	789,251,030	171,779,194	391,679,907	1,050,993,556
1898	402,281,050	100,424,617	587,153,700	144,258,563	445,515,794	1,231,482,330
1899	465,559,650	134,071,173	685,441,892	200,873,429	459,444,217	1,227,023,302
1900	537,237,282	150,153,068	830,519,252	228,364,556	518,834,471	1,394,483,082
1901	527,259,906	150,330,669	807,763,301	232,641,499	529,592,978	1,487,764,991
1902	559,930,849	163,606,071	899,793,754	250,550,428	490,361,695	1,381,719,401
1903	618,705,662	178,852,021	1,007,960,110	279,779,587	505,829,694	1,420,141,679
1904	600,171,033	168,677,030	981,822,559	257,392,055	506,808,013	1,460,827,271
1905	679,629,256	170,570,029	1,087,118,133	257,898,130	524,726,005	1,518,561,666
1906	734,350,823	192,985,952	1,213,417,649	293,557,984	607,160,314	1,743,864,500
1907	853,696,952	217,127,610	1,415,402,285	329,121,659	627,949,857	1,880,851,078
1908	688,215,938	184,235,337	1,183,120,665	282,273,432	701,062,913	1,860,773,346
1909	779,308,944	195,008,723	1,281,641,735	294,377,360	607,239,481	1,663,011,104
1910	935,990,958	214,686,318	1,547,109,137	326,263,093	651,986,356	1,744,984,720
1911	881,592,689	200,818,397	1,527,945,652	309,581,944	772,552,449	2,049,320,199
1912	975,744,320	194,752,639	1,640,722,902	304,597,035	817,945,803	2,204,322,409

It will be observed that in the year 1895 the total value of imports into the United States was $731,000,000, and the duty collected on these imports was nearly $148,901,000, while the value of the exports was $807,538,000, in all over $76,000,000 more than the imports. Under the Payne tariff bill the imports last year were $1,614,722,000, and the duty paid thereon was $304,597,000. As against this the exports last year were $2,204,000,000. These figures show that the exports have increased during the past 17 years nearly 300 per cent, in amount equal to $1,400,000,000; and in the same period the imports have increased $900,000,000, and the duty on these imports under the Payne bill has more than doubled the amount paid under the Wilson-Gorman Act, proving conclusively that not only has the Payne Tariff Act been a revenue producer but it has invited foreign competition. To say that it is prohibitive and that it has restricted trade seems to me to be a statement that is not borne out by facts; and, furthermore, these figures show that 60 per cent of all these imports have come through the city of New York and that 40 per cent of the exports have passed through the same port.

I could discuss nearly every schedule submitted in almost the same way, and I have come to the conclusion that after all is said and done this bill in question will work disaster to that great metropolis, which is the pulse beat of the Nation. I have tried to discuss this with my colleagues. We are here 21 Members from Greater New York—my Bull Moose friend, Mr. CHANDLER, who, I am informed, will vote against this measure, and the 19 Democrats, who have apparently banded themselves together to vote for it despite the outcome. I have been waiting patiently to hear one of them get up in his place and defend the great manufacturing industries of their city, but up to this moment have failed to hear one of them say a word along these lines. I am enough of a patriot to express the hope that this measure will not work great disaster to our people; but if I am to judge by the views of nearly every man I meet when I return to my home they are viewing this whole problem with apprehension. I have conscientiously sought advice on the subject to get my bearings.

In this connection I wish to insert in the RECORD a number of communications I have received, particularly one from Mr. Julian D. Fairchild, president of the Kings County Trust Co., of Brooklyn, one of our leading citizens and a great student of business, and, besides, treasurer of the regular Democratic Party in Brooklyn.

KINGS COUNTY TRUST CO.,
Brooklyn, N. Y., April 17, 1913.

Hon. WILLIAM M. CALDER, M. C.,
House of Representatives, Washington, D. C.

DEAR SIR: Your letter is received, inclosing copy of the new tariff and income-tax bill, regarding which you ask my views.

While favoring a moderate reduction of import duties, I should be very sorry to see this bill become a law in its present shape. The old Wilson bill of 1893 was a radical one. Its effect on trade and commerce was so disastrous that it was repealed. The proposed bill is even more drastic and destructive.

This country is not now as well able to withstand unwise tariff legislation as it was in 1893. In 1890 the total population of the United States was about 63,000,000. In 1910 it was nearly 92,000,000. In 1890, 63 per cent of the population tilled the soil, worked the mines, and managed the ranches, and only 37 per cent lived in the cities as manufacturers, traders, and laborers. In 1910 only 45 per cent of the population were agriculturists, while 55 per cent were traders and consumers. The consequence of this tremendous shift of population within the short space of 20 years is not generally realized.

Modern immigration is rapidly changing us from a community of farmers, miners, and ranchmen to a nation of traders, clerks, and laborers. Is not the high cost of living due to this shift of population from the farm to the city rather than to the tariff, combinations of capital, or the increased production of gold?

And is it wise finance or good business on the part of Congress to sacrifice over fifty millions of certain revenue in order to give the public the uncertain benefit of free sugar? It does not follow that free sugar will result in cheaper sugar. The actual outlook seems to be that the inevitable closing down of many of our beet-sugar plants will enable not only the foreign producer but the remaining domestic producers to increase prices coincident with the decreased supply. Everyone knows that control of a product means control of its price.

The same objection, in principle, applies to free wool. With the duty off, the price of wool would promptly drop and gradually become lower and lower, until there would be no profit in raising domestic sheep. At the same time, because of the decreasing supply, the price of wool—and mutton, too—would steadily advance with the curtailment of the sheep ranches. This being so, it would seem that the only ultimate beneficiaries of free wool would be foreign sheep raisers and foreign woolen manufacturers, with their cheap labor.

We have already tried the kind of tariff proposed by this bill. The result was harmful. Why try it again? Such radical changes all down the list would certainly cause some industries to shut down, others to work on reduced time, and the consequence will be commercial failures, business depression, and widespread suffering for labor.

The bill concedes that the reduced duties would so largely decrease the Government's income that some other source of revenue must be found in order to make up the deficit. The framers of this bill—who are undoubtedly honest in their opinions—evidently believe that by taxing incomes of over $4,000 this deficiency burden would be cast upon those well able to bear it. That remains to be seen.

From my business experience I venture to predict that if this bill is enacted in its present form the Government will not only lose its sugar and wool revenues, but that the public will not receive the anticipated benefit from the reduction. Tariff duties should be reduced only on such merchandise and material as can plainly stand the reduction, and without appreciably lessening Federal revenues or unsettling general business.

Furthermore, it seems to me that the income tax may be resented as class legislation and found to be premature, expensive, and uncertain. Would it not have been wiser not to have brought this tax forward at this time, but to have reserved it for future requirements when found to be absolutely necessary? Any deficiency in revenue resulting from a just reduction of the tariff could be readily made up by a small stamp tax upon checks, legal and commercial documents, proprietary medicines, and like articles. Such a tax, equally, widely, and justly distributed, would produce the necessary deficiency revenue, be inexpensively collected, and be generally acquiesced in.

Respectfully, yours,

JULIAN D. FAIRCHILD.

This gentleman has always contributed largely to Democratic support and he believed in the candidacy of President Wilson last year and believed he was voting for a conservative tariff measure. His letter covers the ground fully and I would like every Member of the House to read it. I propose also to take advantage of the leave to print by inserting in the RECORD a number of letters from business men, manufacturers, and workingmen of the city of New York. In relation to this measure let me suggest to my colleagues from the metropolis, before it is too late, not to take the chance of plunging the great rank and file of the people into distress and disaster. There are men in this very room who will vote for this measure, but will do so with great misgiving. I know of several Members of this House from New York City who have said to me that, while they feel bound by their party caucus to support this bill, they are fearful of its outcome.

Mr. Chairman, I have just laid before the committee a short statement of the effect of the legislation upon the city of New York. I have tried to show how that great city has developed as a result of the prosperity of the country. I want to impress upon the House, in concluding, just the idea that the city of New York wants the whole country to know that it is exceedingly friendly, that our interests are common, that where you succeed it is our success, and that when we are prosperous and doing well we want you to be likewise. Perchance at times you may feel that some men and some interests have sought to make more than they are justly entitled to of the profits of the country. If there are any such men or interests, the good people of our city will join you in condemning them.

Let us go on together developing our great country with its great advantages and great mineral and agricultural wealth, and come again to our market place with your products. We will dispose of them and give you back the products of the mills and the skill and labor of the workingman.

I thank you, Mr. Chairman, and thank the House for the attention which it has given, and trust I have said something which has given some information on this important subject.

ROCKWOOD & CO.,
MANUFACTURERS OF COCOAS AND CHOCOLATES,
Brooklyn, N. Y., April 17, 1913.

Hon. WILLIAM M. CALDER,
House of Representatives, Washington, D. C.

HONORABLE SIR: On the 15th instant we forwarded you a telegram, a copy of which we give herewith:

"It is impossible for the cocoa and chocolate industry in this country to prosper or even hold its own under the proposed new tariff. An examination of the facts will readily show this. Eight per cent duty is entirely inadequate when comparing American wages with foreign wages, to say nothing of many other factors."

May we have some expression of opinion from you as to the likelihood of the proposed tariff on chocolate and cocoa being carried into effect on the basis proposed; that is, 8 per cent on all manufactured chocolate and cocoa?

The industry in this country has been severely competitive for a good many years, and particularly so for the past few years. There is not the slightest evidence of any excess of prosperity, and there is every evidence that the public have been supplied with cocoa and chocolates upon a basis of extremely close margin.

If there were duty on raw material—that is, the cocoa bean—and that duty was taken off and, at the same time, the duty on the manufacture was also partly reduced, it would not be such a severe proposition, and, besides that, it would very probably effect a reduced cost to the consumer without injuring the industry in this country and without hurting the interests of the thousands of employees who derive their livelihood from work in this industry.

Almost everything that goes into the manufactured chocolate, excepting the cocoa bean, is brought into the country under a high tariff, and labor is to be paid for at about twice the rates paid in the countries in Europe where chocolate is largely manufactured. Even England, a practically free-trade country, has a duty of 4 cents per pound on manufactured cocoa, which is, on an average, not far from 20 to 25 per cent on the imported goods. Germany, France, Holland, and Spain, as well as Italy and Austria, all have higher rates of duty on chocolates and cocoas. It may therefore be said that the proposed reduction would in no way help the industry in this country to export goods to other countries, but would lay it open to unequal competition in this country. The foreign manufacturer gets a rebate from his Government, and with cheap labor and almost everything else cheap he will be able to ship goods to this country at a less price than they can be profitably produced here.

To our minds it is evident that such a tariff as is proposed will force the manufacturers in this country to lower the wages of their employees. In no sense could this be intended as a retaliation; it simply means that in order to keep their factories going and to compete in any sense with the foreigner their pay rolls would have to be largely lessened.

Aside from the regular competition with the foreign manufacturer, we have to contend also with the manufacturers who, finding business in their own country not sufficient to keep their factories going, will resort to the shipment of goods to the United States at even less than cost. We, in turn, could not resort to any such methods because of the high duties on the other side.

We believe it is not very well known that competition among the manufacturers in the United States on chocolates and cocoas has been so keen that only the very smallest margins of profit have been reaped in an industry that might expect a reasonable margin owing to the large investments necessary; in other words, the public have been buyers of cocoas and chocolates at an abnormally low rate, considering the expense of manufacturing in this country.

We do not believe that the administration would favor the carrying through of such a reduction in tariff as is proposed if the facts were really known.

We ask such assistance as you can give us consistent with bringing the actual facts before Congress and the President, so that a mistake will not be made which will be disastrous to the general chocolate and cocoa industry in this country.

Very respectfully,

ROCKWOOD & CO.,
WALLACE T. JONES,
President.

BROOKLYN, *April 25, 1913.*

Hon. WILLIAM M. CALDER,
Representative Sixth Congressional District,
House of Representatives, Washington, D. C.

DEAR SIR: As the Representative in Congress from the district in which I reside, I wish to call your attention to the effects which would follow the proposed reduction of the duty on manufactured cocoa and chocolate under the bill known as the Underwood bill now before the House.

The manufacturers now find it difficult to compete with the product of the foreign low-priced labor; and if the duty on manufactured cocoa and chocolate should be reduced from 2½ cents per pound and 10 per cent ad valorem to 8 per cent ad valorem as provided in Schedule G of the proposed bill, many of them will have to close down their plants and discharge their employees. I am employed by one such manufacturer, and on behalf of myself and others interested I ask you to oppose such change in the duty, to protect such employees against the loss of their positions which would result from such change.

Yours, respectfully,

DONALD B. WILSHEAR.

FOLLMER, CLOGG & CO.,
MANUFACTURERS OF UMBRELLAS, PARASOLS, AND CANES,
New York, N. Y., April 10, 1913.

Mr. WILLIAM M. CALDER,
Washington, D. C.

MY DEAR MR. CALDER: Among the proposed tariff changes umbrellas and parasols are reduced from 50 per cent to 30 per cent, while the silks and unions pay 45 per cent. Now, it surely must have been an over-

sight to give a preference of 15 per cent to the foreign manufacturers and handicap the American makers by having the completed article 15 per cent lower than the component parts.

If this were passed, it would close up our factory.

Yours, truly, L. J. ARATA.

C. J. TAGLIABUE MFG. CO.,
INSTRUMENTS FOR INDICATING, RECORDING, AND CONTROLLING TEMPERATURE AND PRESSURE,
Brooklyn, N. Y., April 22, 1913.

Hon. W. M. CALDER,
Washington, D. C.

HONORED SIR: Herewith we wish to express ourselves as opposed to any legislation that would be disastrous to the domestic beet and cane sugar industries.

Without doubt, free sugar will require your consideration shortly in the present tariff agitation, and we hope you will oppose the measure.

The domestic sugar companies at present expend some $75,000,000 annually, and free sugar would result, we believe, in at least materially cutting down such expenditure, if not wiping it out almost altogether. To offset this amount will only mean that more money originating with the American consumer will have to go to foreign countries for raw sugar.

Also our merchant marine would be injured by not having the present return cargoes of raw sugar from United States insular possessions.

Thanking you in advance for giving your earnest consideration to this protest, we are,

Yours, very truly, C. J. TAGLIABUE MFG. CO.
C. J. TAGLIABUE, *President.*

D. SAUNDERS' SONS (INC.),
MANUFACTURERS OF PIPE THREADING AND CUTTING MACHINERY, ALSO HAND TOOLS,
Yonkers, N. Y., April 10, 1913.

Hon. W. M. CALDER,
Congressman from New York, Washington, D. C.

DEAR SIR: We write to protest against the proposed lowering of the sugar tariff as affecting the beet-sugar industry of this country, which has grown from a small beginning to relatively large proportions, and if given proper protection would expand very much further. We accordingly urge that any action you may take in the matter of the tariff question as affecting this industry will be such as will be favorable to the continuance and development of the same.

Also, as manufacturers of machinery, we object to any reduction of tariff on machine tools, as certainly it can not be expected that the American workingman should be brought to the same standard of wages and living as the mechanics abroad, and this, we believe, would be the inevitable result of any material reduction in the tariff on machinery and machine tools at this time.

Feeling assured that you will find the sentiments as here expressed to be in keeping with the majority of those whom you may hear from on this subject, we remain,

Yours, respectfully, D. SAUNDERS' SONS (INC.),
Per W. L. SAUNDERS,
Vice President.

BROOKLYN, N. Y., *April 12, 1913.*

Hon. WILLIAM M. CALDER,
Washington, D. C.

DEAR SIR: As a member of the Photo-Gelatine Workers' Union of America, and as one of the constituents of the seventeenth assembly district, of which you are the Representative, I respectfully ask you to use all means at your command to prevent the lowering of the tariff on imported pictures or any other goods produced by the photogelatine process.

The reasons for asking you to do so are many, and all are of equal importance to the welfare and further development of the photogelatine process in this country, an industry which, at its best, can only be considered as being in a state of infancy.

Furthermore, should the tariff be lowered on the goods as above mentioned, it would be impossible for our employers to compete with the foreign producers, and consequently they would be compelled either to abandon the industry or reduce our wages to such an extent as to almost deprive us of a decent livelihood, to which we as American citizens are justly entitled.

Any further information you may desire on this subject you will find in the printed testimony before the Ways and Means Committee under the title "Schedule M."

In conclusion, I respectfully urge you again to protect this infant American industry of ours, for by so doing you will not only protect our homes but assure us a prosperous and bright future.

With the assurance of my gratitude and high esteem, I remain,

Yours, very respectfully, FRANK GREENQUIST.

THE MOEHLE LITHOGRAPHIC CO.,
Brooklyn, April 18, 1913.

Hon. WILLIAM M. CALDER, M. C.,
Washington, D. C.

DEAR SIR: In submitting herewith, for your kind consideration, a petition of our employees, to whom a full work week with American standard of wages is most essential, we beg to state, in our own behalf, that the American industry of lithography has not become rich and opulent and indolent behind a high "protective tariff wall."

For half a lifetime, to the writer's personal knowledge, it has been a struggle against an avalanche of importations from Europe, chiefly from Germany, and if anyone in the lithographic line has realized more than fair returns for his labor and other investments, he has been very fortunate.

The present Payne-Aldrich bill does not equalize the difference between the German and American standard of wages, cost of raw material, and overhead expenses, and in consequence German lithographed merchandise is being used in this country to a great extent, keeping many American presses idle.

The proposed Underwood tariff on lithography will simply flood the country with European importations. It will mean reduced time for our employees and possibly a decrease in wages. All in all, this feature of the Underwood bill apparently has not received careful and business-like consideration, and we appeal to you not to deprive us of the small legitimate returns we are entitled to for our labor and investment.

There should not be the slightest reduction from the present rate, and the duty, whatever it may be, should be specific instead of an ad valorem duty as proposed by Mr. UNDERWOOD, which duty has proved in the past to be the means of a great many intentional and unintentional undervaluations.

Respectfully, THE MOEHLE LITHOGRAPHIC CO.,
C. E. MOEHLE, *President.*

Protest signed by over 500 employees.

BROOKLYN, *April 19, 1913.*

Hon. WILLIAM M. CALDER, M. C.

MY DEAR SIR: I am employed as a stipple artist in the Moehle Lithograph Co., of Flatbush, and am aware of the danger that the lithographic industry is put in by the proposed Underwood tariff bill. It will mean the destruction of the lithographic industry of our country if the bill is passed, and therefore ask of you to favor me by doing your utmost by protecting my trade, at which I have been working for over 20 years, and could not very well go at something else or leave my country to work in Germany, where the biggest part of the work will go. Even now, with the protection we have, almost $6,000 worth of lithographic work comes in daily from Europe. As an American and as a Republican brother I appeal to you to use all your influence in giving the lithographic industry protection, so that the many men and women employed therein will be able to make a living.

Thanking you for your favor in advance, and wishing you success, I am,

Very respectfully, CONRAD F. KROMM.

BROOKLYN, *April 19, 1913.*

Hon. WILLIAM M. CALDER,
United States Congress.

DEAR SIR: As the tariff is to be taken up by Congress and revised, I beg to call your attention to lithography, as I am making a living by it.

If the tariff is reduced on cigar labels, cigar bands, and other lithographs it will put us out of work, because in Europe they work 54 to 60 hours per week, while we work 48 hours, and the wages paid in Europe is only one-half of what is paid in the United States. So you see how easy it would be for Europe to sell their lithographs here with a lower tariff, while we have nothing to do.

Trusting you will give this your careful consideration and do your utmost to protect us, I remain,

Sincerely, yours, AUGUST S. BROWN.

HENRY F. BIRGEL, LITHOGRAPHER,
New York, April 22, 1913.

Hon. WILLIAM M. CALDER,
House of Representatives, Washington, D. C.

DEAR SIR: The present tariff on the lithographed products does not give sufficient protection against foreign competition. The lithographic industry, even with an adequate tariff protection, is not as profitable as other American industries.

The Underwood tariff revision would mean idle machinery, workmen thrown out of jobs, wages cut to almost nothing, longer hours. In short, it would be so disastrous that the American lithographer could not exist.

We therefore request that you exert your influence to protect with an adequate tariff the American lithographer.

Yours, respectfully,
HENRY F. BIRGEL.
THEODORE H. BIRGEL.

ALLIED PRINTING TRADES COUNCIL
OF NEW YORK STATE,
New York, April 17, 1913.

Hon. W. M. CALDER,
House of Representatives.

DEAR SIR: The proposed tariff bill, after an extensive investigation by the Ways and Means Committee, is now under consideration.

Schedule M is the one affecting the printing industry and under which heading the following parts of the printing industry will be affected: Photo-engraving, electrotyping, stereotyping, composition, presswork, and bookbinding.

The paragraphs of the bill which will affect us are 337, 341, and paragraph 427 of the free list. As to paragraphs 337 and 341, we are opposed to any reduction. The rate at present is 25 per cent and it is proposed to reduce it to 15 per cent.

The competition with the improved American machinery which is being used on the other side, the longer hours, and lower wages is even a menace to-day to the printing interest of this State, and we hope that you will be able to use your influence in every way to prevent any reduction.

The printing industry is the second largest in this State, and you can therefore appreciate what this means in the event that a large number of our people are thrown out of employment. There are over 35,000 members of our unions in the State of New York, all of whom will be affected in the event the proposed reduction goes into effect. If a small percentage of these are thrown out of employment, it will mean that they will be competing with the others, with the result that we may not be able to continue to enjoy the conditions we have at present and can not take advantage of the lower cost of living in the future, which, at the best, is a very doubtful question as to how this will really affect the consumer.

Thanking you for your serious consideration to this question, I remain,

Yours, very truly, DAVID A. WALSH,
Secretary-Treasurer.

E. B. MOORE & CO.,
DISTRIBUTORS OF TEXTILES,
New York, April 16, 1913.

Hon. WILLIAM M. CALDER,
House Office Building, Washington, D. C.

MY DEAR MR. CALDER: By way of introduction I would say that I live at 574 Fifth Street, Brooklyn, and have voted for you from this residence. I am also a nephew of Mr. Frederick W. Singleton and have had the pleasure of meeting you, though my name might have escaped your memory.

I have taken the liberty of writing you regarding the changes in the tariff proposed in Schedule K

I am a member of the above firm, who are largely interested in mills making woolen cloths, which business will be greatly affected by the tariff changes.

The bill as introduced calls for a duty of 35 per cent on cloth, which I sincerely believe will not give us a fighting chance to compete with the low-priced labor of Europe, and I also believe that under a duty of 50 per cent the benefits to all of the people would be just as great as under the 35 per cent rate, and in addition to that it would mean a fighting chance for over a million of our citizens who are directly interested in the textile business.

There is another feature of the bill which as a business man you will appreciate. In the operation of our plants it is necessary for us to carry in raw material and goods in process of manufacture an amount equal to one-quarter of our yearly production. In addition to this it is necessary for us to arrange by contract for raw material 30 to 60 days ahead of its delivery.

Under these circumstances you can readily see that if the duties under the new tariff law on our raw material, wool, and our finished product, cloth, are made effective at the same time there will be a shrinkage in the value of goods in process equal to the reduction in duty. It is impossible for us to avoid this without running out the entire stock at the mill and starting afresh at the time that the duty becomes effective.

As I remember, the provision of the bill passed by the last Congress and vetoed by President Taft provided for a duty on the finished article to become effective on January 1, 1913, or five months after the signing of the bill, giving us time to work off our raw material purchased at high prices and to fill the machinery with material bought at a lower price.

I trust that this situation will appeal to your business judgment, and that you will use every effort to at least have the date of the duty on cloth put as becoming effective five months after the date of the signing of the bill.

I understand that a movement is already on foot in Congress along this line, and I sincerely hope that you will use your own efforts in favor of this change.

With best wishes,

Yours, truly,

LOUIS F. SINGLETON.

—

BAER BROTHERS,
MANUFACTURERS OF BRONZE POWDERS,
New York, April 22, 1913.

Hon. W. M. CALDER,
United States Congressman, Washington, D. C.

DEAR SIR: In our telegram of yesterday we pointed out to you that the bronze-powder trade in this country is evenly divided up. Germany at the present time supplies this market with one-half of this article, and the other half is made by the American bronze-powder factories.

The proposed revision from 12 cents per pound to 25 per cent ad valorem duty will positively give the entire bronze trade of this country to Germany and necessitate the closing up of the American factories.

We hardly believe that it is your desire to legislate us out of business.

Respectfully, yours,

BAER BROS.

—

J. LEE SMITH & CO.,
IMPORTERS AND MANUFACTURERS, DRY PAINTS,
New York, April 16, 1913.

Hon. WILLIAM M. CALDER,
House of Representatives, Washington, D. C.

MY DEAR MR. CALDER: You have often written me that if at any time you could do anything for me in Washington you would be very glad to do so.

The proposed new tariff bill makes no discrimination in the ad valorem duty on ocher, umber, and sienna between the crude and powdered state. We believe that this was an oversight when framing the bill.

Our large plant in Brooklyn depends mostly upon the powdering of the crude goods, which we import in large quantities.

We have written direct to-day to our esteemed President and to Congressman UNDERWOOD, and we inclose you a copy of the letter. If you can bring this matter directly to the attention of Mr. UNDERWOOD and use any influence to cause a change or partial change in the duty as outlined in the inclosed letter, I shall appreciate it very much.

With kindest regards, I remain,

Very truly, yours,

SINCLAIR SMITH.

—

J. LEE SMITH & CO.,
IMPORTERS AND MANUFACTURERS,
New York, April 16, 1913.

Hon. OSCAR W. UNDERWOOD,
Chairman of Ways and Means Committee,
House of Representatives, Washington, D. C..

SIR: In the proposed new tariff bill as reported in "Schedule A, chemicals, oils, and paints," the duty on ocher and ochery earths, sienna and sienna earths, and umber and umber earths is 5 per cent ad valorem in both the crude and powdered state. It costs abroad an average of 52 cents to powder a hundred pounds of these materials and in this country $1.06. This results that it costs 54 cents more to do the work here, on account of the high cost of labor, etc., than it does to do the work in Europe.

Your proposed tariff bill allows less than 3 cents per hundred pounds to compensate the manufacturer in this country for 54 cents increased cost. Unless the grinder here be protected by a greater ad valorem duty on the powdered material it will result that all these goods will be powdered abroad, thus causing the closing of all factories now depending upon this industry, with consequent loss to the laborer as well as the manufacturer.

To equalize the higher cost of manufacturing in this country there should be at least an ad valorem duty of 25 per cent on the powdered goods, if the crude goods are to pay an advalorem duty of 5 per cent.

The present tariff bill gives a protection of 25 cents per hundred, which is inadequate and has resulted for years past in the powdered goods being freely sold in this market. Bearing this fact in mind, how can the manufacturer here hope to compete with a protection of less than 3 cents per hundred pounds?

As one of the largest grinders of these goods in this country, we trust that you may see the justice of altering the proposed bill to a 5 per cent ad valorem duty on ocher and ochery earths, sienna and sienna earths, and umber and umber earths when crude or not powdered, washed, or pulverized, increasing the ad valorem duty to at least 25 per cent when powdered, washed, or pulverized.

As there are no umbers or siennas mined in this country that can favorably compete with those imported it is only reasonable that our manufacturing plants and workmen should receive the benefit of the powdering of the goods. We remain,

Very respectfully, yours,

J. LEE SMITH & CO.

—

JAMES CHIEVES & CO.,
IMPORTERS AND JOBBERS,
New York, April 18, 1913.

Hon. WILLIAM M. CALDER, M. C.,
Washington, D. C.

DEAR SIR: The writer, a former neighbor of yours in the old days of Thirteenth Street and who is still a resident of your district, takes the liberty to communicate with you in the matter pertaining to the tariff which is now before Congress.

We are importers of cereal products, and if the duty is reduced as contemplated and the tariff becomes a law the day after passage we would be heavy losers. Business has been at a standstill for several months and many of we importers have stock on hand. We should be entitled to a few months' time after the new tariff is ratified to dispose of our goods without severe loss. Consequently we are writing you to lend your effort in having Congress to give a reasonable time after the passage before the new duty goes into effect. This is nothing but fair to the business man, and we shall hope that our request is not far from your views.

With all best wishes for your success, we are,

Yours, very truly,

JAMES CHIEVES & CO.
J. A. PHILLIPS, *Vice President.*

—

C. H. PARSONS CO.,
BAG MANUFACTURERS,
New York, April 19, 1913.

Hon. WILLIAM M. CALDER,
Washington, D. C.

DEAR SIR: As a manufacturer of bags, under Schedule J, would call your attention to the grave error that has probably been made by the Ways and Means Committee when reporting these items of the bill, namely:

Page 72, lines 20 and 21, paragraph 292: Plain woven fabrics of single jute yarns, by whatever name known, 25 per cent ad valorem.

Page 73, lines 3, 4, and 5, paragraph 294: Bags or sacks made from plain woven fabrics, of single jute yarns, not dyed, colored, stained, painted, printed, or bleached, 25 per cent ad valorem.

Comparing the compound duty for paragraph 292 under the old rate (nine-sixteenths cent per pound and 15 per cent ad valorem) makes the ad valorem duty as now proposed higher than it was.

Paragraph 294 cuts us bag manufacturers off without any protection. We are sending you copies of briefs that were handed to the Ways and Means Committee, giving you our position, with statistics and available information regarding this industry. We call your attention particularly to the supplement, referring to points A, B, and C.

We most urgently ask you to recommend that the bill be amended by making paragraph 292 read 15 per cent ad valorem and leaving paragraph 294 as reported, 25 per cent ad valorem. That simply gives us 10 per cent duty protection against the pauper labor of India, rates for which you will note on the fourth page of statement dated January 17.

As no burlap cloth is made in this country, the 15 per cent would be revenue and the extra 10 per cent for bags would be a living protection only to the industry represented by burlap-bag manufacturers in 28 different States.

We most heartily and earnestly ask you to use your efforts in securing for our industry the means of livelihood since the present measure as proposed in paragraph 292 and 294 means almost certain death to our industry in this country. If the bill is passed as proposed, the manufacturing of burlap bags will be transferred to Calcutta, India.

No trust or combination exists among bag manufacturers; freest and fullest competition.

Summary: We earnestly recommend paragraph 292 to read, 15 per cent ad valorem; paragraph 294 to read, 25 per cent ad valorem.

Trusting you will see the simple justice of the above request, we remain,

Yours, very truly,

E. S. FROST, *Vice President.*

—

JOHN MORGAN & SONS,
STAINED GLASS WINDOWS,
New York, April 10, 1913.

Hon. W. M. CALDER, M. C.,
House of Representatives, Washington, D. C.

DEAR MR. CALDER: I am in receipt of your valued favor of the 9th instant, and also the copy of the Underwood bill.

To my greatest astonishment and regret I see that stained-glass windows, when imported for churches, have been put on the free list under paragraph 659. As I already mentioned to you before, that if this becomes a law we shall be compelled to give up our business, and every firm in the country in my line will have to do the same. The whole thing has been played into the hands of foreign firms. They can send their windows here duty free and we can close our shops, thus depriving some eight or ten thousand workingmen in the United States of a livelihood.

Mr. UNDERWOOD, I believe, frequently expressed himself that the new tariff will not be enacted to cripple our industry here, but I see it is about to do worse; it will close us all up and permit the foreign makers of stained-glass windows to monopolize all of the business in this country. They pay their workingmen about one-third in wages of what we do here, and they have longer hours.

You ask me if you can serve us any further. Why, yes; you can by using all your power to wipe out the iniquitous paragraph (659) in the new tariff bill, or substitute the word "except" in place of "including" in the sixth line of this paragraph. If you do this, my dear Mr. CALDER, you will accomplish something that the wage earners of this country will be grateful to you for. This is not a question of politics, so why not see the President and put it up to him. It's a question of bread for our workingmen, and you know what this means, as you employ labor yourself, and I know you are happy when they are employed.

If you have anything to suggest and help us, please let me know. I am,

Yours, sincerely,

LOUIS TRUEG, *Manager.*

GLEASON-TIEBOUT GLASS CO.,
MANUFACTURERS OF GLASS FOR GAS AND ELECTRIC LIGHTING,
Brooklyn, N. Y., April 14, 1913.

The Hon. WILLIAM M. CALDER,
House of Representatives, Washington, D. C.

DEAR MR. CALDER: Your attention is called to a provision of the proposed tariff in Schedule B, page 9, reducing the rate of duty on glassware.

As a member of the National Association of Manufacturers of Pressed and Blown Glassware, we ask you to use your influence, in so far as you consistently can, to retain the present rates. One thing is certain, that a great many articles of glassware which are now made in this country will either cease to be made, or that the wages will be reduced. Of course, even with the 45 per cent duty proposed certain expensive lines of ware will continue to be manufactured.

Yours, respectfully,

GLEASON-TIEBOUT GLASS CO.,
C. H. TIEBOUT, Jr., *Secretary.*

JOSEPH DIXON CRUCIBLE CO.,
MINERS, IMPORTERS, AND MANUFACTURERS OF
GRAPHITE, PLUMBAGO, BLACK LEAD,
Buffalo, N. Y., April 18, 1913.

Hon. WILLIAM M. CALDER,
House of Representatives, Washington, D. C.

DEAR SIR: When Schedule N, paragraph No. 393, of the Underwood tariff bill receives your consideration, which I assume and earnestly entreat it may, will you please also consider the following conclusions derived from my point of view:

The alleged object of the revision of our present rates of import duties is the relief in the cost of living of the whole people. This it is sought to accomplish to some extent by the removal of a specific of 45 cents per gross on lead pencils, in the manufacture of which I am personally interested; but as 45 cents is not divisible by 144 (1 gross) no part of the reduction can ever reach the general consumer, who buys a single pencil as needed and who must therefore continue to pay 1, 2, or 5 cents for his pencil, as at present.

During the period of the lead-pencil industry in this country cedar lumber, which enters most largely into the manufacture of lead pencils, penholders, etc., has increased from 35 cents per cubic foot to 55 cents per cubic foot, and despite the fact that it propagates itself cedar wood suitable for lead pencils is now very scarce lumber. Competition, on the contrary, is very keen among the American manufacturers and prices are very low.

If the tariff is reduced, we are not only threatened by competition of the Germans, but the entire pencil industry of the world is now threatened by the invasion from Japan, where pencil factories are already in successful operation.

We have about 900 employees in our pencil factories, who are vitally interested in the outcome of the present controversy, and in their behalf, as well as my own, I beg you to give this subject the consideration it most certainly deserves.

Anything you can do in our defense in this unwarranted attack will be very much appreciated.

Very truly, yours,

J. A. CONDIT.

HANLON & GOODMAN CO.,
New York, April 12, 1913.

Hon. W. M. CALDER,
House of Representatives, Washington, D. C.

DEAR SIR: The brush industry of our country is seriously threatened by the proposed reduction of the tariff on brushes to 35 per cent ad valorem.

Since the enactment of the McKinley tariff bill the importations of brushes from Japan have increased 3,856 per cent; the English, French, and German importations have also increased to an alarming extent. These facts are indisputable and should convince you that our particular industry requires an increase and not a decrease of tariff.

The proposed duty is 35 per cent ad valorem. The present duty is 40 per cent.

We ask your help in making the new rate rate 50 per cent for the following reasons:

First. The tremendous increase in importations.

Second. The United States imports brushes to the value of $2,000,000 in round figures. The United States manufactures of the same kinds of brushes that are imported not over $6,000,000.

Third. Under the present tariff the Government received last year about $800,000 on the brushes imported, and in addition about $250,000 from the American brush manufacturers as a duty on the bristles they used. Surely this is too much revenue from an industry as small as ours.

An inspection of your personal brushes and of brushes displayed on the counters of department and drug stores will convince you of the large quantities of foreign-made brushes offered for sale.

Your efforts in behalf of the brush manufacturers and their employees will be greatly appreciated.

Respectfully,

John L. Whiting-J. J. Adams Co., Boston, Mass.; J. C. Pushee & Sons, Boston, Mass.; A. & E. Burton Co., Boston, Mass.; Gerts Lumbard Co., Chicago, Ill.; Hanlon & Goodman Co., New York, N. Y.; United Brush Manufacturers, New York, N. Y.; Jas. Lowe Erskine Co., New York, N. Y.; F. W. DeVoe & C. T. Raynolds Co., New York, N. Y.; Miles Bros. & Co., New York, N. Y.; Kip Brush Co., New York, N. Y.; Ox Fiber Brush Co., New York, N. Y.; Rennious, Kleinle Co., Baltimore, Md.; Wm. A. Tottle & Co., Baltimore, Md.; Bigelow Brush Co., Baltimore, Md.; Owen Dennin Sons, Troy, N. Y.; A. L. Sonn Brush Co., Troy, N. Y.; Frederick M. Hoyt & Bro., Troy, N. Y.; The Bromwell Brush & Wire Co., Cincinnati, Ohio; The Wooster Brush Co., Wooster, Ohio; Rubberset Co., Newark, N. J.; Dixon & Ripple, Newark, N. J.; A. G. Jacobus Sons, Verona, N. J.; New Jersey Brush Co., Bloomfield, N. J.; Elder & Jenks, Philadelphia, Pa.; Earle Brush Co., Columbia, Pa.; Ames Bonner Co., Toledo, Ohio; Standard Brush Co., New Hartford, Conn.; Florence Manufacturing Co., Florence, Mass.

LEO H. HIRSCH & CO.,
MAKERS OF PEARL BUTTONS,
New York, April 10, 1913.

Hon. WILLIAM M. CALDER,
House of Representatives, Washington, D. C.

DEAR SIR: The tariff on pearl buttons in the new bill has been made 40 per cent ad valorem instead of 1½ cents per line and 15 per cent ad valorem.

If the tariff bill as published goes into effect, millions of dollars invested in the pearl-button industry in the United States will be worthless and thousands of people engaged in this industry will be out of work.

It is absolutely impossible to make pearl buttons in this country under a 40 per cent ad valorem duty. At least 1 per cent line and 15 per cent ad valorem should be left as the minimum tariff.

Pearl buttons are to a very large extent a luxury, as clothes can be buttoned just as well with bone, metal, glass, composition, or agate buttons. The largest item in cost of fresh-water pearl buttons is labor.

If this tariff bill goes into effect with the 40 per cent ad valorem duty, it will simply be handing the industry over to Japan, and all people employed in the pearl-button trade in the United States will be out of employment.

Trusting that you will give this matter your attention, we are,

Yours, very truly,

LEO H. HIRSCH & CO.

APRIL 17, 1913.

Hon. WILLIAM M. CALDER, M. C.
Washington, D. C.

DEAR SIR: On August 1, 1910, the property of the Saratoga Victory Manufacturing Co., located at Victory Mills, Saratoga County, N. Y., consisting of a cotton bill of 47,000 spindles and 1,160 looms, with water power and tenements, was bought by people represented by the undersigned.

In the five months from August 1 to December 31, 1910, the mills lost $21,014.47. In the calendar year 1911, $106,060.83; in the calendar year 1912, $21,338.50. Total losses in 29 months, $148,413.80.

During the same period speculative profits on cotton exceeded speculative losses by $25,550, leaving net losses for mill operations and cotton trading $122,863.80. During the same period $137,733.64 was spent for improvements to the mills, tenements, and water power.

Nothing was charged off included in above losses for depreciation, which should have been allowed for at the rate of about $3,000 per month, or $87,000 in 29 months.

The goods manufactured averaged 40's yarns and were woven into sateens, twill cloths, and plain woven goods for converters. The labor cost exceeded 10 cents per pound, and the duties levied on similar goods if imported were fully protective, so that the competition causing these losses came only from manufacturers in this country.

I estimate the 12½ per cent duty on these cloths provided by the Underwood bill at 2½ cents per pound, or 25 per cent of our labor cost. We are paying about 300 per cent of European wages, with at least ten times European taxes.

If the 12½ per cent ad valorem rate becomes effective, this mill and all other mills manufacturing similar goods must necessarily close as soon as a sufficient amount of machinery is provided in England.

In view of the losses steadily incurred for three years past, there is no encouragement to sink additional money while waiting for a change in the political situation.

Yours, very truly,

J. B. UPRIGHT.

BROOKLYN, N. Y., *April 24, 1913.*

Hon. WILLIAM M. CALDER,
House of Representatives, Washington, D. C.

DEAR SIR: As one employed in the printing and binding of Bibles, I respectfully ask you to come to our assistance at this critical period, when our livelihood is seriously threatened by the proposed placing of Bibles on the free list in the new tariff schedule. The removal of the 25 per cent duty can not be met except by a heavy cut in wages or the closing of our plant, and such a contingency means disaster to most of us, as our work consists of the printing and binding of Bibles exclusively.

We have no other publication.

We lost 75 per cent of our foreign work by the action of Congress placing Bibles in foreign languages on the free list and caused a reduction of 10 per cent in wages under the present tariff.

You will see that as we are mostly union people we can not work on a free-list scale when all other books have a duty of 15 per cent.

The length of service of a majority of our male and female workers varies from 20 to 50 years in one place, performing with little variation the same thing, a condition you will appreciate which practically unfits them for work in other places. We, therefore, ask you to give this matter your earnest consideration, feeling sure you will be guided by a sense of justice. If some concession must be made, the placing of the Bible on the list of printed books bearing a 15 per cent duty will, in a large measure, avert the distress which would follow the placing of the Bible on the free list.

Very respectfully,

MILTON L. MERRILL.

PERKINS, VAN BERGEN & CO.,
New York, April 24, 1913.

Hon. WILLIAM M. CALDER, M. C.
Washington, D. C.

SIR: We desire to energetically protest against portions of the administrative clause of the proposed new tariff law known as the Underwood bill.

We have been importing dress goods for the last 40 years under high and low tariffs, but the present proposed methods of collecting the revenue will so annoy and harass us, together with other importers generally, that the business will suffer more than from the old high rates of duty. We protest particularly against paragraph J, page 173, copy of April 7, 1913; paragraph L, page 175, copy of April 7, 1913; paragraphs U, V, and W, pages 185–187, copy of April 7, 1913.

We maintain that duty should be assessed on the actual net cost of goods without regard to market value at time of exportation. All merchants of experience buy months ahead for later delivery, and value at exportation is seldom identical with contract price.

We maintain that neither the Secretary of the Treasury nor any other man should be given the power of keeping goods out of this country "in his discretion" as a penalty for refusal of the importer

or the foreign manufacturer to submit "any or all of his books, records, or accounts" to the inspection of an agent of the Government.

The whole administrative clause seems to us to have been drawn with the idea of restricting importations, and we respectfully request you to use your utmost influence to have it corrected.

Thanking you in advance, we are,

Yours, respectfully,

PERKINS, VAN BERGEN & CO.,
JNO. W. MCGUIRE, *Attorney.*

—

BROOKLYN, N. Y., *April 24, 1913.*

Hon. WILLIAM M. CALDER,
Congress, Washington.

SIR: I inclose copy of circular just issued by the New York Produce Exchange, of which I am a member.

Kindly use your full influence against the enactment of the proposed wheat and flour schedule.

Yours, very respectfully, and your neighbor,

RAMON G. CADIZ.

—

NEW YORK PRODUCE EXCHANGE,
New York, April 22, 1913.

To the Members of the New York Produce Exchange:

The proposed wheat and flour schedule in the Underwood tariff bill, if enacted into a law of the land, will result in the extinction of the flour-milling industry of the United States, and will transfer that industry to the mills of Canada and England.

There are 5,600 flour mills in the United States and as many more gristmills. The Northwestern Miller states that these 12,000 mills employ 66,000 persons and have a capital of $350,000,000, an expenditure of $827,000,000, and products valued at $883,000,000—the fifth great industry of our country.

And yet it is proposed to enact a law which will ultimately entirely destroy this great nation-wide enterprise.

President Aspegren sent to Senator LA FOLLETTE, of the Senate Finance Committee, the following telegram on the subject:

"NEW YORK, *April 14, 1913.*

"The millers, representatives of mills, and flour merchants, members of the New York Produce Exchange, deeply appreciate your opposition to the discrimination in the proposed tariff bill against American flour millers. Under the operation of this schedule Canada will, of course, promptly remove the present tax on flour. It is unfair and unscientific to tax Canadian wheat grain 10 cents per bushel and admit Canadian wheat flour free. It will encourage the immediate expansion of Canadian mills, which already are driving Americans out of the West Indian and other markets, and will discourage and destroy the immense milling business of this country. It will injure, also, the American farmer by restricting his market and reducing his price, while Canadian wheat growers are protected by our tariff. We believe the committee was not correctly informed on the subject or it would not have given its approval to the schedule, which will practically destroy the flour enterprise of this country while it builds up that of Canada and other nations. We count confidently on the success of your effectual influence and arguments against this result."

This telegram accurately states the matter at issue.

The flour business is in jeopardy.

It behooves every member of the exchange to exert now, without a day's delay, his influence to induce the Senate Finance Committee to change the proposed schedule by removing the duty on wheat entirely, or, failing that, to place an equal duty on flour of, say, 50 cents per barrel.

Write urgently your Congressmen and Senators on the subject.

Ask also your clients, customers, and correspondents to do the same.

It is a matter of life or death for this great historic American industry.

Very respectfully,

GEO. A. ZABRISKIE.
H. MYERS BOGERT.
R. A. CLAYBROOK.
EDWARD F. SINEY.
F. H. PRICE.
C. W. MCCUTCHEN,
Chairman.

—

NEW YORK SULPHUR REFINERY,
Brooklyn, N. Y., April 23, 1913.

Hon. WILLIAM M. CALDER,
1648 Eleventh Avenue, Brooklyn, N. Y.

DEAR CONGRESSMAN: The writer has been engaged in the manufacturing of brimstone and sulphur at the above address for the past 20 years, and to be brief in my statements to you will say that I will be obliged to abandon the business entirely if refined sulphur, as proposed by the Ways and Means Committee, is to be admitted to this country free of duty.

The present tariff is $4 per ton, and even with this duty on it is imported into this country to quite a large extent. Last year the Government collected duties amounting to about $22,000 on the refined sulphur imported into this country, all of which will be lost to our Government if it is admitted free, and the only ones who will benefit from it will be the foreign manufacturers.

The foregoing are the principal reasons for getting refined sulphur on the dutiable list at $4 per ton, as at present, and I respectfully ask you to oppose the bill placing refined sulphur on the free list to the fullest extent.

Assuring you that I join with all your supporters in giving thanks to you for the many benefits the people of your district, as well as many others, have enjoyed by your efforts, I am,

Respectfully, yours,

JOHN A. STILL.

—

ELLISON & ELLISON,
New York, April 11, 1913.

Hon. WILLIAM M. CALDER,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: I am counsel for the Remington Typewriter Co., and I am just informed that it is the intention of the Government to place typewriters on the free list.

The cost of production of a typewriter in this country involves approximately 75 per cent for labor, if not more. The material is almost entirely of domestic manufacture, and the cost of which will not, I think, be reduced by the pending tariff bill. Thus the fact remains that the present intention to place the article on the free list will affect only the labor cost of the article, and I do not believe that this is an item that should be made a subject of such action.

May I not under these circumstances ask for your mature consideration of the matter?

I remain, faithfully yours,

WILLIAM B. ELLISON.

—

ELLISON & ELLISON,
New York, April 17, 1913.

Hon. WILLIAM M. CALDER,
House of Representatives, Washington, D. C.

MY DEAR CONGRESSMAN: Supplementing my former letter to you relative to placing typewriters on the free list, I beg leave to say that the Remington Typewriter Co., for which I am counsel, has been invited by the German Government to manufacture its product in Germany, where it can make a saving on the item of labor of approximately 40 per cent. As I before stated, the labor cost in the typewriter is about 75 per cent of the cost of the machine.

The Remington Co. employs about 5,000 people, and you can readily see what a very substantial reduction there would be in the cost of the production were we to accept the invitation referred to, and the loss that would be thereby occasioned to our American employees.

Under these circumstances are we not entitled to some consideration? And is not the placing of our product on the free list not only unwise but unfair?

I remain, faithfully yours,

WILLIAM B. ELLISON.

Mr. GARDNER. Mr. Speaker, I yield to the gentleman from Louisiana [Mr. DUPRÉ].

Mr. DUPRÉ. Mr. Chairman, I am unalterably opposed to one of the schedules of the pending bill, and under the existing parliamentary status shall have no option but to vote against the bill in its entirety. I shall do so, however, without hesitation or compunction, even though the bill and its—to me—objectionable features have the sanction of the caucus of the party to which I belong and are reputed to have the approval of the President whose nomination I welcomed, in whose election I rejoiced, and for whose successful administration I earnestly pray. Neither the seal of my party's caucus nor the imprimatur of my party's President can make for me politically sacrosanct that which violates my preelection pledges to my constituency and destroys the main industry of my State.

The Underwood free-sugar bill, against which I voted along with six of the seven Representatives from my State, passed the House March 15, 1912. In the ensuing June the democracy of Louisiana assembled at Baton Rouge to select delegates to the Baltimore convention. With the House action in favor of free sugar fresh in mind, that convention announced a platform, from which I quote:

We are in favor of a revision of the tariff which will meet the requirements of the National Treasury and will abate the protective system with the least possible unsettlement of our business fabric.

We hold that the tariff is a tax paid by the consumer, but in reducing it to a purely revenue basis we would not sanction the injustice of crudely remodeling the tariff schedules in such a way as to force any one industry previously dependent upon the tariff to sell in a free market and buy in a protected one; nor would we contemplate the turning of the American market over to manipulation by foreign tariffs and export bounties where the results would be the wiping out of an American industry by a temporary lowering of prices and a subsequent raising of prices under foreign control and foreign enrichment.

We espouse these principles, not solely because they would forbid the heavy and cruel blow proposed against Louisiana but because they are applicable to any industry in any State, because they are the necessary guides to all just men striving for a tariff reform which will destroy evils for the consumer without creating them for the producer.

Subsequently the Democracy of the Nation assembled at Baltimore and enunciated its program of beliefs and demands. Its declaration for a tariff for revenue only, with pledges against "any legislation that would injure or destroy legitimate industry," and its recognition of the fact that our system of tariff taxation is so intimately connected with the business of the country as to prevent radical attempts to remove its inequalities is too familiar to dwell upon. Its declaration along these lines met with my entire approval.

In announcing last August my candidacy for renomination in a Democratic primary, in which I had opposition, I used the following language:

I am in thorough accord with its—the Democratic platform—tariff plank, which demands a tariff for revenue only, with immediate reduction of existing high rates. I interpret the paragraph as a whole as meaning that in this downward revision the interests of the State of Louisiana will receive fair and just treatment, and that no discrimination or destruction thereof will be attempted. Reading it in that light, and in connection with the pronouncement of the recent convention of the Louisiana Democracy at Baton Rouge, I stand on and for the tariff plank of the Baltimore platform. If an attempt should be made in the future to depart from the course indicated above I shall, as in the past, resist same by vote and voice.

I reiterated these views throughout the campaign. Along with thousands of other Louisianians I accepted the Baltimore platform and the nominee's speech of acceptance at their face value. While I knew that the House had enacted a free-sugar bill, I also knew that the bill had never passed the Senate, and that the then Democratic minority was on record, by committee action and by individual utterances of distinguished Democratic

Senators, as differing widely from the House on the question of free sugar. I expected, of course, that when our party came into power sugar, along with other schedules in a tariff bill, would undergo revision downward, but I had no reason to believe that it would be put on the free list.

I was not prepared to be told that it is not a legitimate industry, but that as a "hothouse plant," an exotic in Louisiana, it was not covered by the platform promise against destruction.

Destruction, however, quick and cruel, is to be its fate, if my Democratic brethren can encompass it. The chairman of the Ways and Means Committee, with characteristic candor, blandly informs us that he realizes that the bill which bears his name sounds sugar's doom. We in Louisiana know that this is all too true. The Louisiana sugar crop of 1915, if sugar remains on the free list, will be the last in history. Were I by my silence to acquiesce in so brutal and unjustified a blow, or by my vote to assist in striking it, I would be faithless to my promises and untrue to my convictions of justice and fair dealing. My course is clear; I repeat, I shall vote against the bill.

I have no intention to discuss this measure in its general outline. Even though time permitted, inclination would be lacking on my part to expose such shortcomings as it may possess. These, if they exist, will soon come to light, and the party responsible for them will meet the fate which it deserves. As a Democrat, I do not care to put weapons in the hands of the enemies of that party, for future attack. As its free-sugar provision causes me to vote against the bill, I shall, therefore, limit myself to that schedule.

Sugar has from the beginning of our Government been regarded as the ideal revenue producer, and until the days of the new dispensation under which we are living, has been consistently utilized to raise a heavy percentage of the revenue necessary to defray governmental expenses. The large amount realized from its importation, the slight cost of customs collection, and the general diffusion among all the people of the resultant burden, have caused the tax on it to be regarded as one of the most equitable and least obnoxious that can be enacted by the sovereign. Small wonder is it, then, that so seasoned a statesman as the senior Senator from Mississippi was saying last July—alas for human prophecies—that—

> even though a Democratic President and a Democratic Senate and a Democratic House should come into power, there is not the slightest anticipation in the mind of any intelligent man that sugar would be placed on the free list.

Easy is it to understand how leading Democratic newspapers in all parts of the country, and notably in those parts of the country where no local interests can color or prejudice their judgment or views, have been urging the Ways and Means Committee to "go slow" with the sugar schedule, suggesting that except in so far as the protection accorded to the refiners through the Dutch standard and the differential is concerned, it required but little reduction. No surprise is it that that pioneer of customs revision, "Marse Henry," of the Louisville Courier-Journal, whose devotion to the "star-eyed goddess" of tariff reform dates back to a time when present-day tariff tinkerers were in their swaddling clothes, who, from Tilden to Cleveland and from Cleveland to Wilson has never wavered, has recently denounced the free listing of sugar.

But it seems that the old order changeth; that such antiquated notions do not comport with present-day conditions, and that the experience of a century in our own country and the experience of all the other civilized countries are to be discarded in the interests of the unknown god whom we are worshiping to-day, the ultimate consumer.

One might be inclined to think that the Governments of Great Britain, Germany, Russia, France, and the other powers, small and great, would evince some interest in this ultimate consumer, and yet we find all of them, whether they are sugar-producing countries or not, levying a duty on sugar and raising largely from that source the money necessary to maintain their Governments. Furthermore, these countries, far from seeking to destroy their internal production of sugar, as this bill unquestionably will do in Louisiana, and as the beet-sugar producers declare it will do in their section, are bending every effort, where it is possible to produce sugar, to foster in every way the home production, thereby rendering them and their people independent of outside supply. Yet, here we are in the United States, where, if not in cane sugar, unquestionably in beet-sugar production, has been witnessed in little more than a decade one of the most remarkable developments that the study of statistics discloses anywhere—here we are about to annihilate the industry in Louisiana, and beyond all question to restrict its present output and paralyze its extension in the beet-sugar States for another 10 or 20 years.

Why, again I ask, is such economic folly about to be attempted; why, to change the metaphor, is such an economic tragedy to be perpetrated? Again, the answer comes from our old familiar friend, the ultimate consumer—that elusive if not mythical entity. But the real answer comes from one not so difficult to locate, comes from Mr. Frank C. Lowry, self-styled secretary of the Wholesale Grocers' Association, who has been the leading propagandist of this free-sugar agitation. He is the man in front of the guns, the guns behind being the sugar-refining interests of this country—the Spreckels and Arbuckles and their ostensible rival, the American Sugar Refining Co. It is he and they who are laughing in their sleeves when they hear of the great boons portrayed to follow the free listing of sugar. It is he and they who are smiling out of the corners of their mouths when they contemplate the pleasant days that will follow the one or two or three years of reduced sugar which they will permit as a preliminary to the time when, having stifled all local competition, they will be able to fix the price of sugar at their own sweet, untrammeled will and snap their fingers at Mr. Ultimate Consumer. As sure as I stand here, Mr. Chairman, and to predict it requires no gift of prophecy, these conditions will come to pass. The only protection the American people have in the past had against the extortion of the refiners has been in the fact that the cane and beet sugar crops grown in this country have come upon our markets at stated season and served to check the rapacity of the refiners.

Can we learn nothing from our experience with other articles—from the Coffee Trust, which, with free coffee, serves it to us on our breakfast table at whatever cost it pleases; from the Tobacco Trust, which up to this good time charges the consumer with the cost of the increased duties levied on that article at the time of the Spanish-American War, though these war duties have long since been remitted. But gentlemen tell us that Cuba will grow enough cane and produce enough sugar to supply us, and that we need look no farther for the requirements of the United States. Do not gentlemen know that in anticipation of this glad day the Sugar Trust has fastened its grip on Cuba and will be in a position to juggle its output at pleasure? [Applause on the Republican side.]

In what way, after all, has the ultimate consumer so severely suffered at the hands of sugar? I heard on Wednesday last, in his keynote speech of this debate, the chairman of the Committee on Ways and Means quote certain figures showing the startling increase in the cost of American products that has largely brought about the added cost of living. These figures are all too true, unfortunately, and the list might be amplified.

Consider this statistical table of the relative percentages of increases in the cost of products used every day:

Potatoes	14.4
Beans	14.4
Prunes	19.7
Codfish	21.4
Onions	22.1
Bread	25.0
Sugar beets	26.8
Fresh beets	27.7
Rye flour	29.1
Milk	34.3
Cattle and sheep	34.4
Evaporated apples	35.9
Butter	36.7
Average of all	37.7
Cheese	39.4
Wheat flour	43.0
Herring	43.9
Timothy hay	49.3
Barley	49.5
Salt beef	49.7
Rye	50.2
Mutton	51.9
Corn meal	52.4
Corn	52.5
Wheat	55.9
Cotton	57.3
Hams	60.4
Eggs	64.8
Oats	69.8
Hogs	76.0
Bacon	77.1
Lard	81.6
Salt pork	89.8

And yet, how has the cost of sugar to the ultimate consumer varied in the last 12 years, since 1900, when every other article and every other necessity of life has been soaring skyward?

In 1900 the price of refined sugar was 5.32 cents per pound; last year it was 5.04 cents per pound, and in most of the intervening years it has been below 5 cents per pound. What does this show? Barring only one year, when there was a comparatively negligible shortage in the world's supply, a shortage which the refiners used to "boost" unjustifiably the price of sugar, and which "boost," by the way, suddenly gave way to a "slump," when the cane and beet sugar of the United States was put on the market, there has been only a fractional

variation in the price of sugar in the country. Sugar alone has preserved a stable barometer.

What is proposed to be saved the ultimate consumer by putting sugar on the free list? Conceding that he is to receive the full benefit of the removal of the existing duty, conceding that the benevolent refiner, when he gets the situation in hand, is to sell us sugar at the same price that he now doles it out, which I deny, then there will be a saving in the case of each man, woman, and child in the country, assuming that the consumption per capita is absolutely equal, which is, of course, an absurdity—there will be a saving to each man, woman, and child of one-eighth of a cent a day. Listen:

Suppose that the entire $115,000,000, now referred to as the "tax on the bellies of the American people," divided $50,000,000 to the Government and $65,000,000 alleged gross profit to the refiners and producers, went to the refiners and producers, waiving for the moment the Government's fifty millions, then, as among 95,000,000 people in the United States, the daily per capita burden would be only one-third of a cent, or an annual per capita burden of $1.30.

Suppose again that the entire $115,000,000 went to the refiners and producers, but take into consideration that only two-thirds of the sugar annually consumed in this country is used for household purposes and on the table, the other one-third being used for manufacturing purposes, then two-thirds of the burden—$77,000,000—as among 95,000,000 people, would be one-fifth of a cent per capita per day, or 80 cents per capita per annum.

But the actual burden on housewives is only two-thirds the amount that goes to refiners and producers, or $44,000,000, inasmuch as only two-thirds the sugar used in the United States is consumed on the table; and as among 95,000,000 people the actual burden is one-eighth of a cent per capita per day, or 45 cents per capita per annum.

To save this pittance the Louisiana sugar grower is to be decapitated, the beet-sugar producer is to be seriously if not mortally wounded, and the people as a whole are to be put at the mercy of the sugar refiners of the country.

The chairman of the Committee on Ways and Means has iterated and reiterated that this bill has been drawn with the idea of raising the necessary revenue of the Government with a minimum of burden on those who can least afford to bear it. He explains that as the present income-tax provision is not sufficient to produce all of the revenue which such a bill must produce it is, of course, necessary to raise a certain amount of revenue at the customhouses. And that is his answer to all questions that are asked as to why certain articles are placed on the dutiable list. He nonchalantly casts aside the fifty to fifty-five millions that the sugar duty produces because sugar is a necessity of life, and then consistently proceeds to place a duty on cattle and sheep and on vegetables, beans, peas, cheese, eggs, citrous fruits, on woolen goods, on rubber goods, and on many other items that are as essential in the daily life of an ordinary man as sugar.

The CHAIRMAN (Mr. HELVERING). The time of the gentleman has expired.

Mr. DUPRÉ. May I have a minute more?

Mr. GARDNER. I yield one minute more to the gentleman.

Mr. DUPRÉ. But a hue and cry has been raised for free sugar and men whose familiarity with economic problems should make them strong enough to resist the combination of the self-seeker and the demagogue and the ignorant are yielding to it. The sugar industry must go. According to some it needs no duty to flourish; according to others it is a "hothouse plant," an exotic. We in Louisiana are told that in so far as its production there is concerned one might as well attempt to grow oranges in Maine. One may not be able to grow oranges in Maine or coffee in New Jersey or truffles in Alabama, but I know of one agricultural feat that has passed beyond the stage of experiment. Its possibilities are not problematical and its development is not speculative. It has the sanction of Holy Writ, and I commend it to the consideration of my Democratic colleagues:

> For they have sown the wind, and they shall reap the whirlwind.
> It hath no stalk: the bud shall yield no meal: if so be it yield, strangers shall swallow it up.

[Loud applause.]

Mr. GARDNER. Mr. Chairman, I yield to the gentleman from Iowa [Mr. TOWNER].

Mr. TOWNER. Mr. Chairman, we have just listened to a protest that ought to have been heard and heeded by the majority in the formation of this bill. Now, when a Member from a State whose delegation is solidly Democratic protests against the destruction by his party associates of the chief industry of his State, his plea is scarcely listened to with patience. Louisiana will vote the Democratic ticket, anyway, as long as the race issue exists, and so her people must sacrifice their one hundred millions invested in the production of sugar to carry out the ideas of theorists and doctrinaires.

The Democratic Party has missed a great opportunity. Reductions in the tariff schedules could have been made and should have been made which would not have destroyed our industries and brought disaster. The party could have fulfilled every pledge made by reasonable reductions that would not have ruined our industries and thrown our workmen out of employment. In fact, a reasonable, a moderate policy was just what was promised. In their campaign speeches the Democrats said to the country, "We expect to give you a tariff for revenue only, but the reductions will be moderate." In their platform they said, "What we propose to do is to reduce the tariff, but not to destroy any legitimate industry." Are the farmers of Louisiana who are raising cane for sugar, and the farmers of Michigan, Colorado, and California, who are raising beets for sugar, engaged in a business which is not legitimate? Are the millers of the country engaged in a legitimate industry? Are the hundreds of small industries which can not operate under the present bill legitimate industries?

The leader of the majority, Mr. UNDERWOOD, says that this bill is a change in the fiscal policy of the Government, and so it is. It is a change which the country has been slow to understand, a change which was not avowed by its present advocates during the campaign which placed them in power. Whenever a declaration was made for a tariff for revenue only it was accompanied by elaborate qualifications to the effect that as no diminution of tariff revenue was possible, slight changes only were contemplated. Inequalities were to be corrected, "jokers" were to be eliminated, extortion was to be prevented, and that was to be the limit of change. Nothing was said about a revolution of the fiscal policy of the Government. But now we have the open declaration of a complete, a revolutionary, change in our fiscal policy, accompanied by its concrete expression in this bill. Accordingly, we are to abandon the American protective policy which has been distinctively ours through most of the years of our history, and to adopt the English free-trade system, which, if it does not realize the ideal of absolute free trade, always endeavors to approximate it as nearly as existing conditions will permit.

As there is but one great nation where this system now exists, it may be worth while to give at least brief consideration to that instance. Especially interesting to us should be the conditions existing in England when the change was made, the reasons which brought it about, and its effect on the country. Because of its importance I shall call especial attention to the effect of the adoption and continuance of a free-trade policy in Great Britain on her agricultural interests.

"THE WEALTH OF NATIONS."

When Adam Smith published his great work, The Wealth of Nations, a real contribution was made to the world's knowledge. The theory at that time generally accepted that wealth is money was completely overthrown and in its place the principle was established that labor is the true basis and measure of value. As a corollary of that principle it was attempted to prove that when a nation exchanged its gold for products of equal value it lost nothing, that in fact it profited by the transaction if it needed the products more than the gold. It was then argued that it logically followed that all restraints, such as tariffs, upon the free interchange of products between nations were wrongful and injurious. It might be presumed, it was claimed, that each nation could produce some particular thing more cheaply than other nations. A wise economic policy, then, would demand the abandonment by any nation of the effort to produce that which another nation could produce more cheaply. A nation, it was said, should encourage those industries only in which it excelled, and then, by free interchange, sell those products in the world's dearest market and buy what else it needed in the world's cheapest market. In this, as in many other cases, a true fundamental principle was made to give credit to theories that are unsound and sustain policies that are unwise.

REPEAL OF THE CORN LAWS.

Although the publication of Adam Smith's great work made a profound impression, it was many years before anything was done to embody its principles into legislation. It was published in 1776, and it was not until 1846, or 70 years later, that the repeal of the corn laws, under Sir Robert Peel, began the free-trade era of England's history.

This action was the result of causes which, while they do not justify, at least explain the change of policy. There had been a period of hard times in England. The terrible burden of the Napoleonic wars lessened but slowly. Strikes were fre-

quent among the workingmen. There was much distress and suffering, and a general feeling of discontent prevailed throughout the land. Then came the famine in Ireland. A vast majority of the working population of Ireland depended entirely on the potato for subsistence. In 1845 the potato rot began and for two years destroyed the crop. Thousands died from starvation. The distress and suffering were terrible. It is doubtful if in another instance in modern times a whole people have been so sorely afflicted.

The demand which was then made to repeal the corn laws and give the starving people cheaper food was irresistible. As Mr. Bright, the most eloquent advocate of the repeal, said, "Famine itself, against which we had warred, joined us."

But the results did not fulfill the promises of the reformers. Bread was dearer for the 10 years following the repeal than it had been at any time during the 23 years which preceded it. This was what happened. Whenever thereafter in any land there was an excessive wheat crop England's grain dealers bought it cheap, stored and held it, and controlled the market with it and drove the English farmer out of business. The people did not profit by it, agriculture was destroyed in the United Kingdom, and the policy of free trade appropriately inaugurated.

We have no hard times now in the United States. There is no general distress; there is no famine. But there is widespread discontent, most of which is artificially stimulated and most of which is groundless. Now, as then, the people are demanding cheaper food, and now, as then, it is proposed to satisfy that demand by sacrificing the agricultural interests of the country just as the agricultural interests of Great Britain were sacrificed something more than half a century ago.

DESTRUCTION OF AGRICULTURE IN ENGLAND.

During the corn laws agitation Cobden declared that not a single acre of land would go out of cultivation. Instead an area has gone out of cultivation larger than the entire area now under cultivation. There are 48,000,000 acres of land capable of cultivation in Great Britain. Twenty-eight of the forty-eight millions have gone out of cultivation into permanent pasture, much of it grown to rank grass and weeds. Less than 20,000,000 acres are now in crops. Ten years ago there were 23,000,000 acres and 25 years ago there were 26,000,000 acres. With the agricultural methods of the Belgians or Danes England could feed all her people, if the 6,000,000 acres which she lost in 25 years were added to her land actually in cultivation. In France 42 per cent of the land is in crops, in Germany 43 per cent, while in England there is less than 20 per cent. In 25 years the value of the land in Great Britain has decreased more than $500,000,000 and the farmers' capital nearly $100,000,000.

England's agricultural population is now decreasing at the rate of 13 per cent every decade. With a population of 16,000,000 in 1841 she had 2,300,000 engaged in agriculture. In 1901 with a population of 32,000,000 she had but 988,000. In Austria 31 per cent of the population is engaged in agriculture, in France 2[illegible] per cent, in Germany and the United States 15 per cent, while in England there is but 5 per cent. More men in England are now engaged in transportation alone than in agriculture, more in the metal industries, and almost as many in the building trades. There are more females in domestic service than all those engaged in agriculture, and the population of London alone is seven times all those engaged in agriculture in England.

England's policy of free trade has driven her agricultural population to the slums of the cities or to emigration. Her policy has made her dependent on foreign harvests for food. She has discarded protection because she believed it unduly taxed her people, yet she taxes her people to maintain the most expensive navy in the world to keep the seas clear so she can obtain from others the food and clothing her own people could provide on her own fertile lands. Besides she heavily subsidizes her merchant marine. Each year she imports foodstuffs in excess of $800,000,000 and the amount is continually increasing.

Kipling well pictures the situation in his Big Steamers:

"Oh, where are you going to, all you Big Steamers,
With England's own coal up and down the salt seas?"
"We're going to fetch you your bread and your butter,
Your beef, pork, and mutton, eggs, apples, and cheese."
"And where will you fetch it from all you Big Steamers?
And where shall I write you when you are away?"
"We fetch it from Melbourne, Quebec, and Vancouver,
Address us at Hobart, Hongkong, and Bombay."
"But if anything happened to all you Big Steamers,
And suppose you were wrecked up and down the salt sea?"
"Why, you'd have no coffee or bacon for breakfast,
And you'd have no muffins or toast for your tea."
* * * * * * *
"Then what can I do for you, all you Big Steamers,
Oh, what can I do for your comfort and good?"
"Send out your big warships to watch your big waters,
That no one may stop us from bringing your food.
For the bread that you eat and the biscuits you nibble,
The sweets that you suck and the joints that you carve,
They are brought to you daily by all the Big Steamers,
And if anyone hinders our coming—*you'll starve!*"

There is no fairer land in the world than rural England. But it is fair only exteriorly. It is but the beautiful setting of a tragedy. A royal commission was appointed to investigate agricultural conditions a few years ago. It reported that lands had fallen to an almost nominal value, that rents had fallen more than one-half, and that the farmers were "steadily going into bankruptcy and ruin." Commenting on these conditions the London Spectator says: "It means the constant presence of blackest care in tens of thousands of households, the actual ruin and despair of thousands, the disintegration and collapse of the whole social fabric."

FREE-TRADE FALLACIES.

It is the boast of free traders that theirs is the true humanitarian principle; that by removing barriers they remove burdens, and that thereby all are benefited. But how far from this is the truth! In fact it builds up one class at the expense of another. It destroys one industry to establish another. It is a narrow, a selfish, a class policy. It is not wise to concentrate a nation's energies or interests, but to diversify them. A small country may thrive on a particular industry for which it is peculiarly adapted, but a great nation can not. And so it is that all the great nations of the world, with the lamentable exception we have been considering, build up and protect their diversified industries by aiding the weak to become strong, by protecting them from foreign rapacity, by equalizing conditions so that growth and development will follow.

There are certain interests so important, so essential to a nation's growth and development, so requisite to its general welfare that they must be considered or disaster is sure to follow. If England's commercial interests have prospered, it has been at the expense of her agricultural interests. In fact, England would have been vastly greater and better if she had adopted a broader policy. No great nation can build a permanent prosperity by the sacrifice of its farming interests and its rural life.

It was the dream of the Cobdenites to make England the factory of the world. To her the nations were to come and pour out their raw material to be manufactured and sold by Englishmen. Thus English manufacturers would fix the price of the world's products and English merchants would reap the profits of the world's sales, and everybody would thus contribute to England's profit and work for England's glory.

It was an ambitious project, and to secure it England's rulers deliberately sacrificed her agricultural interests. But the plan did not work well. The other nations concluded they would not adopt free trade. They believed it would be advisable to control their own markets for their own advantage rather than have England exploit them to her own upbuilding. They concluded they would prefer to have work for their own workingmen rather than furnish work for England's. And so England is very far from being the factory of the world. England's manufacturing establishments no longer lead. Many of her industries are dropping out, others are falling behind, and she is making a desperate struggle to maintain a place in the markets of the world. France has displaced her in some lines, the United States in others, Germany in still more; and all these are protected nations. England used to have first place in industrial progress. She is now in third place.

EFFECTS ON MANUFACTURES AND LABOR.

The ruin of her agricultural interests has involved and hindered her manufacturing interests. Labor conditions and the condition of the poor in England are not only bad, they are alarming. Mr. Lloyd-George, the present leader of the Liberal Party, in a recent statement says:

> There are hundreds of thousands if not millions of men, women, and children living under conditions with regard to wages, housing, and the rest of labor conditions which ought to make this great Empire hang its head with shame.

There are in England alone more than 833,000 officially declared paupers. In one county alone—Yorkshire—there are 78,000. The whole number in the United States is only 64,000. Our population is nearly three times England's, while her paupers number more than 10 times ours. One county alone has 14,000 more than there are in this entire Republic. According to the report of the royal commission indoor paupers have increased 75 per cent since 1872. The report says:

> The most disquieting index of urban pauperism is the increasing proportion of able-bodied men in health who are dependent on the poor rates and the growing percentages of persons applying for relief under the unemployed workmen's act.

Two hundred and thirty-four thousand children receive outdoor relief in the United Kingdom, and the report says that 600,000 children are—

Chronically underfed, insufficiently clothed, badly housed, and in literally thousands of cases actually being brought up at public expense in drunken homes.

According to Sir Henry Campbell-Bannerman, one of the leaders of the Conservatives, there are now twelve or thirteen millions of her population, or nearly one-third of it, who live continually on the margin line of want. He says they must no longer speak of a submerged tenth, but of a submerged third.

England boasts of her industrial exports, but she does not boast of the fact that every decade she exports more than a million of her sons and daughters, who leave her free-trade shores to better their condition in her protected colonies or in protected foreign countries. By the assistance of charitable funds or municipal aid the unemployed are seeking lands where the blight of free trade does not bar work from willing hands. It is a singular fact that while Great Britain is exporting Germany is importing labor. Mr. Gompers, who investigated the conditions of labor in England in 1910, said that—

Unemployment, varying as to the individuals involved, is now so bad as to be spoken of as a settled national feature in industry.

Mr. Booker T. Washington also made a personal investigation of the condition of the laboring man in Europe, and published the results in an interesting volume, The Man Farthest Down. He found him in England. Speaking of the London poor, he says:

In the course of my journey across Europe I saw much poverty, but I do not think I saw anything quite so hopeless and wretched.

He found them, he says, everywhere—

Not only men, but women also * * * on rainy nights crouching in doorways or huddled away in dark corners where an arch or a wall protected them from the cold * * *. In the early morning hours digging with their hands in the garbage boxes.
I know of no class—

He concludes—

among the negroes in America with whom I could compare the man at the bottom in England.

A colored man in London who went there from this country wrote him for help to get back. He had been 14 months without work and was nearly starved. In his letter he said:

The winter is coming on, and I would like to get home to shuck corn * * *. It is a long time since I had watermelon, pigs' feet, and corn. I can see the pork chops and the corn bread and the hot biscuits calling me to come over and get some, and many times I have tried but failed.

THE AMERICAN FARMER.

We have considered the decline and fall of agriculture in England under free trade. Let us now consider its history in the United States under protection.

In America the farmer has been the Nation Builder. By him colonies were founded. For him States were framed. Through his efforts the Union came. The pioneer farmer conquered the continent. Sweeping westward with slow but irresistible progress, he has transformed the wilderness into a garden. Trade has followed in his footsteps, cities have sprung up behind him, steel highways now mark the paths he blazed.

From colonial days to the present the interest and influence of the farmer has been in the forefront, shaping our policy and controlling our destiny. The progress of the Nation could be determined by his progress, and in the measure his interests were regarded, so has the Nation prospered. There has never been a year of our history when the farmer has done well that the Nation has not done well. In these later years when our material progress and well-being have made this era the most wonderful of all our history, the progress of the farmer of America has likewise been unprecedented.

The number of farms increased from 4,564,000 in 1890 to 6,361,000 in 1910. The acreage increased from 623,000,000 to 878,000,000. Farm values increased from $16,000,000,000 to $29,000,000,000. The value of their annual product increased from two to nine billions. Compare that record of progress and prosperity with England's record of ruin and decay. With a soil as fertile, with better transportation facilities, and closer markets, the continued decline and ultimate extinction of her agricultural interests seems certain. It would hardly appear that such a free-trade example would justify emulation.

OUR PROTECTIVE POLICY.

Under protection we have tried to build up all our industries together. We have endeavored to follow the advice of Thomas Jefferson, who said, "We must now place our manufacturers by the side of the agriculturist." We believe their relation should be reciprocal. The farmer buys from the manufacturer and the manufacturer from the farmer. Neither prospers if the other does not. Success in agriculture is the initial factor. It is the fundamental fact. A prosperous condition of agriculture is the center and the source of "good times." Bountiful harvests and good prices inspire larger industrial activities. The manufacturer increases his output, the railways enlarge their facilities, the merchant buys heavily. In this way success in agriculture touches all our people. It means increased demands and greater activities in all departments of life.

It is because of these facts and by these means that we have built up the largest home market of the world. Ninety-two per cent of our agricultural products are consumed at home. A still larger per cent of our manufactures are purchased by our own people. Our demands are greater and our means are greater than anywhere else in the world. The American workingman lives better, receives better wages, and buys more than any other of his class. Likewise the American farmer buys as well as sells. He does not hoard his money; he spends it. Prosperity means to him better houses, larger barns, better stock, implements, clothing, education for his children, automobiles, pianos, vacations, and amusements. The prosperity of the American farmer is essential to industrial activity. It is synonymous with national prosperity.

GERMANY IN CONTRAST WITH ENGLAND.

I shall now ask your attention to the experience of Germany as a further contrast to that of England.

German unity followed the Franco-German war. The victory of Sedan gave Bismarck the opportunity of consolidating the German States, which had united in the overthrow of France, and thus the German Empire came into being. The formation of this great federal union gave Bismarck the further opportunity of formulating a fiscal policy. Without hesitation he adopted the policy of protection. Frankly he advocated it, because of the great success which had attended its institution in America. In his speech to the Reichstag he said:

The success of the United States in material development is the most illustrious of modern times. * * * Because it is my deliberate judgment that the prosperity of America is mainly due to its system of protective laws, I urge that Germany has now reached that point where it is necessary to imitate the tariff system of the United States.

As shown by results, the wisdom of that action can not be questioned. The protective system which was then adopted has since been steadfastly maintained and strengthened. Under it Germany has made such progress as to rival even America. Under it she has passed all her continental rivals in trade and commerce.

Germany's foreign trade has grown faster than that of any nation in all the world's history. In 25 years her shipping has increased more than sevenfold. The "commercial fleet" increases each year as fast as vessels can be built or bought. It is a most significant fact that there are now more German than English vessels going through the Suez Canal, while Germany's each year increases and England's each year declines. The Germans have planted their trade outposts in Ceylon, India, and the Malay States, have established centers in China and Japan, and almost control the trade of South America. There is not a port from pole to pole where the German flag is not seen and where German trade is not pressing for place.

Germany's population is now 65,000,000, and is increasing at the rate of more than a million a year.

Great Britain's has increased but 11,000,000 in 30 years.

When protection was adopted the emigration from Germany was more than 200,000 each year. It is now less than 20,000, while that from Great Britain exceeds 100,000 annually.

Germany has increased her exports nearly 100 per cent in 15 years.

During the same period Great Britain increased hers but 17 per cent.

Germany finds employment for all her people at continually increasing wages.

In England there is a constantly increasing number of unemployed and a nearly stationary wage scale.

In order that workingmen may see the contrast between protection and free-trade countries the wage scales during recent years may be instructively studied. In the United States the increase from 1900 to 1907 was—for bricklayers, 25.1 per cent; for carpenters, 42.5 per cent; for plumbers, 46.5 per cent.

In Germany the increases were almost as large—for bricklayers, 23 per cent; for carpenters, 28.7 per cent; for plumbers, 33.6 per cent.

In England the increases were in marked contrast to these—for bricklayers, four-tenths of 1 per cent; for carpenters, five-tenths of 1 per cent; for plumbers, eight-tenths of 1 per cent.

AGRICULTURE UNDER PROTECTION IN GERMANY.

Especially marked is the contrast between the destruction of agriculture in England by free trade and the upbuilding of agriculture in Germany under protection.

Compared with Great Britain, Germany possesses a poor soil, an unfavorable geographical position, and an inferior climate. Her transportation facilities have been inferior, and her imple-

ments and methods greatly so. A century ago her peasants were serfs, and serfdom lingered until the middle of the nineteenth century. Since protection was adopted the farmers' interests have been most carefully guarded. In 1906 Germany made a new tariff. In preparation for it a tariff commission was appointed. For five years they worked. More than 2,000 experts were employed. They worked with characteristic German deliberation and thoroughness. They studied carefully all the weak and strong points of their trade rivals. With scientific care they measured each of their own manifold interests. Carefully they guarded against disturbing the stability of existing business conditions. Whenever a German industry could be developed they fostered it; whenever an interest seemed imperiled they protected it. Especially did they guard their agricultural interests. There was not an article in the schedule that could be produced at home on which the tariff was not increased. The duty on wheat was increased 114 per cent; on corn, 212 per cent; on flour, 156 per cent; potatoes, vegetables, and fruit were taken from the free list and put on the dutiable list.

Under protection agriculture in Germany has greatly prospered. Her area under cultivation has increased until it is practically all in crops. Her stock and crops have more than doubled in amount and value. The German farmer has a continually rising scale of prices for his products, with cheaper transportation rates and better marketing facilities. Under protection Germany has developed the beet-sugar industry until she not only supplies all her home demand, but exports thousands of tons annually. This has not only given a new industry to her farmers, but the indirect benefit of the enrichment of her soil has been great. Within a few years German farmers have doubled the yield per acre of their grain crops, a large proportion of the increase being attributable to raising beets as a rotation crop.

Under this careful conservation of German resources, this intelligent and scientific development of German industries, this systematic and strenuous policy of German progress in every possible outlet for its exercise has developed a passionate patriotism, a love for and devotion to the Fatherland and its every interest that is nothing short of wonderful in this age of cynical indifference. It would seem that every German loves Germany supremely, devotedly; works for her, fights for her, and is ready to die for her. "Deutschland über alles" is their motto—"Germany over all." There is such a thing perhaps as an excess of patriotism, but it would seem as if an infusion of some of this spirit would be beneficial to those who are so ready to sacrifice every American interest on the altar of cheapness.

CONSUMER V. PRODUCER.

It has been impossible for the majority to comprehend that in the establishment of a national policy they should take a national view—should consider the question in its larger aspects. The majority leader declares that this bill is formulated from the consumer's standpoint. That means that everything is to be sacrificed for cheapness. It apparently means nothing to him and his associates that in the endeavor to secure cheapness by free trade we are adopting a discredited policy, one abandoned by all the great nations save England alone; that in this instance free trade has been a bane and not a blessing; that while other nations are prospering and building up their industries through protection, she is sacrificing hers and retrograding under free trade. It is apparently not singular to them that having acquired unmeasured prosperity under protection we should abandon it in the height of our success. It does not seem at all strange to them that we should sacrifice our agricultural interests, as England did hers, in a fruitless endeavor to benefit the consumer at the expense of the producer. It does not appear unpatriotic to surrender our market, the richest prize ever possessed by a great nation, to our trade enemies without a struggle in its behalf.

ATTACK ON FARMERS.

A reckless disregard of the farmer's interest is repeatedly shown in the provisions of this bill. At every point, in every particular, on every item the farmer is stricken.

The bill places on the free list bagging for cotton, but not for wheat; beeswax; bran and wheat screenings; broom corn; buckwheat and buckwheat flour; corn and corn meal; cotton; horsehair; hides and hoofs and horns of cattle; lard; leather; all meats, fresh or prepared; milk and cream; oatmeal; oil cake; oils; oleo stearin; potatoes; rye and rye flour; seeds; skins of sheep, goats, and so forth; swine; tallow; wheat flour; wood; logs, timbers, and so forth; wool and wool wastes; and sugar after three years. Reductions have been made on practically everything else the farmer produces.

The small amount of protection left on some of these articles is valueless or worse. Of what value is the 10 per cent left on cattle and sheep when meats are admitted free? Indeed, it would have been better to have admitted cattle and sheep free, for then the farmer could have purchased his stock for feeding a little cheaper. Of what benefit will it be to the farmer to retain 10 cents per bushel on wheat when flour, bran, and screenings are admitted free? It might have been as well to have admitted wheat free, for then our milling industry might not have been destroyed. Butter carries a small duty, but milk and cream are admitted free. Farm implements are free; but that is no concession, for they are now on the free list from any country granting us like privilege. We have free farm implements now from England, which is the largest foreign producer. But our farmers do not want foreign implements; they want the best, and the best are manufactured in America, and at the cheapest prices.

HIGH PRICES OF FOOD PRODUCTS.

If this assault on the farmer was caused by resentment, it would have no foundation. The belief has been fostered that the farmer is almost the sole cause of the high price of food products. This is far from the truth. The increase he has received has been but the world-wide increase which has marked the course of prices in recent years. Indeed, the farmer has received but a small part of the increase paid by the consumer. The Secretary of Agriculture made an elaborate and most careful investigation of the prices for farm products paid to the farmer and by the consumer a short time ago. The result showed that the consumer was paying on an average 100 per cent more than the farmer received. In other words, one-half of the price paid by the consumer went to the farmer, and the balance went for transportation, distribution, and profits. For example, out of every dollar paid by the consumer for poultry the farmer gets but 50 cents; for every dollar's worth of eggs the farmer receives 69 cents; butter, 87 cents; milk, 50 cents; apples, 56 cents; onions, 28 cents; potatoes, 59 cents, and so forth. Referring to these reports, Secretary Wilson said:

> From the details that have been presented with regard to the increase of prices of farm products between farmer and consumer the conclusion is inevitable that the consumer has no well-grounded complaint against the farmer for the prices that he pays.

In view of these facts, which have not been and can not be questioned, what is the justification for this attack on the farmer? It should be understood that it is an easy matter to destroy the farmer's prosperity without benefiting the consumer. There is as large an opening for transportation charges, costs of distribution, and middleman's profits between the importer and the consumer as between the farmer and the consumer.

In the course of this debate it has been frankly stated that it was proposed by this bill to call in the cheaper food products from Canada, Mexico, Argentina, and Australia to displace the products of our own farms. Mr. James B. Burns, president of the Boston market, says:

> Free meat and free cattle is the only solution to the present high cost of meat. * * * Our only hope is to import beef, cheap, grass-fed beef and cattle, from the ranges of Australia and those of the Argentine Republic. These countries are now the natural and logical sources of supply.

But who will import and who will handle these supplies? Is it likely that the Beef Trust which controls importations will be any easier to control than the Beef Trust in America? We are now striving with a fair prospect of success to control our domestic trusts, but no man has yet suggested a method to control foreign and international trusts. A wiser statesmanship would apply itself to reducing transportation rates and costs of distribution; to controlling domestic trusts and combinations; and thus with fair prospect of success endeavor to reduce the cost of food products to the consumer. But worse than futile will be the endeavor to aid the consumer by striking the farmer.

USELESSNESS OF PROTESTS.

I suppose there is little use to voice these protests. Argument and appeal alike are in vain. This bill must be passed, for such is the President's wish and the caucus decree. Nothing but another trial and nothing but another disaster will force upon the majority the lesson of their folly. Theirs is a serious responsibility. A Republican administration has transferred to them a Nation at the high tide of its prosperity.

Bradstreet's, in their January review of 1912, said:

> Nineteen hundred and twelve was a year of remarkable achievement in agriculture, in trade, and in industry. It saw set up many new records of crop yield, of commodity price movement, and of manufacture. * * * Briefly stated, it was a period of peaceful progress and plenteous production.

Dun's said:

> The new year opens with all the gains and advantages achieved during the last half of 1912. The new year takes over from the old the

increased agricultural wealth resulting from big crops, the great activity in the largest industries, the augmented confidence in branches of domestic trade, the record-breaking foreign commerce, and the full employment of labor at high wages, insuring large buying power. With this legacy from 1912 the maintenance of a satisfactory volume of business apparently is assured.

This is the fruitage of protection. Republicans believe that only by its maintenance can the continuance of such conditions be assured. In the language of President McKinley:

We stand for a protective tariff because it represents the American home, the American fireside, the American family, the American girl and the American boy, and the highest possibilities of American citizenship.

With this in view it will be our duty to oppose and to vote against this bill.

Mr. UNDERWOOD. Mr. Chairman, I yield to the gentleman from Kansas [Mr. CONNELLY].

The CHAIRMAN. The gentleman from Kansas [Mr. CONNELLY] is recognized.

Mr. CONNELLY of Kansas. Mr. Chairman, it may be presumptuous for one who has been here only since the beginning of the present session of Congress to speak at this time after listening to men who have grown gray in the service here. Were it a contest in eloquence and oratory I might well shrink from the task. But I am here representing one of the great agricultural districts of this country. Out in my State and district nature and a race of pioneers have combined to make a country great in resource, rich in material wealth, splendid in civic pride, and righteous. I speak that they may have representation here; that they may have a voice in this new era when honest and patriotic men are concerned that the burdens of government may be placed upon the shoulders of those who are best able to bear them. I speak that they may be allowed to give approval to the Democratic teachings of the Master of men, when He taught that those should be held accountable for much who possessed much. I voice their sentiments when I disapprove of the application to our governmental life of the idea that He never intended should be applied to the material things of this life when He said:

He that hath shall be added unto, while he that hath not, that which he hath shall be taken away.

Mr. Chairman, I am glad that we are not here to contend for personal or physical supremacy, as was the case in ages gone by, but that we are here trying to champion an ideal and fighting for the supremacy of an idea. I am not surprised that men who are here representing different communities and different interests should honestly hold ideas widely divergent as to what is the proper way to proceed to make tariff schedules. I grant every man here on both sides of the House a right to his opinion, and it is no part of my purpose to indulge in criminations or recriminations because gentlemen on the other side of the House hold opinions that are widely different from my own.

I find as I get more acquainted with them that they are clever and courteous gentlemen, who would much rather help than harm their neighbor, but who have been sent here by constituencies that believe that privilege long permitted becomes a vested right, and so long as they continue to believe in that doctrine I will find myself at variance with them; but I grant them the right to represent their people. From their speeches delivered here I infer that they are amazed at the audacity of a Democratic Congress which wants to wean some of the overgrown industries and place them on the same basis as that occupied by the farmer, the laborer, and the artisan, who, when they come asking for special privileges, are invariably pointed to the motto on the wall which reads, "Paddle your own canoe."

The real difficulty with the revision of the tariff is that it is usually revised with an eye to the welfare of selfish interests instead of in the interests of the whole people. In recent years it has been revised on the basis of a division of the spoils instead of with the idea of stopping the crime of taking the goods. I come from an agricultural district, and if there have ever been a people on the face of the earth that have been misled by the sophistries of a protective tariff it is the people who live on the farm. They have heard the protectionist insist that the tariff on an article represents the difference in the price at home and abroad, when it was selling for the same price in London and New York, with a tariff on it equal to the selling price in either place. They have seen a tariff of 25 cents a bushel on corn while they were selling it over the scales at 13 cents per bushel. They have seen a tariff of 25 cents a bushel on wheat, which had only the effect of increasing the price to them of the seed they were compelled to ship in from other countries in order that they might keep their yield to the maximum. They have been compelled to pay an artificial price for their farm machinery, harness, wagons, and carriages. They have been forced to buy all of their supplies in a protected market while they have had to sell in the open markets of the world.

I have heard some gentlemen proclaim that the farmer was arrogant and prosperous, but I know that if you allow for the natural increase of the farm lands that he has owned you will find but very few who have tilled the soil have made more than an existence, and statistics tell us that year by year more of them are working rented and mortgaged farms and the ownership is fast passing out of the hands of the men who live on them and work them. The protectionists are not sparing with their criticisms and the prophecy that the present tariff law will not work and will bring disaster to the country. They apparently forget that their high schedules have almost invariably failed to produce expected results and that every financial depression that has occurred for 50 years has come under high duties enacted by Republican Congresses.

If we have a criticism of the present law it is that the duties on manufactured goods are still too high, although they have been reduced greatly from the schedules that have prevailed under Republican rule. We believe that as we reach or approach the ideal in government that tariffs will gradually go to the scrap heap as a means of raising revenues and that these funds will be raised by a direct tax the same as the taxes that are now raised for State and municipal expense. If every man was compelled to go to the taxgatherer and pay his full tax at the end of the year it would put an end to the extravagance that is noticeable upon every hand in the National Capital and wherever the Government now appropriates money. If taxes were paid direct and the people really knew how much money was wasted by those who administer the law, there would be such an uprising and protest against the waste of Government funds that the "pork barrel" would soon resemble a cracker jar, and the Congressman who now measures his usefulness by the number of Government buildings that he gets for his district would have a different standard by which he would measure his stewardship.

Those who have taught the principles of Jefferson least in days gone by have had much to say about them during this debate because he in the early history of the Nation's life gave sanction to the laying of low tariff rates. They apparently forget that conditions to-day and conditions then are vastly different. That Jefferson did approve of this means of raising revenue, with its incidental protection, but he lived and spoke for an age when many of these industries were indeed in their infancy and at a time when there was no real division over the tariff question. But while they are reveling in the teachings of Jefferson they should reflect that he never approved a measure with rates as high as is now shown by this measure proposed by the present majority, which is spoken of with contempt as a free-trade measure.

Mr. Chairman, the gentlemen contend that their party have been thrown from power without any just cause and insist that when the people get their bearings again they will return the Republican Party to power in this great country. No one can do more than to prophesy what the future holds in store for us, but if the last part of their contention has not more of the essence of facts in it than the other part, which contends that there was no reason for their overthrow, then the future should hold dread for no one save those who hope for the coming of the evil hour.

You who come with your lamentations, forebodings, and prophecies, telling of the evil that will follow in the wake of this enactment, should remember that as doctrinarians you are not strangers to error or as prophets that you have not always been a success. You have come to us in other days and told us that no matter how high we placed the duty, that it was not our concern, for you were sure that the joke was on the foreigner and that he was the fellow who paid the tariff. You came to us and said that you were interested in the weal of the workman and your hearts yearned that he be shielded from a competition with the pauper labor of other lands, while you have for 50 years watched with complacent eye monster ships laden with human cargo shipped from southern Europe to take their place beside the American laborer without let or hindrance.

In all your love for the laboring man he now awakens to the fact that after enjoying your protection for all of these years that there stands between him and the lowest-paid labor of all the earth only the price of the steerage fare on the cheapest steamship that rides the wave. The only real protection that he has, and he knows it, is the efficiency that lies in his own

brawn and brain, and he holds in contempt your expressed fears and forebodings that he can not compete with any people in all the world who can make a full-dress suit out of 6 cents' worth of calico.

You stood on the political hustings for many years and denied that there was such a thing as a trust, and when your position was proven to be wrong, you said through the mouthpiece of your prophet and leader that if there was such a thing that it was a good thing for the country and it should be encouraged and fostered.

When the people again found that you were wrong you said they should be reproved and reprimanded, but that the weapons with which they wrung from the laborer and the consumer an unjust share of the wealth of the country should not be wrested from their hands for fear in so doing that some innocent bystander should suffer in the melee.

And so, my Republican friends, if in the final analysis it should appear that the present bill should not give all the relief that is claimed for it by those who have framed it and believe in it, you should be charitable in your criticisms, for it is not becoming in you to refuse to allow us to be wrong once, when you have been wrong so many times.

I have been amused and entertained at the position of the members of the Progressive Party on the tariff question. I was at one time in my State a member of the old-time Populist Party, and I have never apologized for the things that they taught. I find in the Progressive Party a good many of the ideas that we as Populists were abused and despised for promulgating a score of years ago, and I am not persuaded that they are any the less potent for what I believe is for the good of the country, because they have just attracted the attention of some very worthy gentlemen who were loud in condemning them in the days past, but on the tariff question I find this new party a little difficult to understand.

Ninety-five per cent of those who constitute the Progressive Party are men who have only recently gone up and down the country as Republicans, pleading the cause of high protection; and if they are different now from what they were before this great light of progress dawned upon them, that fact is not noticeable from the discussions that I have listened to here on the floor by the gentlemen who have spoken for that party. They appear to take the middle ground that would revise the schedules in such a way that the revision would help no one and would harm no one.

They appear to be in the same frame of mind as the old Irishman who supposed that he was reaching the time of dissolution. His spiritual adviser came to him and said, "Pat, do you renounce the devil and all of his works?" Pat rolled his eyes and said, "Father, I am not sure which country I am going to, and I don't think it is a good idea to make any enemies unnecessarily." [Laughter.]

The Progressives who have spoken do not agree with the stand-pat element of the party from which they have so recently seceded, and they apparently have some misgivings as to the bill under consideration and want to keep themselves in shape so that they can jump with the cat when it is released and be on the popular side in any event.

Mr. Chairman, I have heard a good deal in recent years about nonpolitical and nonpartisan boards who are going to point out the way on these various questions. I do not know exactly what kind of a board a nonpolitical board would be, unless it would be a board composed of men with no political beliefs or convictions, and if that is the idea, I have some misgivings as to their work, for in my range of acquaintances I do not know of any man who has no political opinions and convictions that I would be ready to follow far in the matter of revising the tariff or upon any other proposition. I would rather intrust the making of these laws to the most rabid standpatter in my district than to intrust them to any coterie of men that I know of who have no politics at all.

Finally, Mr. Chairman, I shall not flatter myself that this or any bill that shall be written by the hands of men is perfect in all of its details or will be above criticism by those who honestly differ in opinions with the men responsible for it. I realize that no bill can be written that is or can be free from criticism by those who want to see evil come. If you put cattle on the free list, they will go to the farmer and tell him that the Democrats have removed all protection from the cattle he raises. If you put duty on them the same fellows will go to the farmer and tell him that the Democrats make him pay a penalty for feeders that he wants to ship in to feed up his surplus crops. I believe, Mr. Chairman, that the committee that framed this bill occupied higher grounds and their scope of vision encompassed a greater range of humanity and humanity's needs than any like committee that has sat in this country for 50 years. I shall support this measure gladly, not because all of its schedules are just what I would have made them, nor because it is a perfect bill, but because it is an honest effort on the part of its framers to fulfill the pledges made by the Democratic Party to the people of the country. I believe it will not be a disappointment to the people as is so freely predicted by those who to-day sit in the wailing places. I believe when it goes to the country, along with the other laws that this Congress will enact, that it will start anew the lifeblood of commerce, bring prosperity to the land in general, and meet the approval of a great people who deserve much at the hands of this body. [Loud applause on the Democratic side.]

Mr. UNDERWOOD. Mr. Chairman, I yield to the gentleman from Illinois [Mr. WILLIAMS].

The CHAIRMAN. The gentleman from Illinois [Mr. WILLIAMS] is recognized.

Mr. WILLIAMS. Mr. Chairman, I do not propose to go into a detailed discussion of the tariff question in all its phases, but I do desire to invite attention to some conditions which have intruded themselves into this debate and discuss in a general way some of the most important features of the bill. It is conceded that there is a necessity for tariff revision, and that the revision should be downward is admitted by everybody except the pet industries which have enjoyed special privilege so long that they look upon protection as a divine right, and resent any interference with their assumed prerogative as a violation of and an infringement upon what they seem to regard not only a sacred but a vested right. As the result of the issues of the last campaign, the tariff is to be revised, and that revision is to be downward. The Democratic Party is charged with the responsibility, and in keeping with its platform pledges and campaign promises is now engaged in a good-faith effort to comply with the mandate of the American people expressed at the polls. The Democratic Party has always stood for a tariff for revenue only, and insists that there is no constitutional authority to impose taxes upon the people for any other purpose. We are opposed to a protective tariff—that is, to a tariff tax levied for the purpose of fostering and enriching favored industries. We are opposed to anything that smacks of special privilege. A tax is burdensome at best, but when that burden is increased beyond the necessities of the Government economically administered for no other purpose than to enrich a few at the expense of the taxpayer it becomes intolerable and can not be justified, either legally or morally. The opposition to this bill have not seriously contended that it does not provide for sufficient revenue, but it is urged that it will remove the props from under the protective system and materially affect the profits of manufacturers. At the same time and almost in the same breath it is urged that it will not reduce the cost of living and the price of necessaries in the homes of our people. Just how these two arguments can be reconciled is beyond my understanding. I believe it to be a fact, as stated by an eminent authority, that the tariff is the mother of trusts; that we have protected American industries in such excessive profits and against foreign competition to such an extent that we have piled up in this country in the hands of the beneficiaries of the protective system the colossal fortunes that are a menace to our institutions.

A trust consists of an aggregation of capital for the control of trade, and as a result of the enormous wealth accumulated in the hands of tariff barons not only have the prices of products been arbitrarily fixed and the markets controlled, but during the Republican period of ascendency those who possess this accumulated wealth have controlled the policies of the Republican Party and shaped the legislation of the country. We propose by this bill to limit taxation to a revenue basis. We are opposed to any system that filches money from the pocket of one citizen and transfers it to that of another. We are opposed to any system of taxation that has for its purpose the robbery of one man for the enrichment of another. I fully agree with the theory of this bill. It may not be perfect; no assessment ever was. There are under any system or scheme of taxation inequalities, unfair valuations, and an unequal distribution of the burdens of government—local, State, and national—which can not be avoided. But I believe that this bill approaches nearer to exact justice and to the equal distribution of the burdens of government than any tariff measure devised since the Walker tariff. And I further believe that within six months from the date of its enactment business will have adjusted itself to new conditions and to new rates, and that universal prosperity will prevail. But whatever may be the result

of the bill, there is no escaping a substantial and material reduction of tariff rates; the people have demanded it; that was the issue which disrupted the Republican Party, and the Democratic Party would be derelict in its duty, unmindful of its obligations, and unfaithful to every trust if it did not enact into law a tariff measure limiting taxation to a revenue basis and eliminating the whole policy and system of protection, except in so far as incidental protection results from a revenue tariff. If I understand the will of the people, this bill is exactly what they want. It is the declared purpose of the people to test out to the fullest measure the Democratic tariff policy, and, with confidence in the Democratic Party, the people hail with hope and confidence the efforts of this administration in the direction of tariff revision.

That which has amused me—and, I may say, surprised me—most is that gentlemen upon that side of the House, whose tariff policies have been repudiated and found to be a failure, now come here and assume to advise the Democratic Party, which holds a commission from the people to revise the tariff—these repudiated Republicans come here to advise us how to do it. [Applause and laughter on the Democratic side.] If a party and its tariff policies ever have been repudiated, the Republican Party and the Payne-Aldrich tariff bill have been. Yet we witness the spectacle on this floor of the author of the Payne-Aldrich tariff bill telling us how to do it. After we have revised the tariff, if we make as complete and lamentable a failure as did our Republican friends, then I am willing to surrender back into their hands, but not until then, the power to deal with this great question.

I believe I have heard here as many good and well-prepared speeches upon the tariff question as I have before heard in all my life; as many well-considered, well-thought-out discourses; and what is unusual, I have witnessed many of them delivered in the shape of addresses prepared and read to this body.

I do not come with a prepared speech of that character and do not care at this time to say more on the Democratic theory of tariff legislation, but I do want to invite the attention of our Republican friends to some things in their platform, and incidentally I want to say a word to our Progressive friends. I regret that the gentleman from New York [Mr. CHANDLER], who made such a splendid effort this afternoon in defense of Mr. Roosevelt, is not here to-night, because I wanted to say something to him in answer to what he said in defense of that distinguished character.

But first I want to call the attention of my Republican friends to some things in their platform. I say you made a failure when you attempted to revise the tariff, and the people have repudiated you, and I say you admitted your failure in your platform. Let me read it. Perhaps this will be familiar to some of you, and to some of you it may not.

The Payne-Aldrich bill had only been in operation three years, or less than three years, when your Chicago platform of last year was framed, and you say in that platform:

> Some of the existing import duties are too high and should be reduced. Readjustments should be made from time to time to conform to changed conditions and to reduce excessive rates, but without injury to any American industry.

A confession that rates in a bill which had been enacted less than three years before were too high; a confession that when you promised the American people in the campaign of 1908 that you would revise the tariff downward that you had failed to redeem your platform pledge to the American people. And yet you went to the people in 1912, with this confession upon your lips, again pledging a revision of the tariff downward and a readjustment of its inequalities. You come here now when a bill has been prepared and submitted to you for your consideration and your votes and criticize and condemn it, and say to us that we are inexperienced in tariff legislation; that we are tinkering with this question; that we are not acting in good faith; that we resort to subterfuges, deception, and fraud; and you assume to tell us how to do that which you failed to do. [Applause on the Democratic side.]

I want to call your attention to another thing in your platform. Here is the justification and excuse for the whole protective policy. Listen:

> The protective tariff is so woven into the fabric of our industrial life that to substitute for it a tariff for revenue only would destroy many industries.

Now, there is the keynote, there is the whole argument in a nutshell that our friends resort to in defense of the protective tariff system; because they say by maintaining it so long, by giving artificial support for so many years to the various protected industries, these industries instead of becoming self-reliant have become dependent upon the bounty of the Government and the privileges extended to them, so that it is said we can not withdraw that support with safety, without endangering the business interests of the country. If that is true, if we have become so entangled in the meshes of protection, so helpless in the hands of these protected industries that we can not withdraw Government aid without endangering the business interests of the country, the sooner we commence to wean this calf the better off we will be in the end and the safer will become every legitimate industry in the land. [Applause on the Democratic side.]

We do not wish to destroy industries, especially any legitimate industry, but we do say that we have pledged the American people a substantial reduction in tariff rates, and we come here proposing this bill, and intend to redeem our pledge. We say more. We have pledged the people an income tax, and the people, by three-fourths of the State legislatures, have ratified the constitutional amendment providing for an income tax. And yet our friends across the aisle stand here to a man opposed to an income tax, and are proposing to vote against it when it comes to a vote on this bill.

The Democratic Party has demanded for years that wealth shall contribute its just share to the burdens of Government, and to that end has favored an income tax. The Supreme Court held the last income-tax law unconstitutional. For years the Democratic Party has sought a constitutional amendment authorizing this method of taxation. Of course the men enjoying great incomes have, through the instrumentality of the Republican Party, opposed such an amendment, and it was not until we secured a Democratic House and a Senate anti-Republican that we were able to force to the submission of the people a proposition for such an amendment to the Constitution. We expect that the reduction in tariff rates will materially reduce the revenue derived from tariff taxation, and we have provided in this bill for an income tax to make up the difference. It is said in opposition to this provision in the bill that those enjoying an income less than $4.000 will escape their fair share of taxation and that the burden will fall on those who enjoy a larger income. That is true, but who can better afford it? It must not be forgotten that under the tariff system those enjoying a mere living income and who spend it in the support and education of their families contribute to the expenses of the Government out of all proportion to those possessing great fortunes, because there is a limit to every man's necessities and a corresponding limit to legitimate expenditures, and the necessities of a family in moderate circumstances are as great as those who possess great wealth; and as a result the man with an income of $2,000, $3,000, or $4,000 who expends it on his family contributes as much toward the support of the Government as does the man of a much larger income who expends only a portion for the maintenance of his household. Yet the man with large property interests and the great corporate concerns throughout the country require expenditures for the protection of their property and enforcement of their rights far beyond that which the man or concern of moderate means requires for the same purpose. Why should not the man of means or the corporation of extensive operations pay toward the support of the Government which protects them in their business and property rights in proportion to the benefits received? The only way by which these burdens can be equalized and the large incomes and great property interests be compelled to contribute in proportion to the benefits received is by means of a well-adjusted income tax.

In this way, and only in this way, can burdens of taxation be at all equalized and approach exact and equal justice to all men. I favor the income-tax provisions of this bill. I am not surprised that the Republicans in this House intend to vote against it. To be consistent they must do so. They have opposed a constitutional amendment making such a tax possible, and why should they not vote against an income-tax law? The fact that the people have demanded it, have ratified the constitutional amendment, and elected to power a party which stands pledged to it, ought not to deter a party which has defied public sentiment and yielded to the demands of the selfish interests so long. I am surprised, however, that members of the Progressive Party on this floor intend to vote against this bill. But I find that their consistency is not greater than that of their chieftain; and who will be heard to say that Roosevelt knows the meaning of the term?

And I want to say a word to our Progressive friends as to their defense of Roosevelt to-day. It was amusing to hear it said that Roosevelt was a great trust buster, and an editorial was read in which it was proclaimed what he at one time

intended to do. Rooseveltian like, it was full of threats of what he was going to do, and I was inclined to ask the gentleman whether it was all bluff or whether he really meant it.

I have an authority from which I desire to read a few words in regard to the Roosevelt administration as a trust buster. It is eminent Progressive authority, and you will probably recognize the author when I read the language.

In the Senate of the United States, August 16, 1912, Mr. LA FOLLETTE, of Wisconsin, a Republican Progressive, said:

> On the day that Theodore Roosevelt was made President of the United States there were 149 trusts and combinations in the United States. When he turned this Government over to William H. Taft there were 10,020.
>
> When Theodore Roosevelt entered the White House the trusts and combinations had a capitalization of $3,784,000,000. On the day that he turned the administration over to Taft it was $31,672,000,000, about. More than 70 per cent of it was watered. Its power has grown and is spreading.
>
> The number of trusts and monopolies is multiplying. There has been no diminishing under the present administration. The present administration has sought to apply more vigorously than any administration that preceded the Sherman antitrust law. But the time to apply the law effectively was when the gigantic trusts and monopolies were in their infancy.
>
> I do not believe the man who was President of the United States for seven years while the greatest trust growth in this country occurred, at the very time of all times in the history of the Sherman law when it could have been made productive in destroying trust organization, that destroys competition and places the American people in the powers of the combinations—I do not believe that the man who was President during that time is the man to find the way out now.

I have not heard from any source these figures questioned, although they were extensively used during last campaign. It was, however, contended by the Republicans that many unsuccessful suits against the trusts had been prosecuted.

It is a lamentable fact that with Taft the President but few months ago hardly a voice is heard on his side of the House in defense of him, or in defense of his administration, or in defense of his tariff policies. Bolder and more courageous are our Progressive friends; they do come to the rescue of Roosevelt; and they do come here and defend his policies and show what he threatened to do, although they fail to show what he accomplished.

Mr. BRYAN. Will the gentleman yield? What book is he reading from?

Mr. WILLIAMS. From Democratic authority—the best in the world.

Mr. BRYAN. Does it contain anything showing the trusts that Grover Cleveland broke up while he was in power for eight years? [Laughter on the Republican side.]

Mr. WILLIAMS. I assume that there is nothing in the campaign book of 1912 relating to Mr. Cleveland's administration, but I also assume that the trusts were then in their mere infancy and hardly recognized as a menace to the country. These things have come in the last 16 years, and during the 7½ years of Roosevelt's administration they climbed from 149 to 10,020. How many there were when Cleveland was President I can not say, but the number was less than 149. If you want to go into ancient history we would be glad to have you, but I want to say to you that it was the Republican Party, it was your administration of affairs under President Harrison that precipitated this country into the worst panic known for 50 years. [Applause on the Democratic side.] I want to say more, that every panic we have had in this country for over 50 years has come under a Republican administration and under Republican protective tariff laws. The panic of 1873 was when President Grant was in the chair and you had a high protective tariff. The panic of 1883 came under a Republican administration and a Republican tariff law. Aye, gentlemen, the panic of 1891–1893 came under the McKinley bill and while it was in full operation.

The Democratic Party has been accused of responsibility for the hard times during the Cleveland administration, but every intelligent man knows, and every fair-minded man will admit, the panic then prevailing was the result of the policies of the previous administration. The Homestead riots occurred prior to the election of 1892, and were an issue in that campaign. Strikes, lockouts, riot, and bloodshed were the order of the day for a period of 18 months before Cleveland's inauguration. The necessity for the issuing of bonds to meet the deficiency in the revenues which arose under the Harrison administration was apparent many months before the election of 1892 and the plates prepared for the printing of bonds while Mr. Harrison yet remained in the presidential chair.

And let me say to my Progessive friends that the panic of 1907, without apparent cause, when conditions were never more prosperous, came under a Republican tariff law and a Republican administration while Theodore Roosevelt was administering the affairs of the country. [Applause on the Democratic side.]

Mr. McKENZIE. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS. Yes.

Mr. McKENZIE. Will the gentleman tell us something about the panic of 1837? He surely does not blame that on the Republican Party. [Laughter.]

Mr. WILLIAMS. That was some time before my day.

Mr. SLOAN. Oh, we do not blame you for it.

Mr. WILLIAMS. The gentleman relieves me from any blame or responsibility for it, but I will say that it is not traceable to the Democratic policy of a tariff for revenue only. If we had a panic then, as the gentleman seems to imply, it was the result of throttling the United States Bank, and was precipitated by an attempt on the part of the money power to resent interference with their pet institution, and it was in no wise traceable to the tariff question.

Mr. SAMUEL W. SMITH. Mr. Chairman, will the gentleman yield?

Mr. WILLIAMS. Yes.

Mr. SAMUEL W. SMITH. I would like, for information, to have the gentleman's explanation of President Buchanan's awful indictment against his party in 1860 as the result of the tariff act in 1857.

Mr. WILLIAMS. Well, while I was born that year, I hope the gentleman will attach no blame to me.

Mr. SAMUEL W. SMITH. The gentleman said he was willing to go back into history.

Mr. WILLIAMS. The history that the gentleman [Mr. BRYAN] and I were discussing was the history as recent as Mr. Cleveland's days. I do not recall that Mr. Buchanan criticized the Democratic Party or its tariff policies, but I do recall the fact that he turned the power of his administration against the best Democrat of his day, and was one of the men responsible for the disruption of the Democratic Party. I know that.

Mr. FORDNEY. He did a good thing.

Mr. WILLIAMS. Mr. Chairman, the gentleman from Michigan says that Mr. Buchanan did a good thing. I might retort by saying that Mr. Roosevelt did a good thing when last year he disrupted the Republican Party. [Applause on the Democratic side.] But I did not come here in the discussion of this bill to criticize our Progressive friends. I would rather praise the bridge that carried us safely over.

Mr. CAMPBELL. Sure you do.

Mr. WILLIAMS. And I leave it with you gentlemen to settle your differences in your own party. My time is fast expiring, and in conclusion I reiterate that I challenge gentlemen upon the Republican side of the Chamber in any reply they make to point to a panic in all the history of this country, whether it be the the panic of 1837, the panic of 1857, or any other that is traceable to Democratic reform policies. I assert on the other hand, as I said before, that every panic that has occurred in this country since the advent of the Republican Party to power has been directly traceable to Republican rule and Republican policies. Will gentlemen challenge that proposition?

I wish to say in conclusion that the gentlemen upon the other side of this House who come here and predict financial disaster, business depression, and panic as the result of this measure if it shall become a law do not come here as patriotic citizens and make such predictions in good faith. [Applause on the Democratic side.] You are so driven by necessity for some means by which to put new life in your party, hoping that future disaster may follow from some cause—tariff legislation or other—that you are willing here to threaten business, to disturb business industry, by making declarations and threats upon the floor of this House which are more calculated to breed a panic than are all of the tariff bills that could be enacted. Panics are the result of mental conditions—of a scare—and yet you gentlemen come here and you publish to the world that a panic will follow the enactment of this bill into law; and I say to you that when you do that, when you purposely and deliberately frighten business, you are not sincere; you are not acting in good faith; but for party gain would frighten the country into a panic, and when you do that you are not acting the part of patriotic American citizens. [Applause on the Democratic side.]

Mr. GARDNER. Mr. Chairman, I yield to the gentleman from Washington [Mr. JOHNSON].

Mr. JOHNSON of Washington. Mr. Chairman, I am glad of an opportunity to express my appreciation of the remarks of the magnetic Member from Mississippi [Mr. SISSON]. I wish to indorse many of his statements in regard to the alien ownership of land and to call the attention of the Democratic ma-

jority to the fact that all of his statements apply with great force to the situation that confronts us with the passage of the Underwood free-trade bill.

If the United States yields to Japan—

Says Mr. SISSON—

It will have to yield to China, and China will have the right to send her hordes into this country. They will force the wage earner and the farmer out.

A Chinaman can live on what a farmer throws away—

declares the gentleman from Mississippi.

Now, Mr. Chairman, I want Mr. SISSON and every Democrat in this House to know that Chinese immigrants are and have been for some time pouring into British Columbia a thousand a month. Not many, you of the East think; but too many for our sparsely settled West. Until now a protective-tariff wall has kept our people of the great Pacific Northwest from too close competition with these oriental offscourings. The Underwood free-trade bill tears down the tariff wall. From now on we of the West must compete with the Chinese and the Japanese. Not alone in the lumber and shingle industry—our mills versus the mills of British Columbia—but this country will receive its shoes from Japan, made by women who earn 9 cents a day, and chinaware and notions will come in; yes, cotton goods, prints, and all other articles that we have taught these people to make and sold them the machinery with which to work.

I know that the gentleman from Mississippi will agree with me in the statement that with the 50-cent tariff stricken from shingles the Chinese now pouring into British Columbia might just as well be located in the State of Washington. Do you wonder that the people of California oppose the Japanese ownership of land in that State? Our western gardeners freely acknowledge that they can not compete with the Japanese gardeners, and I ask you in all fairness, What chance has a good well-paid Northwestern shingle weaver to compete against the cheap coolie or the low-cast Hindu from India? Remember that there are 900,000,000 of them. We of the Pacific coast know what this means.

I hope and pray that this free-trade bill now under consideration will not put the laborer of our Southern States in extensive competition with the peons of Mexico and the half-breeds of Brazil.

You strike off our protective tariff on lumber and shingles. How long must we wait for you to lift the embargo against foreign ships?

That embargo is for the benfit of American shipbuilders and American sailors. Why protect them if you will not protect our manufacturers and workers?

After a few weeks the red cedar shingles made by coolies in British Columbia will travel around the coast in the ships of foreign countries, manned by sailors at $10 a month, who are fed by cooks who receive $15 a month, and sell in any market against our American shingles, made by full-fledged, red-blooded men whose battle cry is "a fair day's wage for a full day's labor." These handicapped shingles will be transported in our little fleet of American ships, paying sailors and cooks $50 and $60 a month, and no protective tariff to help either the manufacturer or the wage earner.

Already three gigantic companies are forming—two in Washington State and one in Oregon—to extend the lumber industry in British Columbia. One, with headquarters at Bellingham, is actually in the field with a capital of three and a half million dollars. This company has leased British Columbia Crown lands for 20 years at 50 cents a thousand feet stumpage, payable when the timber is cut, and a light annual tax. This tract contains fifteen hundred million feet of timber, and that timber will be cut and sold against our timber that has been paid for at an average price of $2.50 a thousand stumpage, and which must pay heavy taxes and interest every year until cut.

Now, then, notice what we are already up against:

(1) Oriental labor.

(2) Inability to use foreign-built ships for coastwise trade.

(3) American-owned timberland paying taxes, as against Crown land leases of British Columbia.

And now, to cap the climax, you, willy-nilly, strike off the little protection we have had and make, as a fourth obstacle, absolute free trade in the lumber industry. Perhaps lumber can stand it; but 30,000 shingle weavers and knee-bolters will be idle in the State of Washington within 90 days after the passage of this bill.

Do you wonder that Democrats, Republicans, Progressives, and all the people of the Northwest are up in arms? What applies to lumber applies to flour, except in that case you have added insult to injury by letting flour in free and putting a 10-cent tax on wheat.

I wish that opportunities had been given for hearings with regard to a tariff on shingles. The people of the Northwest would have accepted a sliding scale downward, stopping somewhere near the 30-cent figure of the old Wilson bill.

But we have had no hearings and must sit supinely by while the majority throws our markets open to the very workmen in other countries whose coming to the United States in recent years amounts almost to a great immigrant invasion.

What difference does it make whether you let the Japanese, the Chinese, the Hindu, the Greek, and the Turk make his goods for us at home and ship them here free, or whether you let him and all of his relatives pour in 6,000 a day to cut the throats with those now here for jobs in the cotton mills, the woolen mills?

In my opinion, a thousand Chinese a month pouring into sparsely settled British Columbia to cut timber and saw lumber to compete with the products of our sturdy men of the woods is fully as bad as the present inpouring of 6,000 immigrants per day into thickly settled New York.

I hope that the United States will soon return to a tariff wall—a reasonable, rational, expert tariff wall—high enough to guarantee protection, and then I hope that we will reenforce that wall with another protective wall against undesirable immigration.

With the first wall you protect the man who invests his capital, makes the goods, or grows the product, and provides the American standard of living. With the other wall, you protect the man who is on the job—you take care of the foreigners who are here, and you cut down the influx of undesirables from the south of Europe, against whom we have "conserved" all that we used to offer freely to the people from the north of Europe.

Why are we surprised that they begin to hate this country before they can find any reason to love it? Is it any wonder that these serf-born hordes quickly become the dupes and disciples of such vicious agitators as Bill Haywood and his platform of the Industrial Workers of the World—"no concern as to questions of right and wrong; no terms with employers; destruction and bloody revolution"? It will take not only our tariff wall and an immigration wall, but a penitentiary wall to stop this kind of treason.

Why are we surprised? How can we be surprised at the red-flag movement when Vice President Marshall, in an address at New York, undertakes to warn the rich, and only succeeds in striking a note that gives the Socialists more sympathy than they have had since their prophet "Old Hoss" Wayland, of the Appeal to Reason, ran afoul of the Mann law and committed suicide, and more good cheer than they ever enjoyed since their disciple, Victor Berger, left Congress and expatriated himself in their eyes by purchasing an upholstered mahogany-finished motor boat.

Roosevelt did not stand at Armageddon. He stood at Chicago and preached near-socialism, almost revolution, contempt for law, and doctrines that lead to destruction.

Haywood waves the red flag at Paterson, N. J., and preaches anarchy and sabotage. Ettor advises the striking waiters to poison the food of the rich. Mr. KELLY of Pennsylvania wants pensions for everybody. All are preaching the universal brotherhood of man. All have different motives. In trying to save the country they are doing much to destroy it. They are teaching employees to actually hate those who employ them. They seem to have forgotten that the universal brotherhood must include the 900,000,000 people of China, Japan, and India. In this great progressive wave, will these seething hordes come up to our level or will our 100,000,000 drop to theirs, and when?

My friend, Mr. SISSON, of Mississippi, sees the peril, as his address of this forenoon clearly shows. He speaks his convictions, but I dare, in my weak and humble way, to warn not only the gentleman from Mississippi, but the honorable the Vice President of the United States and the honorable the President of the United States—who by coming on this floor has expressed a desire to take part in this debate—that every time an industry of this country is slaughtered or an American citizen is made to compete with a 9-cent Japanese, that sad day is hastened, for, my friends, the great international brotherhood with its international red flag, with its fatherless and churchless children, with its collectiveism and its 57 varieties of impossible dreams, will drag us down ten thousand degrees before it can lift us one tittle. For your attention, I thank you, gentlemen. [Loud applause.]

Mr. GARDNER. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. GRAHAM].

Mr. GRAHAM of Pennsylvania. Mr. Chairman, I have been as a new Member very much interested in watching the course

of legislation with reference to this great subject of revenue and tariff. I have learned much since I came to Congress. Much about legislation and its methods and very much more about the great diversity of opinion that seems to exist in the minds of so many people concerning this subject. To me, born and raised in the city of Philadelphia, with all its traditions of protection, its great manufacturing industries, it is indeed a revelation; but, believing as I do most firmly, as a matter of conviction and duty, based upon somewhat of a study of this question before coming here, that protection is a great national policy and not a local issue, but applied locally wherever needed to develop the industries of my country, I accept of the courtesy extended to me of making a few remarks on this occasion and voicing my protest against this bill, which I consider to be unequal and unjust, and, also, against the circumstances attending upon its conception and passage. [Applause on the Republican side.]

Arguments have been advanced here, in favor of and against this measure, by older men in the art of legislation and the science of government, to whom I have cheerfully given priority, because I am a new Member. From the surrounding circumstances I do not believe, however, that these arguments will change a single vote in this House. Nevertheless, they will go into the legislative record and be scattered, in many instances, among the people, where they will, I hope, have an elucidating and educative effect. This, however, may be only indulging a pleasing hope, but, after all, the citizens of the country will learn more from the object lessons of the tariff than in any other way. Experience is sometimes a costly teacher, but usually an effective one. I pray that the prophecy of the advocates of this measure may be found to be faithful prophecy, and born of wisdom, and not of a blind policy. As a patriot, burying my party zeal, I devoutly desire this result. I hope I may be disappointed in my own views as to its effects. For the good of my country and the welfare of the people I hope this may be true. But, alas! I can only see loss and suffering in the future as the logical result of the enactment of this tariff bill into a law of the land.

Protection is too old to need to-day any demonstration of its value in speech or argument. This exists in the history of the country. Where no industries existed before, or feeble ones struggled for life, new ones have been developed and the weak ones have grown strong. The benefits have not been confined to the industry protected, but have been felt all about it. You can not create or foster one without incidentally benefiting every part of the business life of the Nation. Drop a stone into a lake, and philosophers tell us every atom of water in the lake will feel the effect of the plunge. You can not lay your hand upon a single industry, either to foster or destroy it, but what the whole commercial life will feel the effect. As an illustration, What industry in steel rails had we in this country before the tariff of 1861 became a law? Through that and subsequent legislation the great furnaces, rolling mills, and plants grew up. With them came employment for tens of thousands of men, and the building of a multitude of homes, with large additions of families and citizens in many communities, all of which in turn gave work in collateral occupations to artisans and mechanics without number, besides creating a market for the products of the grocer, the tailor, the butcher, the baker, and a host of other persons engaged in commerce. It also gave a valuable home market to the farmer for his products. These benefits can not be denied. While protected from outside attack by the tariff, competition grew at home, until the price of steel rails fell to a marvelously low rate. The inventive genius of our people created new conditions, facilitating the making of steel and promoting the development of the industry to the highest degree of efficiency. The continent was girdled with rails of home manufacture. Every thoughtful American must recognize the wonderful development of our country under protection. The resources of the country have been utilized as they could not have been without it.

It is true that with this mighty and phenomenal growth there has arisen great corporations in various lines, controlling vast aggregations of capital. The enemies of protection point to the so-called "trusts" or "monopolies" and cry out, "These are the evil results of protection." Now, great corporations are not the children solely of the tariff, they are the natural evolution of business which has gone through the various stages from the single individual in business to the firm, the limited partnership, the corporation, and, finally, the consolidation of corporations or the trust.

But this evolution is not in its results wholly an evil. Without these great aggregations of capital some of the greatest achievements of the past century could not have been attained. If they created monopolies, destroying the wholesome home competition, then the remedy is not in destroying the system of tariff protection, but in controlling and regulating these great organizations. Germany has wisely set the world an example in this respect. History in recent years has shown that the strongest of these outgrowths must bow in submission to the strong arm of the Government, which is the people in action. Let us regulate and not destroy. Besides, there are a host of industries, healthy and legitimate, that do not fall into this class and need no condemnation. Do not wipe them out and take away the employment of a multitude of our citizens.

Our work people are better fed, better clothed, and better housed than the work people of any other nation in the world. That is why thousands of workmen annually seek our shores to enjoy a part of our prosperity.

To continue this state of affairs we must have a protection that will at least equalize the difference between wages at home and abroad. To create competitive conditions is the objective in the minds of the authors of the present bill. Foreign manufacturers, with the decided advantage of cheap European and Asiatic labor, are to be permitted to compete for our home market with our manufacturers and our higher wages. Healthy home competition is wholesome, but such an unequal commercial conflict could only be destructive. The tax levied must be sufficient to accomplish the purpose, being neither too high nor too low, and when no longer needed should be repealed.

It is no argument to say that the workmen of America through organization have secured the rate of wages they now enjoy, and that therefore they owe nothing to the tariff. Organization has been an effective weapon in their hands. It is a needed one to enable them to resist the selfishness of men who would grind them down to the last farthing. But of what avail would organization be if there were no employment? The tariff has multiplied the opportunities for employment and thus made their efforts effective. Every reduction in the tariff that curtails home manufacture takes so much of the opportunity of the workingman away from this country and gives it to the men of other countries. He is worse than an infidel who does not take care of his own household.

This present tariff will curtail manufactures here; it will drive some of our people out of business and leave many men without work, and, in my judgment, create distress and suffering. The responsibility for this will rest upon the Democratic Party. I hope it may not be so, but I fear the worst. A bushel of letters giving instances have been received by me, of which, if the half be true, the outlook is dark indeed.

The tariff is not a trust creator, for trusts have grown up in products not protected, and exist in free-trade England.

In connection with this bill I deplore the transgression of the fundamental division of our Government into three parts—legislative, executive, and judicial. An Executive has dictated this tariff and is using his influence to make it a law. The law itself was framed in secret and is being driven through this House under the lash of party caucus.

No amendment is to be allowed, and the minority is helpless. Debate in the House has lost its usefulness; it really is no longer needed. A great question which should be treated in a nonpartisan way is made the football of politics. There is no more vital question than this to engage our attention, yet the uselessness of argument or appeal is so apparent that, even if the division of time had permitted, I would have refrained from attempting it on the floor of this House. In addition, the quotations of statistics and the marshaling of facts to a new Member is attended with so much uncertainty and doubt that one sits perplexed in the presence of older Members whose quotations and statements, though made by experienced gentlemen, contain the most startling contradictions. These considerations have led me to regard the policy so often declared by our late President, Mr. Taft, as the only wise and practical one, viz, to establish a nonpartisan tariff commission, whose duty it shall be to gather—and keep gathering—information and make findings of facts which would be regarded as authoritative, and thus enable legislation to be formulated upon a reliable basis. This commission is the crying-out need of the hour.

No sane man can doubt the benefits flowing from protection as established in our history. No one can doubt that the wise treatment of any evils which have grown up incidentally is to eradicate those evils, and not deliver over our magnificent and unequaled home market to others. If a garden of beautiful flowers has been produced by protecting care, and some weeds appear among the flowers, do not enter with a scythe and mow the whole garden, but carefully eradicate the weeds and save the flowers.

The policy of protection is fully capable of vindication. In the light of history and the irrefutable logic of facts it needs no defense. The one great need is to have the protective policy administered wisely and scientifically and as soon as possible upon findings of fact found by a tariff commission. A protective duty should be laid that will preserve the great American market for our own use, and in so doing multiply the opportunities for work for all our people by preserving and retaining our manufactures within our own borders. To try and obtain cheaper products for our people will avail but little if the avenues of employment are lessened, the ability to earn the money to buy is removed, and the closed factory and open soup house become the substitutes for the hum of prosperous industries and the well-filled dinner pail.

My own State, I fear, will suffer greatly by the passage of this law, with its unscientific, unequal, and unjust provisions. The great manufacturing industries of my native city will be greatly harmed, and therefore I shall vote against this bill.

Mr. GARDNER. Mr. Chairman, I yield to the gentleman from New York [Mr. MOTT].

Mr. MOTT. Mr. Chairman, if business in general is adversely influenced by this tariff measure, then every legitimate industry will suffer. A receiver in bankruptcy may have a great deal more to do, and possibly accumulate much more in fees without really improving his condition. But if anyone profits it will be such a person, and perhaps pawnbrokers and others whose financial success depends on the losses suffered by the great majority. The farmers in my district will be greatly injured. Manufacturers will suffer in like manner. Merchants can not prosper when their customers are losing, and that the workmen will endure great hardship is self-evident. Professional men can not evade their share of the general loss.

We know from sad experience what followed the last Democratic attempt to enforce free-trade theories, when 3,000,000 persons were thrown out of employment and distress prevailed on all sides. What reason is there now to look for any different result? This is a much worse measure than was the Wilson law under the Cleveland administration. It makes greater reductions in duties and places many finished products on the free list, while imposing duties on the raw materials necessary to produce them, thus discriminating against American workmen and manufacturers. The highest value of imports for a fiscal year under the Wilson law was $86,000,000 less than those under a Republican law in force six years earlier. In no year of the Wilson law were the imports nearly as great as under the McKinley law, and yet rates were greatly reduced. The reason for that decline in imports was the distress brought upon the Nation by throwing millions of workmen out of employment and making it impossible to produce many articles in competition with those imported. While they could be brought into the country at less cost than they could be produced here, they could not be sold to the same extent as under the McKinley law, because the people did not have the money to pay for them. The revenue from imports was so small that the Government had to issue bonds to pay current expenses.

PROSPERITY CHANGED TO ADVERSITY.

Although the McKinley law was not long in force, great prosperity prevailed. In the same way great advancement has followed under the existing law. The Nation never before made such progress. There are defects in the law, and there always will be defects in any tariff law, because they are necessarily compromises. But the prosperity that prevails under a tariff law is the test of its efficiency, and the Payne law well stands that test. It is to be superseded by this monstrous free-trade conception, and already business begins to suffer. The prices of securities have been declining since the Democratic Party, by division in the Republican ranks, managed to get control of the Government. That party lacked 2,000,000 votes of a majority. But it is in control and will carry out its free-trade policy. Business is halting in fear of the results. Manufacturers should, at least, be allowed time to prepare for such a change. Many of them must produce goods far in advance for future delivery. Take the woolen mills as an illustration. They must purchase raw material at present rates, and manufacture it for sale next autumn and winter. There is no escape from that unless they close their mills and throw their workmen out of employment. But it is proposed by this bill to abolish the duties on the raw material and reduce the rates on fine goods two-thirds. What, then, is to become of the manufacturer with his goods on hand, on which he had to pay duties for his raw material? Embarrassment and undeserved loss must necessarily follow. These producers were assured by the President and the Democratic Party that no injury would be done to any legitimate American business. And yet this vast loss will be inflicted on them without excuse. They are refused any time to use up their material on hand and get ready for the slaughter of rates.

DIFFERENT TREATMENT OF SUGAR PRODUCERS.

The Louisiana sugar producers, however, are given three years to prepare for free sugar. Germany and France, in their last tariff revisions, gave their manufacturers a year to get ready for the change. The Republicans have never made a disastrous alteration in rates that required long notice to producers to save them from calamitous results. But the free traders refuse to listen to the just request of these men for time to prepare for this sweeping change. Necessarily they must curtail their output as much as possible. At a meeting of the manufacturers in Philadelphia on Thursday night it was stated that many industrial establishments were producing less than 50 per cent of their normal output, which will give some idea of what this legislation means. It would be only a matter of ordinary justice to allow time for manufacturers to dispose of goods now on hand and in process of manufacture before compelling them to meet the competition of similar products which have the advantage of cheaper raw material and wages less than one-half those paid in this country. It is a denial of justice not to do so and a direct violation of the campaign promises made by the President and other Democratic leaders in the last canvass.

The sacrifice of the interests of the farmers in this tariff measure is not matched anywhere outside of free-trade England, in which country, notwithstanding the necessity of importing the largest percentage of its food supplies, several million acres of land have ceased to be cultivated in recent years, and the number of persons employed in agriculture is much less than was the case over half a century ago under protection. The Democrats are preparing the same kind of a bed for the American farmers to lie on. The Hon. William R. Hearst, an eminent Democrat, though he has cattle ranches in Mexico, is opposed to admitting beef free from countries that impose taxes on American beef and other products; and in the same way, though a large purchaser of white paper, he is opposed to admitting such paper free from Canada and elsewhere while those countries impose duties on American paper. Mr. Hearst believes in honest reciprocity and not in the humbug variety contained in the Underwood tariff bill.

SEEKING TO DECEIVE THE FARMERS.

This bill admits flour free of duty and bran and wheat screenings, but it puts a duty of 10 cents a bushel on wheat, though it allows a drawback of the duty if used to make flour for export. This is a pretense of protecting wheat to the extent of 10 cents a bushel, but it is a transparent humbug. If flour can come in free, there will be no need to send wheat here. Mr. Fisher, the former secretary of agriculture in Canada, estimates that if a market is found for its wheat that country will soon produce 1,000,000,000 bushels. It has been developed rapidly with immigrants from the United States and elsewhere. The market that it needs is given to it by the Underwood tariff bill without any return. The average normal price of wheat in Winnipeg is 10 cents a bushel less than in Minneapolis, and the wheat is of the best variety. Transportation rates are as low as on this side. The greater part of the wheat produced in the United States is less acceptable to the millers than the hard wheat produced in Canada, and anyone can see the detrimental effect on the farmers of this provision to admit Canadian flour without any return. Canada can remove her duty on American flour without fear that any will be exported to that country. Argentina and other countries will be helped by this provision. Canadian land in the northwest yields an average of 4 bushels more an acre than is harvested in Minnesota and the Dakotas. No country in the world now admits flour free and imposes a duty on wheat. The United States produces some 621,000,000 bushels of wheat which will suffer as a result of this unfair legislation.

KILLING BEET SUGAR TO HELP THE TRUST.

If protection were not removed from beet sugar this country would soon enormously increase its production of wheat and other farm products. The cultivation of sugar beets in Germany has so added to the productivity of the soil as to increase the yield of five other crops to the value of $900,000,000 a year without increasing the acreage. A similar increase here would add $1,400,000,000 a year to the value of those crops, or four times the total value of our entire sugar consumption at 5 cents a pound. When they began to produce beet sugar in Germany the soil was not as productive as that of the United States is to-day. But under the influence of the sugar-beet culture Germany now produces 30 bushels of wheat to the acre to our 15, 59 bushels of oats to our 30, 208 bushels of potatoes to our 106, 39 bushels

of barley to our 24, and 29 bushels of rye to our 16 bushels. Throughout the beet-sugar countries of Europe, Germany's experience has been duplicated.

The same thing is taking place here, and only time is required to produce the same results. A farm at Chaska, Minn., alternated with beet culture, produced an average of 32 bushels of wheat to the acre, while the average wheat yield in that State in that year was 13.4 bushels. There is abundant evidence of the great value of the beet-sugar industry, aside from its saving of over $100,000,000 a year sent abroad to pay for sugar. Its production has increased 1,800 per cent in 13 years despite the Cuban reciprocity, and the increase in the production of cane sugar in Porto Rico, Hawaii, and the Philippine Islands. Sugar is lower now than at any time in many years. Why, then, abolish the duty so as to admit free the product of the half-civilized labor of Java and other countries which buy nothing of us in return? The answer is found in the requirements of the Sugar Trust and the refiners found guilty of defrauding the Government of millions of dollars. The beet sugar, while on the market, forces down the price of the refined cane sugar, hence the trust and its associate refiners have been expending large sums in conducting an agitation for the removal of the duty on raw sugar, so as to kill the beet industry. The Democratic Party succumbs to trust influences. We have more soil suitable to the production of beets than any other nation, and yet our farmers are not to be permitted to carry on the industry at a profit, because the cane-sugar refiners object.

FARM PRODUCTS ADMITTED FREE.

Not only is the farmer discriminated against by the admission of flour free of duty, but many of his products are put on the free list for the benefit of Canada, Mexico, and other countries. Among such products are broom corn, buckwheat and buckwheat flour, corn, corn meal, flax straw, berries, lard, meats of all kinds, including fresh beef, veal, mutton, lamb, pork, bacon, and hams; milk and cream, including preserved or condensed milk; potatoes, rye, and rye flour; skins of goats and sheep; swine, tallow, flour, and semolina. A duty of 10 cents a bushel is imposed on oats, which are produced to a large extent in this country, but oatmeal, rolled oats, and oat hulls are admitted free. The largest manufacturer of rolled oats and oatmeal in the United States, and said to be the largest in the world, has two mills in Canada and will be greatly benefited by this provision for the free admission of his products. Then there is an oatmeal trust in Canada, controlling about a dozen mills, which will also have the advantage of our market. Oats are produced to a large extent in Canada and are cheaper there than in the United States. It takes 10 bushels to make a barrel of rolled oats or oatmeal, and with those articles on the free list, with a duty on oats, the American manufacturers are discriminated against.

Hay is made dutiable at $2 a ton, a reduction of 50 per cent, though nearly 700,000 tons of it were imported last year. It certainly looks as though that was competition enough, but the estimate is that 1,200,000 tons will be imported next year. Canada imposes a duty of 12½ cents a bushel on apples, but the Democrats are to admit Canadian apples at 10 cents a bushel. Canada has been exporting, in one form or another, some 8,000,000 bushels of apples. With a 10-cent rate, they will send their apples to the United States, as they will have easy transportation facilities and are less troubled with fungus and insect pests than are the growers farther south.

Rye is dutiable, but rye flour is free. There appears to have been a great lack of regard for the interests of producers, even from a free-trade point of view, in drafting the bill. The duty on burlap bags and cloth is the same. No burlap is made in this country, and imposing the same duty on the raw material as on the finished article necessarily prevents its manufacture in this country. Burlap bran bags to millers and wheat sacks to farmers will be increased greatly in price, as the result of the change in this bill, but covering for cotton is free. Burlap is used to make floor cloth, and putting a duty on the raw material and reducing the duty on the floor cloth over one-half will necessarily prevent its production in this country.

HOW A TEXAS PRODUCT IS PROTECTED.

Wool is put on the free list, but the hair of the Angora goat is made dutiable at 20 per cent. They have always heretofore been included in the same paragraph. There are 600,000 woolgrowers in the United States and perhaps half a dozen persons rearing Angora goats for the hair on them, but the 600,000 woolgrowers are robbed of all protection, while the few men in Texas owning Angora goats are protected. In the same way yarns of wool are made dutiable at 20 per cent, while yarns of goats' hair are made dutiable at 30 per cent. Chairman Underwood has stated that mohair made from the hair of Angora goats is fast becoming a necessity, and yet his committee imposes this duty on that product, while putting wool on the free list. Peanuts are made dutiable with only a reduction of one-eighth of a cent a pound, and on shelled peanuts a reduction of one-fourth of a cent a pound. But peanuts are grown in the South, while corn, buckwheat, potatoes, and other such articles put on the free list are products of the North. Bone char, an article used by the Sugar Trust, is put on the free list, and ferromanganese, an article produced solely by the Steel Trust in the United States, is made dutiable. The explanation of this duty is that it is imposed for revenue purposes, but many articles are put on the free list which would produce 10 times the revenue that will be derived from ferromanganese at the expense of the steel manufacturers of the United States.

HITTING AMERICAN WORKMEN.

Shingles are put on the free list. There are 15,000 men engaged in that industry in the State of Washington alone. Across the border, in British Columbia, 75 per cent of the labor engaged in manufacturing shingles is composed of Chinese, Hindus, and Japanese. While we exclude Chinese labor, we are going to admit free products of that labor made in competition with American labor. A small duty retained on shingles would produce far greater revenue than will come from ferromanganese, the duty on which article will benefit the Steel Trust. About every article purchased by the manufacturers of shingles and required in their production is dutiable. Still, they must forego protection and compete with the Asiatic labor employed in British Columbia.

Cigars and tobacco from the Philippines are to be admitted free without limit. There is a vast army of men employed in the production of these articles in the United States, which are in the nature of luxuries, and it is unfair and unjust to compel those workers to submit to the unlimited competition of Malays in the Philippine Islands. Rice, which is produced in the South, and which is the food of the workmen, is retained on the dutiable list, but flour and various products of the North are put on the free list. Fish are put on the free list for the benefit of our Canadian friends, who give nothing in return. The duty on live stock, such as cows and sheep, is farcial, for the reason that beef, mutton, wool, hides, and so forth, are admitted free. The admission of dressed meats free while levying a duty on live stock places a tremendous handicap on the packing industry of the United States. Indigo, not produced in the United States and used by textile manufacturers generally, is taken from the free list and made dutiable. It is one of many things done to hamper the textile industries. The reduction of the duty on olive oil to a non-protective point is another blow at agriculturalists. It will not secure cheap olive oil, but it will stop the growth of the industry in California for the benefit of the Italian and other producers in Europe, who impose heavy duties on cottonseed oil. There are 375,000 acres available for olive-oil production in California, and 6,000 acres have been planted in olives since 1908. If the protective duty were left alone it would not be long until this country produced all the olive oil it consumed. Clean methods are used in California for the production of this oil, but in Italy and elsewhere feet and hands are used to a large extent, while the average pay is three times as much in California as it is in Europe.

TRYING TO DECEIVE THE FARMERS.

It may well be asked what advantage is offered to the farmers for the slaughter of rates on their products. The only thing promised that appears to be for their exclusive benefit is free agricultural machinery. No agricultural machinery of any value is now imported, and it is now admitted free when coming from any country that admits agricultural machinery produced in the United States free. That is what might be called true reciprocity. But the admission of agricultural machinery of other countries free of duty without any return on their part is not just. However, it will not amount to anything. The best agricultural machinery in the world is manufactured in the United States, and the capitalists engaged in that industry are largely responsible for the legislation which the Democratic Party is now putting on the statute books. These men have been agitating for lower tariff or free trade for years, and it remains to be seen whether or not they will derive any benefit from this slaughter of rates. I have no doubt that they will appreciate their mistake before long. There are about 7,000,000 farmers in the United States, and to sacrifice their interests under the pretense of reducing the cost of living is a great wrong.

PRICES NOT TO BE REDUCED.

It is worthy of mention that the Democratic leaders have practically abandoned the talk about reducing prices as a result of this free-trade measure. President Wilson made the reduc-

tion in the cost of living a prominent feature of his campaign addresses. Other Democratic leaders took the same ground. Now that they are to face the test, the President, as well as Mr. UNDERWOOD and others, say that they do not expect any particular fall in prices soon after the passage of this bill. In that case they are wise, but when depression has settled on the country and workmen are out of employment without money to buy with prices may decline, as they did under the last Democratic administration, without any increase in imports because of the disastrous business situation in the country. It is recognized by every one who has looked carefully into the matter that the increase in prices is not due to the tariff. If it were, prices would not have increased in Great Britain and in every other country at the same time as in the United States.

Much has been said about cheaper clothing as a result of putting wool on the free list. But there is not over $2.10 in value of wool in a suit of clothes made for almost anyone. The largest saving made by the removal of the duties could not exceed 80 cents on the suit, and the consumer will never get any benefit from that small saving. It will go to the wholesaler and retailer and other persons handling the goods. There is no pretense of furnishing new employments by this free-trade measure, and if we import one-third more in value of goods we must necessarily throw that many persons out of employment who are now engaged in the production of such goods in the United States, and if there is not a large increase in imports there must necessarily be a large decrease in the revenues of the Government which will have to be made up by an increase in the income tax. A vast sum is now derived from the tax on the incomes of corporations. To tax life-insurance policies, as is proposed by this Democratic measure, is a great shame, as it will take money needed by the widow and orphan. An income tax imposed on rich persons meets with general approval, though no sensible man would defend reducing the wages of workmen by imports brought about by free trade, in order to produce a deficit to be made up by an income tax.

STRIKING AT THE PAPER MANUFACTURERS.

The farmers are not the only ones who will suffer from this unjust tariff law. There are large paper manufacturers in my district, and every one of them will have to meet competition from Canada and other countries in a manner that is altogether unjust. Duties are maintained on raw materials used by these paper manufacturers, in some cases as high as 35 per cent, while they will be compelled to meet the competition of paper produced in countries having not only free raw materials but wages much less than half those paid in the United States. Canada imposes duties on all papers coming from the United States. That country even prohibits the export of wood pulp from Crown lands, but paper manufacturers in Canada use indiscriminately wood cut on both free and Crown lands and export their paper to the United States. There is no way our officials can tell whether that paper is made from wood cut on Crown lands or free lands. It would take a corps of surveyors and practical woodsmen to every mill to find out. The Canadian manufacturer alone has access to the wood on Crown lands. He has no competition from us on that wood, but the price of the wood on free land is increased by such competition. Spruce wood that can be purchased at the Canadian mill at $6 a cord costs about $11 at the American mill; then the Canadian manufacturer has alum, china clay, and other things free, while his American competitor pays duties, and the Canadians have lower rates on wire screens, wood felts, and so forth. The Canadian mills are in many cases nearer to consuming centers than many mills in the United States. But we are not only to have this Canadian competition, but that of Scandinavia and all other countries in which labor is paid less than one-half as much as is paid at the mills in the United States, and all these countries impose duties on our paper products.

Then, to make matters worse, the Democrats impose ad valorem instead of specific duties. That system of duties has been followed all through this bill. It contributes to undervaluation frauds and imposes the lowest rates when prices are the lowest and protection the most needed and the highest rates when prices are the highest and protection is least needed. Every nation on earth imposes specific duties that has a protective tariff, and the United Kingdom is the only nation that does not have one. These ad valorem rates are indefensible, and their purpose, apparently, is to help break down the protective tariff. The increase in the imports of wall papers has been 330 per cent in 10 years.

The rates were reduced under the existing tariff law, and four mills have been closed, with no new ones started. The pay in the wall-paper mills in the United States runs from $24 to $27 a week for labor that costs $7.80 to $9.20 in Europe, but the rates are reduced under this bill so that the finished product has only half as much duty as some of the raw materials. That is another illustration of how the bill has been made up. We gave Canada, last year, over $600,000 in the way of remission of duties on print paper, but we did not get the paper one cent less on that account. Twenty-two new mills are under way in Canada as a result of this admission of paper free of duty, and several have been closed in the United States.

DUTIES AND PRICES.

The Payne law increased the duty on hosiery, but prices declined owing to the home competition. Hides and other things that were put on the free list increased rather than decreased in price, all of which goes to show the folly of contending that higher prices are due to the tariff. The world knows how the tin-plate industry has been built up in the United States altogether as a result of the tariff. There was none produced in the United States at the time a protective duty was imposed by the McKinley law; now we produce all that we consume and export a considerable quantity. The duties were lowered by the existing law, but the manufacturers have kept on increasing their business. Now it is proposed to reduce the rates below the protective point, and a dispatch from Swansea, Wales, the other day, announced that an order had been received there for 75,000 boxes of tin plate for an American house, dependent on the passage of this bill. That shows what will follow to the tin-plate industry from the reduction of the duties below the protective point. Iron and steel duties were cut about 50 per cent by the Payne law, and now it is proposed to cut them another 50 per cent, while putting steel rails and many other highly finished products on the free list. Some $250,000,000 are invested in iron mines and transporting materials in the United States. There should be some protection for that large investment, but there is none under this bill. Foreigners will have the advantage of lower freight rates on the coast, and wages in Cuba, Spain, and elsewhere average only one-third as much as is paid in the mines in the United States. Some 800,000 tons of tin plate are now produced in a year as a result of the tariff, but either wages must be cut one-half, or the industry will be paralyzed under this act.

SACRIFICING THE GLOVE WORKERS.

The glove industry, which is of considerable importance in New York State, is one that will suffer severely under the proposed law. There are 50,000 persons in one county dependent on that industry for a living. They recognize what is in store for them and have protested in a great mass meeting and at the same time sent two clergymen from Gloversville, N. Y., to try and induce the President to prevent or mitigate the disaster that will come upon them as the result of this legislation; but they got no satisfaction. They, like many others, think that the Democratic platform utterance that no legitimate industry would be injured should be a protection to them. But such platform utterances were not intended to be carried into effect. There are over 200 separate and independent concerns in that one county engaged in the production of gloves. No leather gloves of domestic manufacture are exported. Competition is fierce. Over 80 per cent of the workers in that industry in Fulton County own a substantial equity in their homes, which proves that they are paid good wages. Both men and women's leather gloves are manufactured in the same establishments by the same operators at practically the same cost. There is no reason for different tariff rates, but the rates on women's gloves are now considerably lower than those imposed on men's gloves. Hence it has not been possible to develop any substantial business in women's gloves under existing rates. A rate of $3.30 is the lowest rate that the manufacturers can do any business under; but the Underwood bill proposes $2 for both men's and women's gloves per dozen pairs, which means a destruction of the industry. These facts refer to fine leather gloves and not to the cheaper gloves. The cheaper grades of men's gloves, known to the trade as "Schmaschen," have been made dutiable at $1 per dozen pairs, while the heavy work gloves for men have been placed on the free list. Only one-twentieth of the fine leather gloves now used are made in the United States, and under this great reduction in duty there will have to be a cut of at least 50 per cent in wages if any are made here.

WILL MAKE 2,500,000 MEN IDLE.

Mr. J. E. Wood, of Gloversville, N. Y., tells of traveling over 100,000 miles through different countries in behalf of the glove industry, and he found in England over 1,500,000 people out of work, with wages 60 per cent lower than in the United States.

In Germany the wages were 50 per cent lower and in Austria 75 per cent lower. He wanted to know how it was possible for an American manufacturer to compete with such wages. His leather company has not been able to pay a dividend for five years, because they had to pay more than twice as much in

wages as were paid for similar work in Europe. But under this bill the protective duty is cut one-half. As a result, he says, they have cabled their foreign agencies to stop buying raw material, and if this bill becomes a law they will ship their machinery to Austria, where they can get all the men they want for $4 a week. Mr. Wood says that the passage of this bill will throw 2,500,000 men out of employment inside of two years. That is probably a low estimate, if we are to judge from what took place under the last Democratic tariff bill, when the rates were much higher than those in this measure.

PROVIDING FOR FURTHER REDUCTIONS.

There is a provision in the bill which authorizes the President to negotiate reciprocity conventions, and which clause he has stated he will proceed to put into effect as early as possible. That provision is meaningless, excepting to show the intent of our Democratic friends. The President has all the authority now that that provision gives him. The opportunities for reciprocity, as Gov. Foss, of Massachusetts, Mr. Hearst, and other eminent Democrats have pointed out, are thrown away by putting various things on the free list and reducing duties below the protective point on other articles. But to add to the trouble of American producers, two such conspicuous free traders as the President and Secretary Bryan promise to bring about further reductions in duty by alleged reciprocity treaties. Hence, where there is a duty provided for now, under which a factory can continue to exist, it will be in danger of annihilation by further reductions, to which there is no limit under this free-trade administration.

Another provision of the bill admits imports brought in American ships at a cut of 5 per cent from the rates provided by this bill. We have 32 treaties now, comprising all of the nations of any importance, which forbid any such reduction as that mentioned. But if these treaties were nullified and the 5 per cent reduction carried into effect, it would only mean that much nearer progress toward free trade. It is not for the purpose of helping American ships that that provision is inserted in the bill, but for the purpose of promoting free trade. As we have few ships in the foreign trade, should other nations retaliate by imposing higher rates on goods brought to them by American ships, we might not suffer a great deal, but it is a useless provision.

CONDEMNED BY SOUTHERN COTTON MANUFACTURERS.

Mr. Stuart W. Cramer, president of the American Cotton Manufacturers' Association, which is made up almost altogether of southern cotton men, says that the Underwood tariff bill will cripple the whole cotton industry of the United States. This is the view that is held not only by the persons interested in the cotton-manufacturing industry but by those in every other industry. The bill imposes the same rates on single yarns in the gray as on the most highly processed and finished yarns advanced in manufacture. The same criticism may be made of the cloth rates. Only 2½ per cent extra is allowed over rates on the simplest and plainest weaves for the most elaborate and complex constructions of the highly finished yarns. But these highly finished goods are made almost altogether in the northern mills, while the cheaper grades are made in the South. That will explain why no additional protection is given to these highly finished goods, the production of which has greatly increased under the existing law. It is to the credit of the Southern Cotton Manufacturers' Association that they unanimously condemned this proposed law, which they say would not only cripple the northern mills but also those in the South.

HELPING THE BEEF TRUST—MANUFACTURING COST IN GERMANY AND THE UNITED STATES.

The Texas cattlemen have protested that free meats would simply aid the Beef Trust, because it controls the refrigerating lines to Argentina, and can force cattlemen to take lower prices. A great deal of misrepresentation has been made in regard to the increase in price of beef. There were 9,000,000 less cattle in the United States last year than there were 10 years previously, although the population of the country had increased about 15,000,000 in that time. With this enormous increase in population and the largely decreased supply of cattle, it can easily be appreciated why beef is higher, and it is higher not only in this country but in every other country. Corn per capita decreased in supply in the 10 years over 20 per cent, which means that much less for feeding live stock. Wheat, oats, rye, and so forth, also declined per capita, and that prices should advance under such circumstances in this country and elsewhere is not an excuse for tariff misrepresentation.

Julius Forstmann, president of a large manufactory in Passaic, N. J., who also has a factory in Germany and who was a member of the German tariff commission which prepared the tariff now in force in that country, says that the productive cost for cheap woolen goods in his mill in Passaic, which is a new one and one of the best equipped in the United States, is 49 per cent greater for cheap goods to 76 per cent greater in fine goods than the cost in Germany. Fine yarns and fabrics are a comparatively new industry here, the imports of which now amount to 30 per cent of domestic consumption. The development of this industry must, he says, cease in the United States under this proposed measure. That is the testimony of an experienced European manufacturer with an American branch.

ENDING THE CUBAN RECIPROCITY TREATY—PORTO RICO AND HAWAII SUFFER.

The abolition of the duty on sugar means an end of the Cuban reciprocity treaty. The reduction of the duty to 1 cent a pound for the next three years, with a 20 per cent reduction on that rate to Cuba, leaves practically little or no protection to American producers. Then free sugar will come into effect and the treaty will end. Under that convention we are now exporting to Cuba some $60,000,000 of products, and that country is in a fairly prosperous condition, which will end with the abrogation of the treaty. We will then be compelled, at great expense, to exercise a protectorate over Cuba, or else we may look for revolutions there, such as have been almost constant in Central American countries. Porto Rico and Hawaii will also suffer in the same way as Cuba, because they can not compete with the half-civilized labor of Java and other oriental countries.

FALSE ASSERTIONS ABOUT THE FARMERS.

Democrats assert that the farmers get no benefit from protection and that the prices of their products are fixed in the world's markets, yet they assert that farm products increased in price from 1897 to 1910, 93 per cent, the highest percentage of any class of products, or double the average of all commodities as given by them. Clearly, if the farmers' prices were fixed in the world's markets, as the Democrats assert, the tariff is not responsible for that increase; and if it is responsible, then the Democratic contention that the farmer is not benefited is ridiculous. When farm products from Canada, Mexico, and elsewhere come pouring into the country under the Democratic tariff law there will soon be less heard about the farmers receiving no benefit from the tariff.

If they were given some advantage or new markets to make up for this tremendous loss to which they will be subjected, they might view the outlook with less alarm. But they are not given a solitary compensation for the losses inflicted upon them. Not a single country will offer anything in return for opening our markets to their products. Canadian producers along 4,000 miles of our northern frontier will in many cases have advantages in transportation rates, which will give them control of our markets. Canadian producers will be protected in their own markets, but they can send their surplus products over the border. A similar condition will be true of other nations.

HELPING THE SUGAR TRUST.

Sugar, for instance, produced in Java by half-civilized laborers, living on rice and dressed in cheap cotton cloths, will take the place of the sugar produced in this country by well-fed, well-dressed, and educated Americans, receiving $1 in pay to every 10 cents paid in Java. The workman of the latter country will not consume a dollar's worth of American products in a year. The American workman spends all of his wages in the United States for home products. Under this bill his employment will be taken from him and there will not even be cheap sugar as a result. The colossal Sugar Trust, with its associates, will operate to control the market in the future, the same as they have done in the past, except for a few months in recent years when the price of sugar has been forced down by the beet-sugar producers. What is true of sugar is true of other products. This bill jeopardizes the paper industry, with an investment of nearly $450,000,000 and giving employment to 81,000 persons. But paper has not been a particle cheaper because of the free importation of the Canadian product. We admitted Canadian coal for a year free of duty without the price being reduced in the least degree. Now we propose to remove the duty altogether, while that country retains its 53-cent duty on American bituminous coal. We will gain nothing and will lose the revenue and subject our producers to unfair competition.

A Treasury computation shows that the existing law has reduced the average rate of duty on all products to 18.58 per cent, as compared with 23.88 per cent in 1908 and 29.48 per cent in 1899. The average of rates now is on all imports 2.09 per cent lower than the average in 1896, under the last Democratic tariff law, when this country was under such a disastrous condition that bonds had to be issued to pay current expenses. That will give some idea of what is in store for us now.

DEVELOPMENT UNDER THE TARIFF.

Under a protective tariff this country has developed so rapidly that it now has one-half the railroad mileage of the world and produces one-half of the mineral wealth, one-third of the agricultural wealth, and one-third of the manufactured

products, in value. Thirteen revisions of the tariff since France established the beet-sugar industry have retarded development in the United States, for the reason that when the Democrats get a chance they reduce as far as possible to a free-trade basis, and the damage is only retrieved by the Republicans coming into power and reestablishing the protective tariff. But these fluctuations are a great detriment to the development of the Nation. They should be avoided, and might be avoided by the creation of a nonpartisan tariff commission to pass on such questions. We had such a commission under the last administration, with two conspicuous free traders as members of it. But the findings of that commission have been ruthlessly set aside by the Democratic Party, the mistakes of which will sooner or later appear to the voters, who, I feel certain, will return the Republican Party to power at the first opportunity.

There was an increase of $250,000,000 in the net earnings of corporations subject to tax in 1912 over 1911, which goes to show what prosperity has existed under the present tariff and how indefensible is this proposed law to reduce it. American consumers earned so much money from 1908 to 1912 that they were able to save and put away in the savings banks, above all cost of living, nearly $800,000,000, but under the last Democratic administration the savings banks deposits decreased $40,000,000 in a single year, and that with a population very much less than at the present time. That is another illustration of the difference between protection and free trade.

THE EFFECT OF FREE TRADE IN ENGLAND.

The Hon. William R. Hearst, an eminent Democrat, says that President Wilson is a believer in English free trade; that is, the system as enforced in Great Britain. That is what the Democratic Party is leading us to in preparing the bill now before the House; hence, it may be well to look at the condition of affairs in the United Kingdom in order that we may appreciate what this policy will bring upon the United States. The British Government in 1906 appointed a royal commission on poor laws and relief of distress, which commission was composed of eminent persons and made a very thorough investigation of the entire question, submitting a report in 1909 which filled many thousand pages. The following is an abstract of a portion of that report:

Omitting insane and casual paupers, 1 out of 47 persons in England was a pauper on July 1, 1907, and 1 out of 44 on January 1, 1908. The number of persons relieved, excluding lunatics in asylums and casual paupers under the care of the guardians of the poor, in the year ending September 30, 1907, was 1,709,436. At one time or another during the year the guardians have under their care a population equal to that of the three largest provincial cities, Liverpool, Manchester, and Birmingham. The official reports that are made of pauperism give the number of persons relieved on a certain day, taking two days six months apart in the year. But the rate of pauperism in 1907 was twice as great as shown by these day counts. Of the 1,709,436 persons relieved in England and Wales 526,449 were men, over 47 per cent of the total. The number of persons relieved in the last 10 years, despite legislation calculated to diminished pauperism, has largely increased. Between 1901 and 1906 every age group shows an increase which is proportionately greatest at the ages from 15 to 65. Over 73 per cent of unmarried women between the ages of 20 and 25 years are engaged in occupations to earn their living. Of every thousand persons over 85 years old over 353 receive pauper relief. The highest rate of male pauperism in regular employments was that in the fishing industry, in which over 40 men out of every 1,000 were relieved, and over 39 persons out of every 1,000 in the agricultural industry. But of general and undefined workers and dealers 84.9 per cent of every 1,000 were relieved. Boot and shoe makers, owing to alien importation, the introduction of machinery, and insanitary conditions of employment, are a fruitful source of pauperism.

BOOT AND SHOE WORKMEN AS PAUPERS.

It might be well to bear in mind that this Democratic tariff bill puts boots and shoes on the free list, thus compelling American workmen to compete with this British industry, which, as this Royal commission says, is "a fruitful source of pauperism" in England.

"Metals, machines, implements, and conveyances" is a British industry that has a rate of 14 per 1,000 of paupers; and of workers and dealers in wood, furniture, and decorations, 19 out of 1,000 are paupers. The British Government not long ago passed a law providing for old-age pensions, under which every person over 70 years old who is unable to maintain himself gets a pension of 5 shillings a week ($1.25), and from that rate down to a small sum for all concerned; and yet, notwithstanding the enormous expenditure under this law for pensions the number of paupers has greatly increased. The greatest increase in expenditures for paupers has been since 1890, when the McKinley tariff law was passed in the United States. Indoor paupers have increased in England and Wales nearly 75 per cent since 1872. They have what they call "unions" in England for the relief of the poor. The union embraces a certain territory. Over 73 persons out of every 1,000 are paupers in the Strand Union in London, and two other unions in London have a rate of 56 per 1,000. The number of persons with no settled homes and no visible means of support in England is as high as 80,000, as stated by this royal commission; that is, the number outside of poorhouses and other such places. This royal commission says in its report:

We still have a vast army of persons quartered upon us unable to support themselves; an army which in numbers has recently shown signs of increase. To what is the retrogression due? It can not be attributed to lack of expenditure.

DIFFERENCE BETWEEN FREE TRADE AND PROTECTION.

The explanation can easily be found in the two words "free trade." There is no such a situation in Germany and France, which have protective tariffs.

England formerly had a large sugar-refining industry, but under the free-trade policy that has nearly all vanished. She had at one time a large silk industry when there was practically no silk manufactured in the United States. The industry in England has declined to a very large extent, while in this country we now practically manufacture all the silk we consume. That is the difference between protection and free trade, and the same thing could be said of many other industries. The assessment of land in Great Britain was $95,000,000 less in 1908, according to this royal commission, than in the "early seventies." Four million acres of land have ceased to be cultivated since 1871.

There has been a decline of 20 per cent in the agricultural laborers employed in Great Britain in 10 years. That is the kind of a feast the Democrats are preparing for the agricultural interests in the United States by this free-trade measure. These statistics do not include Scotland and Ireland. Dr. Downes, a member of this royal commission, in his report says:

The most disquieting index of urban pauperism is the increasing proportion of able-bodied men in health who are dependent on the poor rates, and the growing percentages of persons applying for relief under the unemployed workmen act.

In Germany and France the opposite of these facts is the case.

INCREASING PAUPERISM IN ENGLAND.

This commission says that in England and Wales there has been an increase of 50 per cent in the number of able-bodied men in health in receipt of outdoor relief in 10 years, and the increase of the number receiving indoor relief was 21 per cent. Over 234,000 children receive outdoor relief in the United Kingdom, and this royal commission says that there are as many as 600,000 children "chronically underfed, insufficiently clothed, badly housed, and in literally thousands of cases actually being brought up at public expense in drunken homes."

The commission, in speaking of the unemployed in Great Britain, the number of which is given in an official publication every month, says as follows:

The percentage of trade-unionists unemployed regularly published by the board of trade relates only to about 600,000 men out of 2,000,000 trade-unionists and 12,000,000 adult wage earners, being those entitled to ordinary "out-of-work pay," and there is reason to assume that this small class entitled to "out-of-work pay" includes an altogether exaggerated proportion, especially among the shipbuilding and engineering trades, liable to great fluctuations of employment. Of this relatively small group of highly organized trade-unionists, in good years about 4 men out of 5 get almost constant employment and in bad years about 3 out of 5, while the majority who are unemployed suffer severely, even to being out of work for months at a time. The insufficient data tell us nothing, really, as to the condition of the mass of wage earners. There are no statistics available which enable us to compute even within hundreds of thousands how many persons are at one time simultaneously in distress from unemployment. The Amalgamated Society of Carpenters and Joiners, an old and highly organized trade-union, paying unemployed benefit funds, finds it an increasingly heavy burden, amounting to 4s. 6d. ($1.08) a week for each member in 1908, irrespective of sickness, superannuation, burial, and strike pay.

That tells a story as to the effects of free trade which the people of the United States should heed. [Loud applause.]

Mr. GARDNER. Mr. Chairman, I yield to the gentleman from Kansas [Mr. CAMPBELL].

[Mr. CAMPBELL addressed the committee. See Appendix.]

Mr. GARDNER. Mr. Chairman, how does the time stand now between the affirmative and negative sides?

The CHAIRMAN. In just a moment. The gentleman from Massachusetts has used 18 hours and 38 minutes and the gentleman from Alabama has used 19 hours and 54 minutes.

Mr. GARDNER. I yield to the gentleman from Oklahoma [Mr. MORGAN].

[Mr. MORGAN of Oklahoma addressed the committee. See Appendix.]

Mr. GARDNER. Mr. Chairman, on behalf of the Republican side of the House, I wish to thank the young ladies of Holyoke, Mass., for the beautiful flowers which they have sent us. These flowers are indeed fresh and attractive, but in those respects they can not compare with the young ladies themselves. [Applause on the Republican side.]

Mr. Chairman, I yield to the gentleman from Minnesota [Mr. STEENERSON].

The CHAIRMAN. The gentleman from Minnesota [Mr. STEENERSON] is recognized.

Mr. STEENERSON. Mr. Chairman, although it has been decreed by a secret Democratic caucus that this tariff bill is to be enacted without any material change I feel it my duty as a Representative to briefly register my objections to it.

This bill in many respects violates the very cardinal principles of the Democratic Party which we had the right to expect they would carry out in legislation. We did not expect a Republican tariff, but we had a right to expect a consistent Democratic bill, and in this I think we have good reason to be disappointed.

I desire to be perfectly fair and to criticize where I think criticism is deserved. I have done the same thing with my own party. I was disappointed with my own party's performance in 1909, and I did what I could to secure a different bill than the then pending bill and voted against the conference report upon that measure. Whatever may have been fairly said against the revision of 1909 it is now demonstrated by official figures that that revision was an actual revision downward, a good revenue producer, so as to leave us with a substantial surplus in the Treasury. Under it we have enjoyed a high degree of prosperity. I believed then that the revision should have gone further and that it should have been based upon a scientific investigation by a tariff commission. As early as January, 1907, I introduced a tariff-commission bill and urged its adoption before any revision was undertaken, but mine was a voice crying out in the wilderness at that time, while now the Republicans as well as the Progressive Party are committed to that view. But my disappointment at the revision of 1909 was mild compared with the utter disappointment at the action of my own party, fortified and aided by the Democrats, in inflicting upon us the Canadian reciprocity pact of 1911. That was a base betrayal of the farmers who had trusted them by the Republicans, and it was only defended by the Democrats on the theory that it should be followed up by free listing everything that the farmer had to buy. I denounced that proposition as often and as vigorously as I could, and I have lived to see the Republicans in both Houses retrace their steps and vote for its repeal. The Democrats, however, refused to repeal reciprocity, and in their campaign textbook, referring to that measure, state that—

This measure was supported by the Democrats because it was in accord with the Democratic principle of reducing the duty on food products and made a breach in the high protective tariff wall of the Republican Party. It was therefore an advance from a protective policy to the Democratic competitive policy.

The vice and injustice of the proposed reciprocity was in the fact that it was trading off the advantages of the farmer under the tariff for the benefit of the manufacturing and commercial classes, without any prospect whatever of the change reducing the cost of living to the masses of the people. It would have increased the profits of the middleman, but not reduced the price to the ultimate consumer. The present tariff bill is based largely upon the same principle. Professedly it is an attempt to reduce the cost of living by free listing everything that the farmer produces, while the things that he has to buy are still more or less protected by a so-called "revenue duty," which in many instances amounts to more than 50 per cent ad valorem. The duty of 10 cents a bushel on wheat, while flour is free, or the duty of 10 per cent ad valorem on cattle, while meat is free, is a transparent fraud upon the farmer, for certainly the duty on the raw material can not afford him any advantage if the finished product comes in free.

This bill is not a fulfillment of Democratic promises. Did the Democratic Party ever espouse the doctrine of taxation of raw materials and putting the finished produce on the free list? Did you ever see that in a Democratic platform? Or hear of it from any Democratic stump? No; certainly not. On the contrary, they have long advocated the extension of our foreign trade by admitting raw materials free, and they have carried out this doctrine even further than the Republicans. Yet here is one of the largest manufacturing industries in the country—the flour industry—producing hundreds of millions of dollars worth of products which are to be placed under this handicap. The same thing is true of oats, which are dutiable at 10 cents per bushel, and rolled oats and oatmeal are free. Cattle and sheep are dutiable, but mutton and meats of all kinds and wool are admitted free. Swine, however, are on the free list, as are also the finished products thereof, such as ham and bacon, etc. My colleague [Mr. HAMMOND], member of the Committee on Ways and Means, sought to show that under this proposed arrangement of a duty on wheat, with free flour, the American miller would still be able to compete in the export flour business, because, as he contended, he could import wheat, and by exporting the flour he could get the drawback of 99 per cent of the whole duty, and could dispose of the screenings, bran, and shorts, without payment of duty; whereas, under the present law a drawback is only allowed on 70 per cent if the by-product is retained. This, no doubt, is a great advantage to the miller who grinds for export, but where does the American farmer come in on this deal? This arrangement simply proposes to offer a market for imported wheat, and to take the by-products, such as screenings, bran, and shorts, and sell them here in competition with the farmer who produces feed barley, oats, and corn.

These feedstuffs, the by-products of the millers, all can be sold at a lower price than the farmer can produce them, and it will naturally tend to depress the price of the farmers' products; so that we have here a proposition to aid the export milling business wholly and entirely at the expense of the farmer. It thus appears that the farmer is to be the draft horse that is to carry the whole load in the reduction of the cost of living proposed by the Democratic Party.

But this is not all. He is also the subject of a new form of revenue duty upon his fur coat, fur cap, fur mittens, and fur robes, necessary to keep him warm. The Democratic majority of the Committee on Ways and Means, hailing as they do from the South, where it is warm, and where furs are chiefly worn by the rich for display, have conceived the idea that furs are luxuries and must all be taxed for revenue purposes. Under existing law fur skins of all kinds, not dressed, come in free, but under the proposed bill they are taxed at the rate of 10 per cent ad valorem, and correspondingly increases are made in manufactures of furs, so that the farmer who lives in the Northern States will be taxed an additional 10 per cent at least upon every fur garment or fur robe that he wears. In the first draft of the bill coon skin was on the free list, but for some reason it has been omitted in the last draft of the bill. In their report on the bill the Committee on Ways and Means says:

In its tariff-revision work the committee has kept in mind the distinction between the necessities and the luxuries of life, reducing the tariff burdens on the necessities to the lowest possible points commensurate with revenue requirements and making luxuries of life bear their proper portion of the tariff responsibilities.

Upon this theory that fur is a luxury the fur clothing and robes of the farmers in my district are taxed up to 50 per cent ad valorem. Fur clothing is absolutely necessary in that climate, and is worn from the early fall, when the teaming to market begins, until late in the spring.

Mr. HAMMOND. Mr. Chairman, will my colleague yield for a question?

Mr. STEENERSON. Certainly.

Mr. HAMMOND. Will you state what of the furs that your constituents and my constituents, the farmers of Minnesota, wear are imported?

Mr. STEENERSON. Muskrat, coon skin, wolfskin, and bearskin are imported from Canada into my district, and the prices will increase under your bill.

Mr. HAMMOND. Will the gentleman state——

Mr. STEENERSON. If the gentleman will give me five minutes I shall be delighted to expatiate upon that point.

Mr. HAMMOND. You know, of course, that sheepskins that are imported are on the free list in this bill.

Mr. STEENERSON. Yes; I know that. I do not see how you could put a duty on sheepskins as long as you have admitted the wool free. [Applause on the Republican side.] But I can not yield any further. I will say, however, that the Committee on Ways and Means, hailing most of them on that side from the South, have put palm-leaf fans upon the free list. They are a necessity in Alabama, I presume, but they regard fur coats as a luxury. [Applause on the Republican side.]

But there is another article of popular use in the Northern States that is put upon the free list—curling stones, or quoits, and curling-stone handles. Curling is a very popular sport upon the ice both in Canada and in the northern part of this country, and curling stones and curling-stone handles are made in the most finished and expensive manner. Under the Democratic view these expensive articles used in sport by the rich come in free, but the poor farmer who needs a fur coat, fur cap, and fur robe has to pay an exorbitant tariff tax upon it.

One would have supposed that this expressed idea of raising the duty on luxuries would have been carried out in the whole bill, but, on the contrary, it will be found in many instances that the duty on luxuries has been lowered instead of raised; as, for instance, perfumed toilet soap is reduced from 50 per cent in the present law to 40 per cent; manufactures of marble, onyx, and alabaster from 50 per cent to 45 per cent; manufactures of ornamental glass from 60 per cent to 45 per cent; shotguns valued at over $10 each are reduced from 43 per cent

to 35 per cent; aeroplanes from 45 per cent to 25 per cent; brier root and brierwood from 15 per cent to 10 per cent; bamboo porch or window blinds, dyed or polished, reduced from 40 per cent to 25 per cent; fancy cakes from 50 per cent to 25 per cent; comfits and fruit preserves containing over 10 per cent alcohol are reduced from 91 per cent to 70 per cent; hemstitched handkerchiefs and mufflers are reduced from 60 per cent to 50 per cent; firecrackers from 125 per cent to 98 per cent; laces and embroideries from 62 per cent to 60 per cent.

It will thus be seen that the rule of raising the duty on luxuries has not been followed out very consistently.

This is revision of the tariff downward for the manufacturer and free trade for the farmer. Why is it that the farmer has been singled out above all as the one upon whom the experiment of free trade is to be tried? It must be because he furnishes the food, or the material out of which the food of the people is prepared, and therefore by reducing his prices by foreign competition it is believed that the cost of living can be materially reduced. The theory looks all right at first glance, but when put to the test it will be found to utterly fail. It will fail because the farmer is not responsible, except in an infinitesimal degree, for the prices paid by the ultimate consumer. It has been demonstrated over and over again by official and unofficial inquiries that the prices that the farmer receives for his products upon the farm are not excessive, and that they constitute on the average less than half and in some instances less than one-tenth the prices paid by the consumer. As has been frequently pointed out, a reduction of 10 or even 25 cents per bushel in wheat on the farm will not reduce the price of bread in the city.

The profit, as in most cases, is all absorbed by the middleman. It is a very superficial view that attributes the high cost of living to the high prices of farm products. There has been a general rise in prices of the products of the farm in late years, but it has been a general movement all over the world, and is no doubt due to the rapid increase in the urban as compared with rural population. This general rise in prices of farm products has been gradual and a natural result of the laws of supply and demand. While this rise has been going on, however, there has been another cause at work that has gradually increased the spread between the farm prices and the prices to the consumer, until in some instances the former is but an insignificant fraction of the latter. This change has taken place because of the constantly increasing power and influence of the middleman. The farmer does not supply the consumer directly, but sells in the market, where he deals with the elevator, which supplies the miller, who supplies the jobber, who supplies the baker or possibly the housewife, if she bakes her own bread, which few of them do in the cities, or he sells his cattle to the buyer, who sells to the packers, who sell to the grocers or retail butchers, who sell to the hotel or restaurant or householder, who sells to the consumer.

Now, we have so many manufactured foods, such as canned meats, vegetables, fruit, and cereals, cookies, gingersnaps and crackers, and bread of all kinds, that we are entirely dependent upon these products, and could not for a day do without them. There are only a few things, like eggs, poultry, and potatoes, that come directly from the farm, and even these generally pass through middlemen, who very largely determine the price to the consumer. Now, all of these middlemen, whether mere dealers, like grocers, or partly manufacturers also, like the meat packers, are all organized so as to secure a concert of action amongst them entirely unknown a few years ago. Add to these the organizations of the jobbers or wholesale dealers in every line, and you have a power that the single unorganized consumer can not resist. Prices have by these means been fixed, not according to the natural laws of supply and demand, but arbitrarily and to some extent in defiance of those laws. This is the real cause of the high cost of living. The farmer's price has but little to do with it. Take breakfast foods selling for 15 cents per pound; the farmer's grain from which it was made was sold for 1¼ cents or 1½ cents. Supposing the manufacturer actually got it for nothing, do you suppose he would sell the pound package for 13¾ cents? Not at all. It would be 15 cents just the same. Certainly, the difference in the price of grain of 10 or 20 cents per bushel is never reflected in the price of cereal prepared foods, crackers, or even bread.

The steer sold to the packer for 7 cents per pound live weight is retailed at from 15 to 35 cents dressed, and assuming the price to the farmer could be lowered seven-tenths of a cent to 6⅜ cents, it would not be reflected in the price to the consumer.

The result of the proposed revision will be to reduce the farm prices of many of the products of the farm without any corresponding benefit to the ultimate consumer of food. It will cripple the farmers' purchasing power and help to cause a general depression and hard times all around. [Applause.]

I insert an extract from an editorial in the Northwestern Agriculturist, a leading farm paper in my State, and also several of the many letters I have received from millers on the subject of flour:

[Editorial from the Northwestern Agriculturist, Minneapolis, Minn., Apr. 26, 1913.]

MORTGAGING FARM PROPERTY.

It is difficult to speak with patience and moderation of the outrageous attack on farm prosperity made by the Wilson-Underwood tariff bill, now under consideration in Congress. The proposals affect grain raising even more seriously than did the Taft reciprocity pact, and President Wilson's statements in connection with the subject indicate that he is hopelessly ignorant of actual agricultural conditions. For example, he says:

"The farmers in the United States have never been protected, for the very reason that they never needed to be protected."

Is that so?

There has been for several years a tariff protection on all the staple grains—wheat, flax, oats, barley, etc.—and as a direct result of this protection of our home market for our farmers all these grains have sold in the United States at a very much higher price than they did in Canada.

In the reciprocity discussion of 1911–12 it was indisputably demonstrated that the price on wheat, for example, had averaged for years 12 cents a bushel higher in Duluth than the same or better grade did at Port Arthur, the Canadian port on Lake Superior corresponding to Duluth for the United States shipping port. Does that indicate that President Wilson knew facts when he declared:

"The farmers in the United States have never been protected for the very good reason that they never needed protection?"

This 12 cents a bushel average excess received by American farmers was the exact measure of the result secured to them by reason of the fact that they were protected in their home market against Canadian competition. On the ordinary crop of hard wheat produced by Minnesota and the Dakotas alone—say, 230,000,000 bushels a year—this protection on wheat alone brought to the farmers of these three States $27,000,000 average per year in excess of the export price.

There were in the three States in 1910, according to the Government census, a total of 308,131 farms, and this excess of $27,600,000 for their wheat gave an average of $89.57 per farm every year. That sum would pay 6 per cent interest on a mortgage of $1,492.83; hence theory No. 1 of the New Jersey theorist, measured only by its cost to wheat raisers, is equivalent to putting a mortgage of $1,492.83 on every farm in Minnesota and the Dakotas.

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And it must be remembered that this is the measure only of the cost of free wheat competition with Canada. In addition, there is to be free barley, free oats, free flax, and various other items of competition with American farmers.

Yet President Wilson sneers at the benefit ever derived by farmers from direct protection on their own products, which simply indicates that the New Jersey college professor is not in touch with agriculture, and with all the power of his great office he and the Democratic Congress threaten to take away all protection against foreign competition with American farms.

The chief point of attack by the free traders is foodstuffs—farm products.

It is truly a condition as well as a dangerous theory that confronts farming.

Mr. Farmer—you—did you vote last November for this $1,492 mortgage to be put on your farm, or for this Government confiscation of the value out of your profits of a quarter of your farm? Are you one of that class that thinks all that is necessary for a farmer to do is to keep on working hard on his own farm and let the statesmen run the Government? It is up to you to let your Representative and Senator in Washington hear from you. You can not change the theories of President Wilson by writing directly to him, but you should register your protest through your Representatives in Congress.

Do it now!

—

BIG DIAMOND MILLS CO.,
FLOUR EXCHANGE,
Minneapolis, Minn., April 23, 1913.

Representative HALVOR STEENERSON,
Washington, D. C.

DEAR SIR: Every thinking person conversant with the flour trade is astounded at the proposition to retain a duty on wheat and, in the face of actual practice and of all the theories of economics, allow the manufactured article to come in free.

There are no possible arguments for this procedure. The arguments against it are surely convincing. We wish to emphasize the fact that this blow is aimed against the fifth largest industry in the United States, and one that has steadily refused all trust propositions and price agreements, and which is the one great industry, perhaps the only one, which remains on an absolute competitive basis. It deserves better treatment from its Democratic friends than the annihilation of its business.

It is the milling industry which has maintained the price of wheat five-sixths of the time in the past 20 years above that of all other countries, freight considered. Destroy that business and wheat prices will be continually on the level of the product of the ryot of India and the peasant of Russia. Our wheat-growing land will be brought to the value of the cheaper Canadian land.

Cheaper wheat will benefit principally the baking industry, for the price of bread is always the same, 5 cents per loaf, whether flour sells at $4 per barrel or $7, both prices having been in effect in very recent years with the price of bread unchanged. The irony in the situation is evident when it is proposed to assist the baking industry, rapidly growing in the East and Middle West into one of the strongest trusts we have.

Our mills are already struggling under the handicap of cheaper water rates for wheat than flour. Wheat is taken from Port Arthur at 2 to 3 cents per bushel, while flour takes lake and rail rate of 15 cents per hundredweight from Minneapolis to Buffalo.

Allow the Canadian, English, and Argentine mills the free entry to our great market and tie us hand and foot against the raw material, and our ruin is swift and certain. It would be idle to point out to you

facts you are more familiar with than ourselves, the influence upon other industries, foundries, bagging, cooperage, etc., but it is our duty to state to you our honest conviction that if this tariff clause goes through in its present form the milling business will be annihilated. We ask for no protection on flour if we can have access to the same raw material our competitors have. We want simply a square deal, justice, and nothing more. Place a duty on both flour and wheat or allow both free entry.

May we urge you to make the fight of your life against this great wrong?

Yours, very truly,

BIG DIAMOND MILLS COMPANY,
B. B. SHEFFIELD, *Vice President.*

—

THE BUFFALO NEWS, WASHINGTON BUREAU,
April 26, 1913.

Hon. HALVOR STEENERSON,
House of Representatives, City.

DEAR SIR: The city of Buffalo is up in arms over the provisions in the tariff bill now under consideration relating to meats and flour, cattle and wheat. At a nonpartisan mass meeting Wednesday night, called by the Chamber of Commerce, attended by 2,500 men, and addressed by some of the leading men of Buffalo, regardless of party affiliations, the following resolutions were adopted:

"Whereas we, the citizens of Buffalo, in a mass meeting assembled this 23d day of April, 1913, upon consideration of the proposed changes in tariff schedules now pending in Congress as affecting wheat, oats, wheat flour, cereals, live stock, and dressed meats, by which all raw materials in each case would be left subject to a substantial tax, while the finished products of such materials would be admitted to this country free of duty; and

"Whereas we are advised and believe that the certain effect of such legislation would be to destroy live-stock, milling, and packing industries in this city and elsewhere now engaging vast amounts of capital and employing thousands of workmen; and

"Whereas we believe that the Congress of the United States would not wittingly enact such disastrous legislation, if the situation were thoroughly understood: Therefore be it

"*Resolved*, That if flour, cereals, and meats are admitted free, then the raw materials—wheat, oats, and live stock—should also be admitted free; and be it further

"*Resolved*, That we do earnestly protest against legislation that imposes a duty on wheat, oats, and live stock, while permitting free entry to this country of wheat flour, cereals, and dressed meat, and we beseech Congress to give further serious consideration to the far-reaching effects of such legislation and not to pass a tariff bill containing such unjustifiable and disastrous measures."

I am directed by Mr. Butler, editor and proprietor of the News, to invite your attention to these resolutions and to say that the News will be pleased to present to the people of Buffalo through its columns any reply you may care to make to the resolutions.

If you favor the News with your views please send them to this bureau, suite 617 Southern Building, in brief form for telegraphing.

Very truly, yours,

WM. WOLFF SMITH,
Correspondent in Charge
Washington Bureau of the Buffalo News.

Mr. UNDERWOOD. I yield to my colleague from Alabama [Mr. BURNETT].

Mr. BURNETT. Mr. Chairman, nearly all the gentlemen whom I have heard speak on the other side have prated about the woes of the laboring man and the great desire they have to prevent the passage of this tariff iniquity, as they call it, because of the troubles it will bring upon him. Two gentlemen to-night—the gentleman from the Pacific coast [Mr. JOHNSON of Washington] and the gentleman from Kansas [Mr. CAMPBELL]—have dwelt specially upon that phase of the question. I have heard a number of others. The gentleman from Pennsylvania [Mr. MOORE] can never make a speech without having something to say about the poor workingman. Yet no man and no party have ever driven the knife deeper into the vitals of labor than the man who has just gone out of the President's chair and the man who was his immediate predecessor. [Applause on the Democratic side.] In 1906 Mr. Roosevelt with one word could have secured the passage of the Gardner bill, which would have protected the laborers of America, not from imported goods made on the other side, but from the men themselves imported to this side for the purpose of beating down the price of labor. [Applause on the Democratic side.] Yet Mr. Roosevelt never raised his voice in favor of that bill, although he had previously sent a message to Congress in favor of restriction by the illiteracy test.

At the last session of Congress, gentlemen of the Republican Party, your President was the man who again drove the dagger into the heart of labor by vetoing a bill that a Republican Senate and a Democratic House had passed overwhelmingly.

In order to show what great friends the Republicans are to labor I want to call attention to a brief telegraphic report of the proceedings of the vice commission of Illinois, which shows that your party is not only in partnership with the trusts, but that it is in partnership with the white-slave traders and with vice itself. Here is what they say:

SPRINGFIELD, ILL., *April 25.*

After to-day's session of the senate "white-slave" commission, Lieut. Gov. O'Hara sent a telegram to President Wilson and another to Lieut. Gov. Paynter, of Missouri, calling their attention to the disclosures made here. The telegram to President Wilson follows:

"At a hearing of the Illinois Senate vice commission here to-day it appeared that the conditions surrounding the employment of girls at the Springfield factory of the International Shoe Co. apparently were the most open to criticism of any so far discovered by this commission. The revelations were so astounding that Senator Nells Juul, a Republican, and the dean of our State senate, openly and bitterly denounced this corporation.

"As I have been informed that this corporation is supporting a lobby at Washington in opposition to your proposed tariff law on the grounds that if certain duties are removed the girl workers in their factories will be brought into competition with the cheap labor of Europe, I believe your attention should be called to the testimony given here to-day."

SENDS TELEGRAM.

Lieut. Gov. O'Hara's telegram to the lieutenant governor of Missouri was as follows:

"At a meeting of the Illinois Senate vice commission to-day it developed that the girls employed in a Springfield factory of the International Shoe Co. are the victims of the worst industrial conditions that have yet come before this commission. Mr. Derby, the superintendent of the Springfield factory, stated under oath that the International Shoe Co. is a $25,000,000 corporation and that its executive officers are residents of Missouri.

"On behalf of Senators Juul, Tossey, Woodard, and Beall, as well as of myself, constituting the full membership of our commission, I respectfully invite the cooperation of your Missouri Senate vice commission in a thorough and complete investigation of the methods of this corporation."

The gentleman from Kansas [Mr. CAMPBELL] told us a few moments ago of the woes that would be brought upon labor by this tariff bill, and yet he was one of those who added his vote to prevent the passage of the immigration bill over the President's veto.

He must not pose here as the friend of labor when he boldly votes to permit the cheap labor of Europe to come in unrestricted numbers to compete with men and women of his own race.

He must not proclaim himself the champion of the workingman when in his own State the railroads are importing thousands from Mexico to beat down the wages of the honest American, and he votes against a bill which the American Federation of Labor has prayed in vain for the American Congress to pass. That organization of millions of toilers has never memorialized Congress to defeat tariff legislation, yet at its annual meetings it has asked us to pass the illiteracy-test bill for checking the alien influx of cheap labor. How can you self-styled friends of labor square the windy speeches that you are making now with the votes you cast against the Burnett-Dillingham immigration bill that would have given labor some genuine protection? I hope every laboring man in your districts will compare your loud-mouthed protestations now with the votes you cast last February on that bill. If they want the record and will call on me, I will see that they get it.

Hear what Mr. Frank Morrison, the distinguished secretary of the American Federation of Labor, says about it, and then you false friends of labor hide your heads in shame:

Argument of Mr. Frank Morrison, secretary of the American Federation of Labor, before President Taft, February 6, 1913, in favor of the presidential approval of the immigration bill, S. 3175:

Mr. PRESIDENT: I realize that the proposition to prohibit the immigration to the United States of able-bodied men and women because they can not read is, from a sympathetic viewpoint, subject to criticism; yet, notwithstanding such a viewpoint the American Federation of Labor, which represents organized labor in its entirety and is the only organization which can with any show of reason represent the unorganized workers, has declared by resolution in two conventions that "the illiteracy test is the most practical means of restricting the present immigration of cheap labor whose competition is so ruinous to the workers already here, whether native or foreign," and instructed the officers of the federation to earnestly petition Congress to enact the illiteracy test into law.

There has been a great deal said and published in favor of the necessity of inciting immigration for the purpose of securing agricultural workers. There is no question in my mind but that such agitation has for its purpose the enticing of immigrants to our country to be hired by the great manufacturing concerns, coal companies, and railroads for their repair shops at a much less wage than those who are born here.

The argument that the opponents of this test make is that common labor, or coarse labor as some call it, would be the class that could not pass the illiteracy test, and this country is very much in need of that particular kind of coarse labor.

So that there will be no misunderstanding on your part in regard to what the farmers think about using immigrants for farm hands, their representative in his statement to you to-day has clearly placed the farmers' organization on record as opposed to the proposition of bringing immigrants into this country to do agricultural work.

The fact is that the immigrants who come here have been exploited to such an extent that the American born can not compete with them.

The wage earners believe in an effective regulation of immigration, because they desire to retain a high standard of living. The standard of wages for both skilled and unskilled labor of this country is the result of many years effort. When an immigrant accepts work at less than the standard, he not only takes the place of a man working at a higher rate but he assists in destroying the prevailing rate of wages in that industry, and that carries with it a corresponding reduction in the physical as well as moral and intellectual well being.

Mr. President, it is now an undisputed fact that in many industries the immigrants who come here are working for such low wages that the American born can not compete with them. They can not live on the wages paid, and support a family.

In support of the position that the American born can not compete with foreigners and live on the wages paid to them and support a family I refer you to the investigation of the Bethlehem Steel Works

made by a committee of the Federal Council of the Churches of Christ, and the investigation made by Commissioner Neill, of the Bureau of Labor, as to wages and conditions in the steel industry.

We ask for this legislation for the purpose of giving the wage workers of this country an opportunity for self-improvement, an opportunity for a breathing spell, so they can secure improved conditions both as to hours and wages.

In passing I will call your attention to the fact that industry is protected by a tariff, but labor is not. The products of labor are protected, but we have a free flow of labor coming to these shores all the time. The manufacturers have protection against products manufactured by cheap labor in foreign countries, but labor has no protection against the importation of cheap labor.

The opponents of this measure will say that if the products of labor are protected, then labor itself must be benefited, because the manufacturer can sell the product at a much higher rate than can be obtained in other countries, and will thus be in a position to pay higher wages to his employees. The first contention is well founded. The manufacturer does receive a higher rate than the products can be purchased in other countries, and the second contention, "that they can pay higher wages to their employees," is also true; but the fact is they do not pay higher wages. They pay lower wages. We find that in the highest protected industries, particularly in the industries that are now controlled by trusts, such as the Steel Trust, Rubber Trust, Sugar Trust, packing-house employees, and textile industry, the lowest wage in the country is paid to their employees, and in some of them less than a living wage for a family.

Hear what President Gompers said before the House Committee on Immigration in support of the Burnett bill:

We are going to live here. All that we have is here. Our families are here, our children and our grandchildren; and we expect to end our lives here, and we expect that our children will end their lives here. And with all this great complexity of peoples, with this constantly increasing immigration, there can not be an improvement of the Republic of the United States. If we are going to maintain the Republic, based upon the sovereignty of the manhood and the womanhood and the childhood of the United States, we have got to see to it that such a condition of affairs as now exists, and now particularly threatens, is removed—very materially removed.

I express the views of the men of labor of America, without regard to nationality and without regard to nativity. The men of labor want more and better regulations and a much stronger limitation of immigration than now exists. I know that I am, perhaps, an altruist; I do not think I am bereft of humanitarianism; but you can not be neglectful of the interests of the people now in America. Indeed, I believe that one of the great causes of backwardness in the improvement of material conditions of the people of Europe is the outlet to America. If the people of Europe, and particularly of southern Europe, were by some of our legislation required to stay at home, they would compel these obsolete monarchies, except in so far as their titular existence is concerned, to institute social reform and a larger degree of liberty among the people in their own countries. Emigration is the avenue of escape from dangerous conditions in their countries, which affords a constantly new lease of life to many of these monarchies abroad.

In the interests of these people, as well as the interests of our own people, I think the Congress of the United States should give its early attention to providing the relief which is so necessary.

The gentleman from Kansas has resented the insinuation by his colleague that there is foreign labor employed in his district, brought in in violation of the contract-labor law, and yet only last year I saw the statement in one of the Topeka papers that more than a thousand Mexicans were brought in at one time to work on one of the railroads of that State. Can anyone doubt that this motley horde came in violation of the contract-labor law?

The gentleman from Kansas [Mr. CAMPBELL] and every other member of the Kansas congressional delegation received, when the immigration bill was under consideration in this body last January, the following letter, which alone ought to have moved him to vote for that bill in the interest of "protecting" the American workingman:

THE ATCHISON, TOPEKA & SANTA FE RAILWAY CO.,
LAW DEPARTMENT, OFFICE OF SOLICITOR FOR KANSAS,
Topeka, Kans., January 8, 1913.

DEAR SIR: There is a bill pending before Congress known as the Dillingham-Burnett bill which restricts immigration through the imposition of an educational test.

I have not read the provisions of the bill, but am informed that its passage will prevent the immigration of Mexican laborers, now relied on almost entirely by the railway companies in Kansas and the Southwest.

Without this Mexican labor it will be impossible for the railway companies to secure men enough to keep their tracks in proper condition for effective service.

Ninety-nine per cent of these Mexican laborers can not read or write, but after they have been in this country for a few years they adapt themselves to our ways, and those with families send their children to school.

All the railways in the territory mentioned would be greatly crippled should this Mexican labor be excluded.

I shall thank you to give attention to this feature of the Dillingham-Burnett bill, and anything you can do in the matter will be greatly appreciated.

Respectfully, WM. R. SMITH.

Many good Republicans voted to pass the bill over the President's veto, but it was a Republican President who struck the fatal blow. Gentlemen, your President and the President who preceded him are responsible for the conditions. Gentlemen tell you that Mr. Cleveland in 1897 vetoed a bill of a similar character to that we passed through the House and Senate at the last session. But they forget to tell you also that at that time there were fewer people coming from all Europe than come to-day from Italy alone. In 1897 only 230,832 came, whereas now, with the tide rising higher, over a million come every year. Can anyone say that such an influx does not affect wages and conditions of employment adversely?

Gentlemen speak about the good conditions of labor all over the country, and yet almost every day we hear of another labor strike because wages received will not enable those who toil to feed and clothe their families on account of the high cost of living and the ruinous competition of the low-priced workers that come from Europe in such large numbers to compete. The gentleman from Massachusetts [Mr. TREADWAY] said that we maintain a higher standard of living in the cotton industry and pay considerable higher wages than the wages paid by competitors abroad. He said the English rate of wages is practically 60 per cent of those paid in Massachusetts, and those of France and Germany 50 per cent, and those of Italy 33 per cent, and so on. I do not vouch for his figures. He is arguing for a protective tariff in order to get the American workinman higher wages, he says.

He tells us that in free-trade England wages are lower than in this country, and yet the declaration made by the gentleman from Massachusetts is that in free-trade England wages are 60 per cent of those in Massachusetts, and in protected Germany they are 50 per cent, and in protected Italy only 33 per cent. How is it, please explain, that wages are so much lower in free-trade England than in protected Italy? If he really wants to "protect" the American workingman, let him urge a duty on aliens—on the foreign pauper labor itself.

Mr. Chairman, gentlemen do not deal fairly with the workingman of the country when with one vote they try to raise the price of everything he buys and with another vote they bring in those who compete with his labor, the only thing he has to sell. They are willing to have the products of labor protected in the interest of the employers and the great industrial plants of the country, thus making labor buy in a protected market, and yet have free trade in labor itself, making labor sell its product—labor—in a free-trade market. Why not a duty on aliens, my Republican friends, if you really want to protect our working people by means of a tariff—a duty on the pauper labor itself?

Lest the Progressives may say that they are not in favor of that kind of a deal I want to read from their platform. Mr. Roosevelt declines to make a declaration, as he did a few years ago in the message sent in, in favor of it, but his platform of 1912 says:

We denounce the fatal policy of indifference and neglect which has left our enormous immigrant population to become the prey of chance and cupidity.

Now here comes the iniquitous part of it:

We favor governmental action to encourage the distribution of immigrants away from the congested cities, to rigidly supervise all private agencies dealing with them, and to promote their assimilation, education, and advancement.

Who is to pay for distribution? If the cities want them, and most of the Democrats and Republicans from the large cities generally stand here for wide-open gates, let them stay in the congested cities so long as they come; but the policy of the Progressive Party is that they should be distributed at the expense of the Government and sent to compete with laborers in sections whose people do not want them. It wants a Federal employment bureau to find opportunities, work, and employment for aliens, while our own are left to shift for themselves. There is the declaration of the Progressive policy that you sent to the people all over the country. [Applause.] Was it buncombe or do you really propose to bring in "strike breakers"?

Now, in regard to the class of people brought. A few years ago those who came were your ancestors and mine. The gentleman from Massachusetts [Mr. TREADWAY] refers to the high wages of those who work in the mills of his State, and yet the committee, of which the present chairman was an honored member, that investigated the Lawrence strike found such a deplorable condition of wages there that workmen from northern and western Europe would not compete with them. Ninety-two per cent of the employees were foreign born. The wages and conditions were such that the foreigners even struck for better wages and better conditions. The native had been driven out. He did not desire that his family, his wife, and his children should be brought up in the midst of the awful conditions there. Why is it that so many thousands of them are leaving these industries all over the country and seeking other avocations? Why did over 125,000 good Americans cross into Canada last year? Men say that the American will not do the work that these people do. They did it until subjected to this ruinous competition from abroad complained of annually by organized labor. Why do they not now? Because in the congested centers, Mr. Chairman, they can not stand the conditions of the people that do that work. Go with me to the West and

the South and the Middle West and you will find hundreds and thousands of honest, earnest white men, Americans and northwestern Europeans, doing the same work that these people are doing, and it is not thought belittling to them or their children to perform this work.

Go with me, Mr. Chairman, to the cotton factories of my own State, and you will find the mountain girls there in their calico dresses doing this work, and they are just as respectable as are the girls that are stenographers or cashiers in the banks. [Applause on the Democratic side.]

This cry that Americans will not do the work is untrue. They did do it everywhere until driven out by the swarms of those who come from the dirty haunts of poverty and vice along the borders of the Mediterranean.

The veto of President Taft was heard with sorrow by the real friends of labor everywhere. It was a sad disappointment to almost everyone who loves the higher standards of living and of morals which American workingmen everywhere wish to maintain. Permit me to insert a few extracts from the press of the country along this line.

[Editorial from Boston (Mass.) Evening Transcript, Feb. 15, 1913.]

AN UNWISE VETO.

At the eleventh hour President Taft has vetoed the Burnett-Dillingham immigration bill, founding his disapproval upon the provision which imposes a literacy test upon immigrants 16 years of age and over. The President gave extended hearings upon the bill and availed himself of practically the full period allowed him for consideration before reaching a decision. He does not attempt in his message of transmittal to elaborate upon the objections to the legislation raised by the Secretary of Commerce and Labor, who has consistently opposed the introduction of any literacy test into our immigration laws.

A determined effort will be made in both Houses of Congress to pass the bill over the President's veto, and with this effort we confess our unqualified sympathy. The President's broad sympathies for the unfortunate in other lands appear to have for the moment blinded him to the burdens already placed upon this country by an excess of undesirable immigration. The literacy test may not be ideal, but it was the most workable safeguard Congress found it possible to devise, and in view of his declared approval of the purpose of those who advocate a restriction of immigration it would seem that Mr. Taft should have at least endeavored to offer a substitute and not merely contented himself with vetoing a bill which, while it might in occasional cases deprive this country of a few desirable immigrants, would unquestionably have operated to keep out thousands of undesirables. The veto sacrifices, it seems to us, the interests of the country at large to serve a very small number in other lands who might desire to seek the opportunities of education in this country which had been denied them at home.

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[Editorial from the Journal (Progressive-Republican), Boston, Mass., Feb. 15, 1913.]

A NAGEL VETO.

Mr. Taft has allowed Secretary Nagel to veto the most thorough and comprehensive immigration restriction bill which has ever been drafted. Because of the literacy test which it contains, which is drawn so as to deny admission only to adults unable to read or write in their own language, the President has permitted the active antagonism of the Secretary of Commerce to set aside a bill which had 246 votes in the House and which passed the Senate by a vote of 58 to 9.

Instead of a comprehensive view of the regulation of immigration he he has adopted a narrow one. He has disapproved a measure which represents the most thorough and complete study of the alien influx, and which was most ably framed to purify the stream of 1,000,000 a year foreigners that come to our gates. It established the most thorough system of immigrant inspection which has been devised. It afforded means for detecting and excluding the imbecile, the defective, the unfit, the stowaway, and the tuberculous. It took into account the enormous load of alien insane, the burden of whose care the Federal Government is forcing upon the States. It paid heed to the millions now spent in the fight on tuberculosis. It recognized the saturation of cheap labor which the country faces to-day. All these things it dealt with wisely and with the fruits of bitter experience.

The effect of the literacy test fixed in the bill has been immensely exaggerated in the Nagel veto. It is most important to the United States to-day that, in admitting aliens, it gets those who can enter with a reasonable certainty of keeping up the level of citizenship. The nation which finds the problem of the immigrant, what it is to the United States to-day, will fail in its duty if it does not minimize its work at the beginning. The immigration question should be dealt with from the standpoint of this country and its inhabitants, not from that of the Europeans who wish to come.

That was the principle of the bill passed by so great a majority in both Houses, which may well be passed over the veto. If the previous votes are any criterion this will be done, and the want of confidence in Taft and Taft's judgment will stand.

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[Editorial in the Camp News (independent), Philadelphia, Pa., Mar. 1, 1913.]

HIS INGLORIOUS RETIREMENT.

Ex-President William Howard Taft is in some ways a large man, in other ways he is quite as small as he is large in others.

The fact that he was a President of the United States precludes the use of stronger terms in his behalf, and behooves us to use such courtesy as is due the office he once occupied.

Mr. Taft has suffered with effasia in vision for sometime, and the little reminder he received last November, it seems, failed to effect a cure or even a slight improvement in his malady.

He has failed to perceive the handwriting on the wall, and he has continued on in his arbitrary conduct until he, even in his last months of administration, conducts himself more as a spoiled boy than as a great man above the little petty retaliations of personalities.

One last great act to his discredit is the veto of a bill that has been before the American people for a quarter of a century or over; not an agitated question, but one that has been treated from a scientific standpoint, and which has cost the Government millions of money to so treat. And after a long discussion in order that everybody might act with intelligence, and a long fight against the corrupt interests that have reaped a harvest of dollars from these poor people, while the country has reaped its harvest of ignorance, vice and anarchy, cheap labor, unfair competition to the laboring man, full prisons and almshouses. After Congress had complied with the voice of the people in the passage of a bill so long sought to relieve these conditions this one fat man, sitting in an easy chair, who never did see or feel a throb of the heart of the Nation that has honored him above all that he ever deserved, says that the people, and incidentally the 72 United States Senators who voted for the passage of a sensible bill that promised to restrict immigration, in his veto, "that they either lack wisdom or intelligence."

Why this arbitrary stand against this bill that the people have demanded so long anyway? The public press reports that Mr. Taft called one or two gentlemen in private conference before he acted, and then he expressed his feelings toward labor organizations in no very fitting language for a gentleman in his position. We infer from what has been reported that he said some things about patriotic orders that were no more favorable than what he is reported to have said of the others.

However, Mr. Taft is one of those large bodies that move slowly, and we hope that his movements will never again concern a question relating to this Government, so we dispose of him and take up important things that concern us as a people. The lower House, it appears, failed to muster up enough hardy Americans to pass the bill over the Executive veto. So the great struggle seems lost at the very threshold of victory; but not so, brothers. That struggle shall only be renewed with greater energy than ever before, and if we have underestimated the strength of the foe, we have learned a lesson that will increase our vigilance and power, and call forth all that is in us for the next conflict.

Fortunately another Executive is now at the helm, and we believe that Mr. Wilson is a man of sincere intelligence, who is not unduly influenced by any corporation or foreign power, and a man who has felt the pulse of the Nation, and knows the burden of the toilers. We hope much from this comparatively poor man in the Presidential chair, and when that bill is again passed by both Houses may every son of America and patriotic citizen write a personal letter to the President urging him to sign the bill; flood the White House so that it will create such a look that an additional clerk will be necessary to examine the mail, and in that way some of it at least may reach the President.

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[Extract from the Knights of Labor Journal, Washington, D. C., March, 1913.]

A VETO TO BE ASHAMED OF.

The most important measure attempted to be made into law by the Sixty-second Congress in all its career has failed at the last moment—that is the attempt to restrict immigration has come to naught. For years the evils of undesirable immigration have been apparent everywhere in this country and have been voiced by protests of the wageworkers, agriculturists, and vast masses of the people, organized and unorganized. * * *

Opposed to this demand has been the desire and effort of foreign steamship corporations and of great industrial monopolies, the one desiring to make profits by the bringing of immigrants here, the other to make profits off from the cheap labor which would thus be furnished for their exploitation here. * * *

Withholding any expression of approval or disapproval meanwhile, President Taft on the tenth day after the passage of the bill sent to Congress his veto. The President presented no forceful argument whatever, but grounded the veto very largely upon the letter by Secretary Nagel. Secretary Nagel did what everybody expected he would do if he had a chance—stabbed the bill to death with treacherous and un-American hand. Over two years ago, in a speech made in New York City, he declared himself opposed to any such measure of restriction. His official course, in his rulings and decisions as Secretary, has shown that he really favors unrestricted immigration—and he very generally has stood for the interests of the great steamship companies rather than for the wage workers and masses of the American people. The objections by Secretary Nagel are worthy of but slight consideration. It was a special plea drawn to help out the interests of the masters whom he delights to serve.

Why President Taft should rely upon Secretary Nagel is unexplainable—except upon the supposition that he was unable to think of or to give any other reason for his disapproval of the bill. Certainly President Taft himself advanced no sufficient cause why he should by executive act declare null and void this long-considered and well-indorsed bill.

In the exercise of this veto power President Taft deliberately set at naught the entire body and purpose of the bill, shaped as it was and denied by none so as to conserve the safety of the Republic and the interests of the people from dangerous and undesirable immigration. By this veto the President leaves the American people to the continued influx of such dangerous and undesirable immigration indefinitely. The veto is a thing of which President Taft himself ought to be ashamed—and if he is not already in that frame of mind he will come to it some day in the future no doubt. * * *

Another Congress and another President will have this great question before them. Our contention is right, and "right is right, as God is God." It must and will prevail.

Truth crush'd to earth will rise again:
The eternal years of God are hers;
While Error, wounded, writhes with pain,
And dies among his worshipers.

Many new faces are here, and a large majority of them, I am glad to know, are with us on this the most important question that confronts the American people. The emissaries of the steamship companies and of those who in their greed would weigh down the backs of labor with this foreign burden will sing their siren notes in your ears, my new friends. They will besiege you with their telegrams, with their appeals, and their threats; but the man who by the sweat of his face eats his daily bread is behind you and looks to you to right his wrongs. The absentees defeated this bill before. Let no man shirk his duty or sulk in his tent or be away from his post when the fight comes on. Let American standards of living

and of morals be preserved by those whom the people have placed on the watchtowers of our Nation. The following facts will be of interest to all who will study them:

Of the 213 Members of the House that voted in favor of passing the immigration bill over the veto, February 19, 1913, almost two-thirds—that is, 136—were Democrats. Of those 136 Democrats 125 are Members of the present House. Of the 76 Republicans voting "aye"—that is, in favor of the bill—45 are Members of this House; that is, of the 213 voting "aye" 170 are Members of this House, and of those 170 almost three-fourths are Democrats.

Of the 114 that voted "nay"—that is, against the bill—less than one-half—that is, 53—were Democrats, 60 being Republicans, and 1 Socialist. Of that 114, 81 are Members of this House, 45, or approximately one-half, being Democrats.

Of the 157 new Members 71 declared for the literacy test and the bill during the last campaign, and only 15 are known by the friends of the measure to have declared against it. Forty-two of the other 71 new Members are reported as in favor of it.

It is interesting to note from these figures that a much larger proportion of Republicans than of Democrats voted against passing the bill over the President's veto, thus showing that the real friends of labor are those who follow the standard of Democracy. An analysis of the vote will show further that those who in this debate most loudly vaunt themselves the friends of labor are the ones who gave the workingman the Joab thrust when he most needed their aid.

Mr. UNDERWOOD. Mr. Chairman, I yield to the gentleman from Iowa [Mr. PEPPER].

Mr. PEPPER. Mr. Chairman, it had not been my original idea to discuss the tariff bill now before the House. It has seemed to me that much of the discussion indulged in was of little avail. My observation has been that very few votes are changed in this House by the discussion in general debate. Most of us have had our minds pretty thoroughly made up as to how we are going to vote, and I presume, at this moment, practically every man in this House has determined in his own mind whether he will vote for or against this bill. That being the case, it seems to me that the time indulged in in this particular form of discussion is of little practical value. To my mind it is unfortunate for the country that a tariff discussion seems necessarily to follow partisan lines. The tariff is a big, complicated, economic proposition. It is so broad and big and touches the life and the energy of the people of the Nation in so many places that it seems to me it ought to be considered in its purely economical aspect, aside from partisan bias or prejudice. However, it seems impossible to divorce the tariff from politics. The political parties of to-day have arranged themselves, as they have for a hundred years in the past, largely upon the tariff proposition, and political alignments are largely based upon the views which the individual holds with respect to the tariff. That being the case, it is perhaps not so surprising that we find in this House to-day men who heretofore have expressed decided opinions upon various phases of the revision of the tariff, saying now that they will vote against this bill, because perchance there are some things about it which they do not approve.

I desire to say to those who have heretofore expressed themselves in favor of a reduction of the tariff that the issue which they must meet when the roll is called upon the provisions of the Underwood tariff bill amounts in substance to this: A vote "aye" means a vote in favor of the Underwood bill; a vote "no" means a vote in favor of the Payne-Aldrich bill. There can be no other issue, it seems to me, because everyone knows that if the Underwood bill does not become a law, it means that we shall be forced to continue under the exactions of the present Payne-Aldrich law.

Those of you who have condemned the Payne-Aldrich law as a burden upon the American people, as a bill that has been framed largely in the interest of the enormous trusts and protected interests, as a bill that disregards the interests of the great consuming public of the land, as a bill that extorts millions upon millions from the laboring people of this land every year in unjust and extortionate taxation. If you vote "no" upon the roll call, you are taking back all that you have said about the bill and are willing that it shall remain as it is for the future.

Everyone realizes how difficult it is to write a tariff bill. I suppose there is nothing that is more difficult in the way of legislation. It involves such a mass of detail and requires such a wonderful amount of investigation that it is, indeed, a tremendous task for a body of men to undertake. And yet I venture to say that those who have examined this bill with care will say, in candor, that the Ways and Means Committee of this House have brought forth a bill that is well calculated to produce the necessary amount of revenue for the Government and is framed along honest and sensible lines.

Each of us may differ as to the individual or particular schedule, but take it all in all, I think that we can say that it is a good bill. It is a fulfillment of the promises of the Democratic Party to revise the tariff and reduce the tariff. It bears no evidence of the influence of special interests or the favoring of one class above another. It is calculated to relieve the American people from the heavy burden of the tariff taxation that has been placed upon them for these many years.

Four years ago, the Republican Party faced the same situation which the Democratic Party faces to-day. They had gone before the people in the fall of 1908 with the promise to reduce the tariff burdens then resting upon the American people. Mr. Taft, the candidate for President on the Republican ticket, in numerous speeches, pledged himself to give the people this relief. There can be no question but that the people relied largely upon his promise, in returning the Republican Party to power that year. Following Mr. Taft's inauguration, with a Republican majority in the House, and the Senate having a Republican majority, the President called Congress together in extra session to reduce the tariff. It is unnecessary for me to go into the details of the failure of the Republican Party to keep that promise. It is a matter of history that their record in this particular was condemned by the American people as a breach of faith and as a broken pledge to the voters who had given them their support.

The election of 1910 demonstrated that the American people were dissatisfied with the result of that work. They repudiated the action of the Republican Party in enacting the Payne-Aldrich law, and the Democratic House was sent here as a stern rebuke to a party that had failed to keep faith with the people.

The Democratic House elected in 1910 endeavored to carry out their promise to the American people. They passed a number of tariff bills containing real and substantial reduction of tariff taxation. These bills were so good, so equitable that many on the Republican side of the aisle joined in helping pass them through the House. They were so good that a sufficient number of Republicans in the Senate joined with the Democrats and passed them there. And yet, notwithstanding this, the President of the United States, in defiance of public opinion and the judgment of Congress, vetoed these bills.

In the election of 1912 President Taft went before the American people upon his record. The Democratic Party went before the people upon their record in the House of Representatives; the result is such as to leave no doubt in anyone's mind.

The Democratic Party is here to-day in control of every branch of the Government, largely because of the failure of the Republican Party to keep their promise to the American people in reducing the tariff taxation. And, gentlemen, we are going to keep our promise to the American people; we are going to do so honestly and fearlessly.

In the campaign of 1912 the Democratic platform included the following statement:

> We declare it to be a fundamental principle of the Democratic Party that the Federal Government under the Constitution has no right or power to impose or collect tariff duties except for the purpose of revenue, and we demand that the collection of such taxes shall be limited to the necessities of government honestly and economically administered.
>
> The high Republican tariff is the principal cause of the unequal distribution of wealth; it is a system of taxation which makes the rich richer and the poor poorer; under its operations the American farmer and laboring man are the chief sufferers; it raises the cost of necessaries of life to them, but does not protect their product or wages. The farmer sells largely in free markets and buys almost entirely in the protected markets. In the most highly protected industries, such as cotton and wool, steel and iron, the wages of the laborers are the lowest paid in any of our industries. We denounce the Republican pretense on that subject and assert that American wages are established by competitive conditions and not by the tariff.
>
> We favor the immediate downward revision of the existing high and, in many cases, prohibitive tariff duties, insisting that material reductions be speedily made upon the necessaries of life. Articles entering into competition with trust-controlled products and articles of American manufacture which are sold abroad more cheaply than at home should be put upon the free list.
>
> We recognize that our system of tariff taxation is intimately connected with the business of the country, and we favor the ultimate attainment of the principles we advocate by legislation that will not injure or destroy legitimate industry.
>
> We denounce the action of President Taft in vetoing the bills to reduce the tariff in the cotton, woolen, metals, and chemical schedules, and the farmers' free-list bills, all of which were designed to give immediate relief to the masses from the exactions of the trusts.
>
> The Republican Party, while promising tariff revision, has shown by its tariff legislation that such revision is not to be in the people's interest; and having been faithless to its pledges in 1908, it should no longer enjoy the confidence of the Nation. We appeal to the American people to support us in our demand for a tariff for revenue only.

This pledge contained two essential ideas: First, the establishment of duty designed primarily to produce revenue for the

Government; second, the attainment of this and by legislation that will not injure or destroy any legitimate industry.

In the report of the Ways and Means Committee, accompanying this bill, we find this significant statement:

> The dividing line between the positions of the two great parties on this question is very clear and easily ascertained in theory. Where the tariff rates balance the difference in cost at home and abroad, including an allowance for the difference in freight rates, the tariff must be competitive, and from that point downward to the lowest tariff that can be levied it will continue to be competitive to a great or less extent. Where competition is not interfered with by levying the tax above the highest competitive point, the profits of the manufacturer are not protected. On the other hand, when the duties levied at the custom-house are high enough to allow the American manufacturer to make a profit before his competitor can enter the field, we have invaded the domain of the protection of profits. In our judgment the protection of any profit must of necessity have a tendency to destroy competition and create monopoly, whether the profit protected is reasonable or unreasonable.

I want to say to those progressive Republicans who sit in this Chamber, and in the body at the other end of the Capitol, that the issue which they will have to meet is clear and unmistakable.

For years they have been joining with us in the condemnation of the Payne-Aldrich law. They have won favor with the people largely because they have promised to favor a real and substantial reduction of the tariff rate.

The opportunity is now presented to them to show their good faith. It will not do for them to hide behind captious objections to particular schedules. Such tactics will play into the hands of the standpat Republicans, who, above all things, want the rate to remain unchanged.

I want to say to you low-tariff Republicans it is up to you now to demonstrate to the country whether or not you were sincere in your protestations or not.

Some of you who are going to vote against this bill will try to justify your vote by saying "I am in favor of lower duties, but this particular bill is not just to my liking." Such an excuse is worse than absurd; it is dishonest.

Is there a Progressive or a progressive Republican in the United States who honestly believes that if his party were in power a tariff bill would be framed which would meet the individual views of any one of their number?

Every man who knows anything knows that if he were to live to be as old as Methuseleh, and were to become as wise as Solomon, and should attain the statesmanship of Daniel Webster, and were to remain in Congress as long as Joe Cannon he would never have an opportunity to vote for a tariff bill which suited him in every particular.

A tariff bill of necessity can not represent the individual views of any one man. It is bound to be so framed as to meet the composite views of a large number of men.

So what is the use of trying to fool the people about this matter. You are either for the people or against them in this fight. Every high protectionist, every standpatter will vote against this bill, and he will do so because he favors the Payne-Aldrich law and wants it to remain on the statute books. If you Progressives and progressive Republicans want to join with them and desert your previous colors you are of course at liberty to do so, but the issue thus formed must be met and no one will be permitted to evade it.

No Democrat is at all underestimating the responsibility now resting upon his party. A reduction in tariff exactions always brings on protests and criticisms. We realize fully the character of attacks that will be made upon us and upon this bill.

But we are strengthened by the consciousness that the people are alive to the real situation, and are fully capable of analyzing the motives which will inspire them.

We have been commissioned to perform an arduous and difficult task.

We propose to carry out our pledges to the American people faithfully and honestly, and we will do so in full confidence that upon our work the American people will place the seal of their approval. [Loud applause on the Democratic side.]

Mr. GARDNER. Mr. Chairman, I will ask how the time stands?

The CHAIRMAN. The gentleman from New York [Mr. PAYNE] has used 19 hours and 55½ minutes. The gentleman from Alabama [Mr. UNDERWOOD] has used 20 hours and 14 minutes.

Mr. GARDNER. That would take 18½ minutes on our side to even up.

The CHAIRMAN. Yes.

Mr. GARDNER. Do I understand it is satisfactory to the gentleman from Alabama to continue in session after we have evened up and then divide the remaining time—an hour and a half—equally between the majority and the minority, which would bring us until a quarter past 11?

Mr. UNDERWOOD. That would be satisfactory, if we adjourn at a quarter past 11.

Mr. GARDNER. I yield to the gentleman from Nebraska [Mr. SLOAN]. [Applause on the Republican side.]

Mr. SLOAN. Mr. Chairman, this tariff bill, characterized by its two most important features, is an act to provide penalties for producers and subsidies for importers.

Fairness to the majority demands a plain statement of its point of view. "The revision is in the interest of the consumers," said Chairman UNDERWOOD in his opening speech on April 23, 1913. The interest of the consumer is our first concern, said President Wilson April 21, 1913. "The tariff duties are laid for revenue only, all elements of protection being eliminated," says the report of the Ways and Means Committee accompanying the bill.

"The future growth of our great industries will be found beyond the seas," says the report on page 18. In practically every speech supporting the bill the consumers' interests are held paramount. In one noteworthy exception, when Congressman DONOVAN, of Connecticut, a Democrat, asked Chairman UNDERWOOD why, in the laying of duties, wages in this country and those abroad had not been ascertained or considered, he was told by the chairman that that kind of reasoning belonged on the Republican side of the House.

So that wage earner and farmer, constituting the distinctive producers of this country, were directed to waive their claims to steady employment and good wages by the one and their right to fair prices for their farm products by the other. These are to be held secondary to the importer, who should have an opportunity to minister unto the consumers at prices having no regard to wages or crop prices in this country. Of course all men are consumers, but the clamor for reduction of wages and prices do not come from those constituting the consuming producers. The express demand for reduction of prices and the necessarily implied demand for reduction of wages come from—

First. The idle rich.

Second. Those who have their means invested in interest-bearing securities.

Third. Salaried class, who, from their official position or their relations to various avenues of public information, have raised a mighty clamor against what is called the "high cost of living."

Of these it should be said, while they are not so numerous as the wage earner or the farmer, they have been most active and emphatic. This activity and emphasis constitute the basis for this present tariff bill.

With this viewpoint it is not difficult to understand the force of the Ways and Means Committee's statement, on page 18 of its report, that "it is our deliberate judgment that the future success of our great industries will be found beyond the seas." For more than a century and a quarter we have been taught that it is better for America to see that her industries prospered within her borders than to see them prosper in foreign countries, whether they were there run by American or foreign capital. American production in America sold to Americans keeps Americans here, production here, and the money paid for that production here. This view is distinctly and frankly challenged and repudiated in the new bill.

As Chairman UNDERWOOD well said, "This bill marks the beginning of a new era in this country." He will probably pardon us if the public sees newness as the only quality to recommend the novel tariff system.

In harmony with the beginning of important new legislation, the Ways and Means Committee call attention to conditions alleged to be undesirable, point out principal offenders, and then propose and state the remedy. "High prices" is the distinctive evil sought to be overcome. To direct the public mind to the principal offenders the Ways and Means Committee in its report sets out its first table of figures. This table shows values since 1897, the year when the Dingley law was passed. The following is a copy of that table:

Relative wholesale prices and per cent of increase over 1897.

Commodity.	Price, 1897.	Price, 1900.	Increase over 1897.	Price, 1910.	Increase over 1897.
			Per ct.		*Per ct.*
Farm products	85.2	109.5	28.5	164.6	93.2
Food	87.7	104.2	18.8	128.7	46.7
Clothing	91.1	106.8	17.2	123.7	35.8
Metals and implements	86.6	120.5	39.1	128.5	48.2
Drugs and chemicals	94.4	115.7	22.5	117.0	23.9
House-furnishing goods	98.8	106.1	18.1	111.6	24.2
Miscellaneous	92.1	109.8	19.2	133.1	44.5
All commodities	89.7	110.5	23.1	131.6	46.7

Again, on page 23, in the same report, speaking of agricultural products, the report says:

In the effort to relieve the consumer and to mitigate the high and rising cost of living Schedule G, which deals with agricultural products, has been thoroughly revised, and important reductions have been made.

As further emphasis to offending Schedule G, which is the agricultural schedule, Chairman UNDERWOOD, on the 23d of April, 1913, in the opening paragraphs of his first speech in support of the tariff bill, emphasized the assault on Schedule G in the following language:

So far as the people were concerned, the main reason why a revision of the customs laws was both demanded and expected was because of the increased cost of living since the enactment of the Dingley bill in 1897. During that period I find from statistics that the value of farm products had increased 93 per cent; food, 47 per cent; clothing, 36 per cent; metals and implements, 48 per cent; drugs and chemicals, 24 per cent; house-furnishing goods, 24 per cent.

My discussion will relate largely to the agricultural schedule for the following reasons:

First. It is the primary and greatest of all industries, involving the direct interests of 35,000,000 people and an annual production of more than $9,000,000,000 of value.

Second. It is the principal industry of the great Northwest—dominant in my State and overshadowing in my district.

Third. It is the industry whose products are most drastically assailed in the Underwood bill.

Fourth. It is the industry with whose "growth beyond the seas" I am much less concerned than its growth and development within our own borders. It is the industry where the best opportunities, physically, socially, and morally, for our own people are, and which should be made attractive for those now living there to remain and to which those now living in congested cities should be effectively invited.

In the discussion of this question I assume that the drastic reduction of duties on farm products will reduce prices of farm products. In the first place, that is the expressed purpose of the supporters of the bill.

Second, reduction of duties is an invitation for importation. Increased importations of farm products at the great consuming centers of our country can not fail to hammer down prices. Moreover, it is claimed by those engaged in indoor manufacturing and admitted by the sponsors of this bill that the even moderate reductions of duties on their products will reduce their selling prices. So that having arrived at a period in our agricultural history and development when, even with the present duties, we have competition between our farm products and similar imported products, it is apparent to all that to radically reduce or remove duties will multiply that importation and competition, with a resultant of decreased prices for farm products.

Schedule G, speaking historically, appeared in the McKinley bill. It was first drafted by Mr. LA FOLLETTE, of Wisconsin, now Senator, but then, in 1890, a member of the Ways and Means Committee of the House of Representatives. It was repealed when the Wilson bill was enacted, but was reenacted in the Dingley law, and has been substantially retained in the present tariff law. At the time of its first enactment and until recent years its value to the farmer was not regarded as important. It is a wise statesmanship which plans legislation not for the day or perhaps the year, but for that condition which a clear foresight sees coming. It was believed that the time was approaching when production of farm products and consumption by the people of this country would approximate each other. That time has arrived. This our diminishing exports of farm products and expanding imports for the last few years clearly demonstrate.

Mr. RAINEY. Mr. Chairman——

The CHAIRMAN. Does the gentleman yield to the gentleman from Illinois?

Mr. SLOAN. I would yield half my kingdom to him, but I can not yield my time. [Laughter.]

This bill would aid the importer by causing agriculture's "great growth beyond the seas." Let us look to those lands where agriculture may prosper upon its opportunity to freely import into this country. The reduction or removal of duties, we must understand, is an invitation for this foreign agriculture to intensify everywhere possible on the globe, because America's pockets have been for years the fullest of the world, America's palate the most exacting, and its hand most lavish. Let me call attention to the leading locations for this growth of the agricultural industry "beyond the seas."

First. Canada, beyond the "unsalted seas," has boundless acreage of new and virgin soil made accessible by liberal homestead laws and easy terms of purchase to her citizens, and to a citizenship invited from the world.

Her products, with few exceptions, compete with all the products of the Northwest. Our neighbor, Mexico, has the greatest coast line, perhaps, of nearly all the noninsular countries compared with its area. Note its unusual and undeveloped resources, especially in the agricultural and pastoral lands. Australasia lying largely in similar latitude to ours, washed by the waves and fanned by the breezes of the South Sea, has almost immeasurable opportunity for cereal and meat production. It has but recently found ocean paths to our ports, bringing in millions of meat and cereal products to compete with our own; this notwithstanding our strong tariff discrimination. South America, with its mighty stretches of pastoral and arable lands in its great river valleys and moderately elevated tablelands, presents opportunity for cereal and meat production to feed the world. Principal among South American countries, of course, as a competitor is Argentina. It is about two-fifths the area of the United States, in the South Temperate Zone, with a long Atlantic coast line and a general slope from the Andean region to the ocean. It is traversed by rivers along whose valleys and intervening elevations are lands which favorably compare with the most productive of our own country and which produce everything upon which we rely in the great Northwest. This land raises corn, wheat, oats, rye, alfalfa. Liberal laws invite citizenship, and easy homesteading is provided. Its lands, which surpass ours for grazing and rival them for cereal production, sell from one-fourth to a third of what ours do. Its plains are covered with herds looked after for less than one-half of our labor cost. More than this, so much of her territory so neighbors the sea she can carry her products to New York, Boston, Philadelphia, and Baltimore cheaper than can we transport our grains and meats from the great West to those seaports.

This can be readily seen from the following coast-line table of the United States compared with the other countries considered, the rule being that distance to port varies inversely with the length of the coast line.

Area and coast line.

	Area, square miles.	Coast line, nautical miles.
United States	2,974,159	4,330
Brazil	3,291,416	3,700
Argentina	1,139,196	2,140
Chile	292,743	3,043
Uruguay	72,172	330
Paraguay	97,722	None.
Australia	2,974,580	7,800
New Zealand	104,750	2,270
Mexico	767,323	3,160
Canada	3,729,665	3,025
Total outside of United States	12,469,567	25,468

This gives to the United States 692 square miles of area to each nautical mile of coast line, while the average of the other countries is 489 square miles to each nautical mile of coast line. Considering the above and the varying form of coast lines, the distance to port in the United States would be approximately one and one-half times what it averages in these other countries.

It is this competition which the new tariff bill asks the farmers of the Northwest to battle with for the markets of the East—these markets they have done so much in the last 50 years to upbuild. They were led to believe that these markets were secured to them, at least to such an extent that the tariff barrier would represent the difference between our cost of production and the cost of production abroad. It is against this competition which President Wilson in his speech to Congress invited the American farmers to "sharpen their wits," as he was about to remove their shield.

To drive the Northwest into this unfair competition and make it the special sufferer under this bill a few significant facts should be stated.

First. A recent change in the rules of the House of Representatives gave the Ways and Means Committee power to appoint all standing committees and, therefore, control all the legislation of the House in its every department, division, and ramification. This appointment is carried out by the 14 majority members of the Ways and Means Committee to the exclusion of the 7 minority members.

Second. Up to the time of the passage of this act no standing committee appointments have been made save and except the Committee on Ways and Means and the Committee on Rules. So that every member of the majority awaits his effectiveness in legislation until he delivers his support and vote on this measure. This explains in part why no member of the majority side, save members of the Ways and Means Committee, dared suggest an amendment or vote for one proposed by anyone else.

Third. In the drafting of this bill the seven minority members were entirely unconsulted and excluded.

Fourth. Of the 14 majority members the Ohio member, Mr. ANSBERRY, through illness, has been practically unable to appear in drafting or otherwise being concerned in the bill. Of the other 13, 7 are distinctly southern in residence and political beliefs and prejudice. The eighth member, Mr. HARRISON of New York, is professedly a free trader and, by more than ordinary affiliation through ancestral conditions, southern in prejudice. The ninth, Mr. PETERS, of Boston, comes from that city which recently elected a Democratic Congressman on the issue of cheap food products and free wool. The tenth member, Mr. PALMER, of Pennsylvania, comes from the Schwab iron district of Pennsylvania, and his interest in the welfare of the farmers and wage earners of the country has not been apparent to the unaided human perception. It will be further noted that all the members drafting this bill reside in the eastern two-fifths of the United States. If you draw a line from Canada to St. James, Minn., from there to Jefferson City, Mo., and from there to Uvalde, Tex., thence to the Mexican line, you will leave to the West 60 per cent of the area of the United States entirely unrepresented by any member who participated in drafting this bill.

Fifth. In this 60 per cent of the area of the United States there reside 18,000,000 people. There is there produced 64 per cent of the wheat raised in the United States, 40 per cent of the oats, 30 per cent of the corn, 70 per cent of the barley, 46 per cent of the hay, 45 per cent of the horses, 31 per cent of the swine, 63 per cent of the sheep, 67 per cent of the wool.

I mention these facts because it is difficult for a party unrepresented at court to obtain his full due, and this 60 per cent of the United States, so far as this bill is concerned, is treated like an alien producing province, and given most severe and undeserved punishment.

It should be, perhaps, mentioned that a large number of the Democratic Members from the Northwest made a futile effort to have a representative on the Ways and Means Committee in the person of Hon. EDWARD TAYLOR, of Colorado, but he received less than 10 per cent of the caucus vote.

Perhaps no single fact would more pointedly illustrate the lack of sympathy and knowledge of the great Northwest possessed by the majority of the Ways and Means Committee than the statement made by one of its members, Mr. PALMER, of Pennsylvania, when he spoke of Denver as being in the heart of the great lumber and forest section of the West. This is entertaining to those of us who live on the plains of the Dakotas, Nebraska, Wyoming, Kansas, Texas, Oklahoma, and New Mexoco, which more than one-half surrounds Denver.

The foregoing figures, indicating the noncongested population and the very large farm production, will readily show that this section is the one which furnishes the surplus not consumed in the vicinity of its production, but which is sold to the consuming centers.

With these facts in view, however unjust it may have been, it was not wholly unnatural, perhaps, that the following severe and merciless discrimination should have been made against this section.

The following table shows the change from the present law as affecting the important northwestern agricultural products:

	Per cent reduction.
Meats, free list	100
Flour, free list	100
Swine, free list	100
Cattle	66
Horses	60
Raw wool, free list	100
Hay	50
Wheat	60
Dairy products and eggs	50
Poultry	63

Figuring the reductions and removals of duty, together with the relative amounts of value affected thereby in the northwestern section, it can be fairly estimated that the average reduction amounts to from 80 per cent to 85 per cent of the former duties, while the reductions of the former duties on the products coming from the East and South amounts to only from 35 per cent to 40 per cent. In other words, the cuts in farm-product duties are more than double what they are collectively on the manufactures in the several schedules, including:

A. Chemicals, oils, and paints.
B. Earths, earthen ware, and glassware.
C. Metals and manufactures.
D. Wood.
E. Sugar, molasses, etc.
F. Tobaccos.
H. Spirits, wines, etc.
I. Cotton.
J. Flax, hemp, and jute.
K. Manufactured woolen.
L. Silks.
M. Pulp, papers, and books.
N. Sundries.

Or, to state it in another way, the discriminating duties on articles largely produced in the East and South are cut less than one-half as much as on agricultural products. Again, only about 15 per cent of the Payne tariff-law protection remains on Schedule G, and including raw wool, while on the other articles 60 per cent of the Payne protection is retained.

At this time it would be proper to state that during the last few years the importations and duties collected on farm products have been increasing more rapidly than in the other schedules, so that if this bill was really for revenue only, the duties should remain as a source of expanding revenue.

Of this, however, more hereafter.

To estimate the effect upon competition at our ports, under reduced or removed duties, we first note the course of importation in recent years under the old law; second, the export record of our rivals in the same class of articles, for the reduction or removal of the duty is either the increase or creation of our rivals' opportunity. Under the proposed law, cattle duties are reduced about 66 per cent. The following table shows our increasing imports and our decreasing exports. It will further show the increasing exports of our three rivals in this line—Argentina, Australia, and Mexico. It requires no great commercial wisdom to see that increasing export headed toward our ports.

Exports and imports of United States in cattle for certain years and exports of cattle for same years from Argentina, Mexico, and Australia.

	United States.		Argentina.	Mexico.	Australia.
	Exports.	Imports.	Exports.	Exports.	Exports.
	Number.	*Number.*	*Number.*	*Number.*	*Number.*
1905	567,806	27,855	.....	.....	.....
1906	584,239	29,019	.....	.....	.....
1907	423,051	32,402	.....	.....	.....
1908	349,210	92,356	.....	.....	.....
1909	267,542	129,184	132,450	136,051	975
1910	139,430	195,938	89,733	193,326	3,745
1911	150,100	182,923	184,112	136,051	9,964
1912	105,506	318,372	261,416	(1)	(2)

[1] No data.
[2] Number of cattle not given, but value of export for 1912 of cattle over 5 times value of 1911.

Applying the same rule for packing-house products we find decreasing export, increasing imports, and expansion of our rivals' exports.

Exports and imports of the United States in packing-house products for certain years and exports of packing-house products for same years from Argentina, Australia, and New Zealand.

	United States.		Argentina.	Australia.	New Zealand.
	Exports.	Imports.	Exports.	Exports.	Exports.
1900	$179,898,782	$1,214,585	$11,702,000	$16,496,000	$12,589,000
1905	170,308,231	75,798,841	30,621,000	13,148,000	14,872,000
1910	113,123,937	127,975,068	33,308,753	20,101,416	19,009,013
1911	131,056,795	86,078,298	40,211,439	28,902,804	17,820 599
1912	137,554,077	117,270,572	45,210,933	(1)	(1)

[1] No data.

United States exports from 1900 to 1912 decreased 24 per cent. Argentina exports from 1900 to 1912 increased 286 per cent. Australian exports from 1900 to 1911 increased 76 per cent.

Perhaps its effect can be most forcibly stated in the following table:

Exports of beef from United States and Argentina to the United Kingdom for certain years.

	United States.	Argentina.
	Hundredweight.	*Hundredweight.*
1901	3,180,291	771,929
1902	2,290,465	923,748
1903	2,693,920	1,152,211
1904	2,395,836	1,675,271
1905	2,232,206	2,580,152
1906	2,426,344	2,795,913
1907	2,417,604	2,756,965
1908	1,432,142	3,706,245
1909	856,805	4,336,079
1910	477,147	5,041,138
1911	174,350	6,176,503
1912	6,111	6,813,578

This table shows what became of our export beef trade placed in competition with Argentina's beef trade in the markets of the United Kingdom. These ports are free and open to the world, just as the Underwood bill would make the markets of San Francisco, Seattle, Boston, New York, Philadelphia, and Baltimore. The pathways of the sea require no right of way to be purchased, no track to be laid. Sea freight is notoriously cheap. Its cheapness is not subject to the control of any commission enabled to prevent discriminations. So all the advantages lie with the great shipper against the small. We note that Australia can ship her meat products to our ports cheaper than we of the West can send them over the iron tracks. How the American, with his high-priced land, high-priced labor, and expensive transportation can so "sharpen his wits" to meet these adverse conditions might constitute a good basis for a new chapter on political revelations.

Cattle on the dutiable list and meat on the free list, is a reversal of the rule announced by Chairman UNDERWOOD of a low duty on the so-called raw materials, a higher duty on the finished product. It is a distinctive blow against the farmer who would desire to feed cattle, as to some extent under this bill he must buy his feeders in a market slightly protected, but he must sell the finished product of his industry in a free-trade market. They say an ingenious Canadian is watching this bill with a great deal of interest. He has constructed an elevated platform just across the line in Canada, where he will kill the cattle in Canada, and they will fall from the trap into the United States as beef, avoiding the duty. This is but a crude statement of what the large and powerful packing interests would, in effect, do; their abattoirs would be close to the American line in Canada or Mexico; their live stock would become meat in the foreign country; it being shipped free would escape the duty.

Many have wondered why cattle are to receive the slight protection and beef be denied it altogether. My own construction of this is that when the Mexican longhorns were being politically started across the Rio Grande, they found "GARNER at the gates." That he did the best he could to slug the marauders of his own industrial household is apparent. I only regret that his protective vision was not broader and more general. Still, I admire his Americanism in insisting that a Texas ranger is at least 10 per cent better than a Mexican greaser.

Of meats generally, as will be seen from the table, our imports show an increase, while our exports show a decrease. On the other hand, our rivals show an increase of exports of meats.

Another important reason why we should not have free meats from all the world is that none of our rivals require the severe tests of inspection with right and power of condemnation that is required under our pure-food law of our own meat producers. The Ways and Means Committee in charge of this bill rejected a proper amendment submitted from this side of the House to at least not further grant a premium to the advantage of the foreign producer, enabling him to flood our shores with meats of bad or, at least, doubtful quality.

It is passing strange throughout this whole bill what an aristocrat the importer becomes. He pays no taxes to America, is under no obligation to its Government or subdivisions. He may be its most inveterate enemy, but is given the advantage in numerous ways over the home producer in the preparation of his article of commerce and is welcomed at our ports, while handicap after handicap, legal and otherwise, is imposed and enforced upon the home producer. What manner of men are these of the Ways and Means Committee, who rail at special privilege to American citizens and make speed to grant them to the foreign producer, who lives on a foreign shore, employs labor of his own kind, drains America of its money, deprives the laborer of his job, and the American producer of his opportunity? They then threaten the American producer with special governmental investigation, to be followed with severe punishment should he perchance see fit to slacken his business, close up his doors, or seek perchance to reestablish his industry on a foreign shore, there to obtain equal opportunity. Is that threat because they do not want our American producer under the new régime to be on equal terms "beyond the seas" with the foreign producer?

It might be interesting for our cattle raisers to know the most important piece of evidence which seemed to influence the Ways and Means Committee in its reduction of cattle duties and removal of duties on meat. Able and clear evidence was given in opposition to free meats and the reduction of duties on cattle by Judge Cowan, the attorney for the National Live Stock Association, and others, which would seem convincing to anybody who either resided in the Northwest or was conversant with its conditions. But the testimony which seemed to have swayed the committee was that of one Daniel J. Haley, of the United Master Butchers' Association of America. Quoting from his testimony, on page 2598 of the hearings, will be very interesting to cattle raisers and meat producers. He said:

> The present tariff rate on food animals is practically prohibitive and the teeming hordes of cattle from Mexico, at our very door, and the vast plains of northern South America are barred from entering. Those cattle—reports to the contrary—compare favorably with the home supply. The removal of the tariff on meats and food animals would not materially affect the American farmers, for as a class they are not in the cattle-raising business.

Of course, Mr. Haley should have known the incorrectness of that statement. Most of the farmers of the United States are engaged in the cattle business, and it is further known by every intelligent farmer that if he does not to some extent engage in the cattle business he can not long continue in the farm business, because its fertility will have vanished. Although our prices for cattle are quite satisfactory, the margin of profit has not been large; in fact, very close, if we did not consider the keeping of cattle on the farm as the principal means of retaining its fertility. Yet this man's word was given great weight by the Ways and Means Committee.

Wheat duty is reduced by the bill from 25 cents per bushel to 10 cents, while flour, assuming that Canada will take off her duty, will be admitted free. This is on a par with dutiable cattle and free-trade beef, another reversal of the raw-material theory announced by the chairman of the Ways and Means Committee, a reversal made in the Northwest, not, however, made in any important particular in the industries of the East and South.

During recent years wheat in Canada has uniformly ranged lower in price than similar wheat within the United States, other conditions being approximately equal. This being true, we must say of this bill as applied to wheat and flour "it passeth all human understanding." Under this arrangement wheat of course would not come in from Canada, nor would very much flour fail to come in. This must be obvious to anyone whose brain is not in pawn to a caucus. It looks like a specious concession to the member of the Ways and Means Committee from Minnesota to apparently save his farmers' wheat. It looks like old Bill Jones's dam, which Smith agreed to build across a small stream in my State. Smith guaranteed that the water would not run over the dam. He set the bank posts and fastened longitudinal planks from top down to low-water mark. He then claimed he had completed his contract. Jones could not see that the water lowered above or below, but Smith showed him that the water would not run over it. "I did not agree to keep the stream from running under it." I fear the farmers of the North will be dissatisfied with HAMMOND'S dam. It will check the wheat, but will not interfere with the flow of flour. It will amount to a mere device to remove the milling activities over into our rival's territory and will be a distinct case in point where the growth of our industries will lie "beyond the unsalted seas." That this will be true can be readily seen when we note the growth of flour exports from Canada and the practical lack of growth of its wheat exports.

United States and Canada exports of wheat and wheat flour.

	1909	1910	1911	1912
United States: Wheat....bushels..	66,923,244	46,679,876	23,729,302	30,160,212
Canada: Wheat.....do....	49,137,449	60,431,253	49,896,924	66,541,022
United States: Flour.....barrels..	10,521,161	9,040,987	10,129,435	11,006,487
Canada: Flour.....do....	1,738,038	3,064,161	13,854,869	3,739,710

United States export of wheat for years 1911–12 (average) was 52 per cent less than for 1909–10 (average).

Canada export of wheat for years 1911–12 (average) was 6 per cent more than for 1909–10 (average).

United States export of flour for years 1911–12 (average) was 8 per cent more than for 1909–10 (average).

Canada export of flour for years 1911–12 (average) was 266 per cent more than for 1909–10 (average).

The admission of free flour from Canada will, perhaps, as seriously affect the milling interest of my State as the border States, because we will have to meet not only the competition of the border States within our competitive territory, but that swollen competition resulting from the Canadian imports. The products of our mills, not being up to the standard of excellence of the northern product, must necessarily suffer from that competition.

It will probably cause a repeal of the old rule which we learned in youth, that 10 mills made a cent. Under this new tariff arrangement 10 mills can not make a cent. [Applause.] In many of our towns the most effective competition in the purchase of grain arises out of the local miller's demand. If his mill is closed the grain farmer must of necessity suffer.

The following table shows the course of cereal exports of the United States, Argentina, Australia, and Canada.

Quantity of cereals exported, in bushels, from certain countries.

	1900	1905	1910	1911	1912
United States	448,303,196	285,054,567	138,778,137	146,358,645	124,010,673
Argentina	92,460,623	203,468,125	188,772,957	130,421,795	356,450,899
Chile	1,640,500	3,376,000	6,087,624	2,796,410	(1)
Uruguay	2,402,000	2,266,000	3,681,774	[2] 4,000,000	(1)
Australia	16,843,500	33,459,500	38,362,730	63,865,255	(1)
New Zealand	7,929,000	2,093,000	1,782,780	1,433,263	(1)
Mexico	20,000	141,000	7,705	91,194	(1)
Canada	29,386,000	24,052,500	55,298,917	118,132,837	103,564,924
Total outside of United States	150,681,623	268,856,125	294,024,487	320,740,754	.....

[1] No data. [2] Estimate.

United States exports of cereals from 1900 to 1910 decreased 69 per cent.
United States exports of cereals from 1900 to 1911 decreased 67 per cent.
United States exports of cereals from 1900 to 1912 decreased 72 per cent.
Argentina exports of cereals from 1900 to 1910 increased 104 per cent.
Argentina exports of cereals from 1900 to 1911 increased 41 per cent.
Argentina exports of cereals from 1900 to 1912 increased 285 per cent, and in 1912 Argentina exported two and five-sixth times as much cereals as did the United States.
Australia exports of cereals from 1900 to 1910 increased 127 per cent.
Australia exports of cereals from 1900 to 1911 increased 284 per cent.
Canada exports of cereals from 1900 to 1910 increased 88 per cent.
Canada exports of cereals from 1900 to 1911 increased 305 per cent.
Canada exports of cereals from 1900 to 1912 increased 252 per cent.
Exports from all countries discussed—Argentina, Chile, Uruguay, Australia, New Zealand, Mexico, and Canada—from 1900 to 1910 increased 95 per cent; from 1900 to 1911 increased 112 per cent.

It will be noted that the United States export of cereals from 1900 to 1912 decreased 72 per cent. Argentina increased 285 per cent, that country exporting 2⅞ times as much cereals as the United States. Australian exports increased 284 per cent between 1900 and 1911, 1912 figures not being available. Canada's export of cereals in 1912 increased 252 per cent.

Rice grain is retained on the dutiable list. Rice flour also remains on the dutiable list. Having noted dutiable cattle and wheat and free flour and meats their more finished products on the free list, one naturally wonders at the system of logic followed by the committee on rice. There is but one answer. It was the question which interested Commander Peary in the north and Capt. Amundsen in the south—purely a question of latitude. [Applause.]

If we turn to sheep we find that the wool is on the free list, but the woolens manufactured in the East bear a heavy duty. That question can only be explained as a matter of longitude between east and west. If we examine the sugar question we find that the committee wanted it free; another authority decreed that the duty should remain for three years. So this seems to have been determined on the question of time. We find the great committee disposing of these northwestern products on the old maritime conditions of latitude, longitude, and time. Well did Hancock, in his political extremity, say the tariff was a local issue. But we find on the plains of Texas the Angora goat, upon the hair of which there is retained a protective duty. This does not seem to be explained from any of the standpoints. It is said that when the matter was presented to the eminent tariff censor he said, "It can not be allowed on latitude, longitude, or time, but let us see if it will pass the literary test. I find it has alliteration in 'GARNER'S goats,' let it pass." [Laughter and applause.]

In poultry, dead poultry carries twice the duty that does live poultry, reversing the meat and cattle rule. More alive the material the less the duty. In cattle the deader the material the less the duty. The difference between flesh and fowl, of which we have read so often, seems to have been solved in the Underwood bill. I thought of saying something about peanuts, where the present high duties have been but slightly reduced. But that seems to be a shell game any way; their production is confined largely to Virginia and North Carolina. [Laughter.]

Corn is placed on the free list. Under the present law it bore a duty of 15 cents per bushel. Notwithstanding that duty our import of corn increased from 1905 to 1910 from 15,436 bushels to 117,950 bushels. The duty paid the Government the latter year was $17,692.10. Our export of corn for the year 1912 was only 40,000,000 bushels, while Argentina exported 390,000,000 bushels, being nearly five times that of ours, our own export having decreased in the last 10 years 80 per cent. Our imports of meats and cereals generally are expanding rapidly. Imports, 1911, value $2,552,776, duties $580,071; 1912, value $19,579,450, duties $5,258,763; 1913, value $40,601,290, duties $9,268,750—1913 is arrived at by doubling the actually ascertained importations of the first half of the 1913 fiscal year.

If we import, under the new law, sufficient meats and cereals to collect as much revenue as we did on those articles in 1913, it will require the importation of over $200,000,000 worth of meats and cereals. That in itself will do away with a large part of our national balance of trade. This bill was well described by a Democrat as "the harmony of 4,000 discords," and I note that it was way down in "G." Schedule G is made up of a combination of exceptions and apparently all rules barred. It seems that the committee would reverse or violate any rule in order to give the Northwest the worst of it. Every rule of equity in the adjustment of tariff duties observed heretofore by either of the political parties have been brushed aside. In fact, the leading rules claimed to have been followed in the make-up of this bill as fundamental have been violated in adjusting the tariffs affecting the Northwest.

First. Raw material is, in certain cases, slightly protected, while finished products are free; thus, cattle slightly protected, beef free; wheat slightly protected, flour free. Chairman UNDERWOOD claimed for his bill to give free or low duty raw material and higher duty on finished product.

Second. There is a pledge not to injure any legitimate industry. Mr. UNDERWOOD, in his estimate of the effect of free meats and cereals, has submitted figures showing that meats will be reduced in price 11 per cent and cereals 12 per cent. That that will injure the agricultural industry must be patent. The committee seems to question its being a legitimate industry. When I first came to Congress I heard numerous gentlemen on that side of the House excoriate the robber tariff and verbally skin the tariff barons. I thought they were directing their anathemas at Pittsburgh and Wall Street, but after the drafting and presentation of this bill it seems that they meant all the time the farmers of the Northwest.

Third. They said that radical reductions and removals of duties were to be made when articles were of trust production, yet the greatest reduction and removals are on farm products where there are no trusts. In the tariff-bill report there are mentioned 235 so-called trusts, but none of them are located in the "producing province." In the bill slight reductions are made on the articles alleged to be made by the trusts. Heavy reductions or removals are made on those articles the farmers have to sell. The force of this is further seen when we recall that the farmers sell more than they buy. They would even reverse the decrees of Holy Writ to accomplish their purpose. The inspired Matthew in describing the great day when rewards and punishments are to be meted out declared that upon the left hand should be placed the goats, the type of perversity, there to receive their punishment, while the sheep, long the living emblem of innocence and purity, should be gathered on the right hand for reward and protection. The Ways and Means Committee reversed the final judgment, placed the goats upon the right hand, saying, be ye blessed and protected, while the sheep, relegated to the left, are told, depart ye cursed into everlasting free trade, prepared by the majority and its committee. [Laughter and applause.]

This bill will aid the expansion of commerce of every nation on the globe except our own, because it throws open our ports, uncovering the greatest markets of the world to the foreign tradesmen, but does not open a single market in any nation of the world to us. More than this, it will violate many trade agreements we already have and place new barriers to the foreign trade we now have.

Every civilized nation on earth, save the insular United Kingdom alone, have discriminating duties in favor of their own producers, as the following table will show:

Import duties on meats and cereals.

Country.	Fresh meat per pound (about).	Cured or simply prepared meats per pound (about).	Average of cereals per bushel (about).
Austria-Hungary	$0.03	$0.03	$0.211
France	.024	.032	.177
Germany	.035	.039	.245
Belgium	.019	Free.	Free.
Russia	Free.	.021	Free.
Greece	.020	.014	.162
Italy	.010	.022	.196
Spain	.012	.044	.221
Sweden	.009	.064	.198
Canada	.030	.020	.094
Mexico	.022	.033	.229
Argentina	Free.	.109	.195
Brazil	.023	.192	.177
Australia	.040	.060	.194

To further show that reduction of duties on farm products will reduce prices, the Ways and Means Committee submits average prices on different articles in 1896 under the Wilson bill and average prices in 1912 under the present law. It shows relative values of the several article units at the two periods:

	1896	1912
Horses	$46.44	$90.49
Mules	9.45	46.05
Cattle	6.85	14.20
Swine	6.47	10.84
Sheep	2.54	5.85
Beef	.043	.095
Butter	.16	.25
Pork	.16	.189
Poultry	.096	.229
Wheat	.352	.80
Oats	.341	.387
Wool	.14	.171

I hope no one will discredit the Ways and Means Committee by saying that they are not convinced of the probable workings of its bill. A pertinent inquiry based upon the above table might be made as to whether this is the "restoration" referred to in the recent inaugural.

In the readjustment of the tariff the farmer finds himself in the position of Smith, who, in 1895, gave a $50 mortgage on an $80 horse. It was a good horse, too. At maturity, Smith could not pay the money and wanted to sell the horse to Jones, the mortgagee. They agreed on the value of the horse, and of course knew the amount of the note. Jones said he would buy the horse, but he would require discount of the price. Smith said, "I will discount if you give me a proper discount on the note." Jones arranged the discounts. The horse was to be discounted 50 per cent, the note 20 per cent, making the new basis of value—horse $40, note $40. Said Smith, "I see your system. Under the circumstances you have the majority vote." The exchange is made. "But do me the honor to acknowledge that I see through your system."

I should not object; in fact, I favored a reasonable downward revision of the tariff with no favorites played. In the revision vigorous pruning would not have been objected to, but no felling of the tree was contemplated. You were expected to prescribe a healing potion to the alleged tariff patient, not to administer a deadly poison.

A year ago in a speech on the floor of this House I asked the following question:

> Since when in American history has the man who rises before the dawn, subdues the forest and the sod, risks all against the chance of drought, flood, frost, or pestilence; who, through the long day, under burning sun, in drenching rain, and blinding storm, becomes entitled to less consideration than the man whose hours are short, shelter is sure, and the periodical payment certain in mill or factory?

I have my answer from the Ways and Means Committee in the report and debate on this bill. "As soon as the Underwood tariff bill passes."

This bill under a fair analysis is un-American, reactionary, sectional, and class legislation.

It is un-American. It distinctly repudiates the doctrine of protection which was proposed by the great Hamilton, defended in and out of the Constitutional Convention by Madison, the Democratic father of the Constitution; approved by Washington; favored by Adams; advocated by Jackson; followed by Van Buren; emphasized by Lincoln; supported by Garfield; and perfected by McKinley, while the doctrines as exemplified in this bill were never favored even by Jefferson or Cleveland.

No argument is submitted for the prosperity of our industries or the maintenance of American high wages. Nearly every argument favorable to the bill is based upon the United Kingdom's industrial conditions. It seems so intensely English that our Celtic reading clerk had difficulty in refraining from dropping his h's while reading the bill. [Laughter.]

We can not follow Great Britain, because Great Britain is a nonproducing country and may be classified as a consuming country, with fixed incomes very largely in the hands of those who control its politics. Besides, England is practically one great city with numerous suburban settlements. England as a unit is more thickly settled than any of the counties containing State capitals in the United States, except those of Massachusetts, Rhode Island, Georgia, Louisiana, Indiana, Minnesota, and Colorado, and is more thickly settled than any of the counties in any of the States, save and except those having cities containing 200,000 or more inhabitants.

Further, Great Britain is the home and birthplace of the great trust and combination systems, both in capital and labor, and which are used as defensive means in her industrial and commercial systems. Here in America our statutes, National and State, buttressed by numerous decisions of our highest courts, not only prohibit the organization of these bodies, but punish severely those engaged in their organization calculated to monopolize, control, and restrain trade.

That the English system has not succeeded is shown in the following commanding facts: British wages are, on an average, not more than one-half that of ours. The average postal and savings bank deposit per inhabitant of the United Kingdom is $24.27, while that of the United States is $46.96. In the United Kingdom the average amount of each savings bank deposit is $139.58, while in the savings banks of the United States it is $444.72. While England has 245 paupers out of every 10,000 population, the United States has only 7 out of every 10,000.

But the most forceful reason is the United Kingdom's own condemnation of its own system as applied to producing countries. She will not permit any of her producing colonies to adopt her system, but causes them to follow the lead of the United States. This is proven in the high protective tariffs of Canada and Australia.

The bill is reactionary. In a general tariff bill one schedule is played, traded, and log-rolled against each of the others until principle is abandoned, fairness lost sight of, and justice denied. This is exhibited in the present bill. The pledge made by the majority at the great Baltimore banquet in 1911, and followed in the Sixty-second Congress, was an earnest to the people that revision schedule by schedule should be followed. This is abandoned and repudiated in the present bill. Again, the best thought of fair men of all political parties is that a tariff commission should be organized to investigate and find pertinent facts relative to the laying of duties and kindred subjects, such as wages and cost of material here and elsewhere. This will be valuable, whether tariff should be for revenue only or for revenue and protection. The time is coming when such an organization will be effected.

The bill is sectional. The great producing Northwest is the special object of attack, and its lack of adequate representation in the majority of the Ways and Means Committee is largely responsible for the iniquities of this bill. Permit me to say at this time that what I have said about the members of the committee from the great cities of the East, and especially of the South, is not designed to impugn their honesty or sincerity. If we of the West were to be adjudged by their courtesy or informed judgment, we would be content. We do object most emphatically to have our industries adjudged and sentenced by their uninformed prejudice. Of course, I recognize their point of view. The large part of the farm work, of which they are cognizant no doubt, is performed by black men who do not vote, while the actual farm and live-stock work in our section is performed by intelligent white men, constituting the best citizenship under the flag.

The bill is class legislation. It attempts to establish an aristocracy of consumers, while it makes plebeians of producers. It seeks to return to the system of earlier days when men who tilled the soil and herded the cattle were regarded as inferior to those who lived at ease. That was a time when taste was honored above toil, and the sensitive palate more considered than the horny hand. It unduly exalts the alimentary canal over the brain which conceives and the hand that toils. It is a distinction that favors the gadfly rather than the laboring horse. To make you on that side better understand, it prefers the southern cattle tick to the Texas steer. It is a doctrine which would favor the habitues of Newport, Saratoga, and Atlantic City to the miner, herdsman, and farmer. [Applause on the Republican side.]

Out in my State a short time ago two typical consumers were traveling on an east-bound train. They were coming from Los Angeles to their home, there to stay a short time, and then on to Atlantic City. They had just finished a dinner on the diner and had come back to the Pullman. They had smuggled another one past the tipped or sleeping porter. It had a silken coat and was otherwise faultlessly groomed. They looked through the window on a typical pastoral scene. They saw a man coming from the field as the sun was setting. A stalwart youth of 19 years was with him. They wore the conventional overalls, blue shirt, and straw hat. Perspiration and dust of the day's toil were upon them yet. Their teams were large, well bred, and well kept. In the pasture was a herd of young cattle and horses. A small band of sheep was in an inclosure back of a well-pruned, fruitful orchard. In the yard surrounding the great red barn, the younger children, home from school, had brought up the cows and were exercising an art deemed honorable among producers, however vulgar it may seem to the sensitive consumer. Upon the porch of the commodious home appeared a Nebraska matron. She with her daughter's aid had just prepared a meal more wholesome than the chef of the Raleigh, Shoreham, or Willard could produce. She waved in our western way a salute to the passing train and awaited the

coming of the hungry toilers. This man had come from northern Europe a quarter of a century ago. He had found no charms within the metropolis that fronts on Castle Garden and so went west, to work on railroad and farm until his savings enabled him to establish a home and send for the girl he had left behind. She came and is now the mother of a large, bright, healthy family, a type of the most important factor in the American home, our Nation, and modern civilization. All this passed before the visions of our passengers, wholly oblivious to its interest and charm. One, however, grasped the third, and holding it up to the window said: "Here, Fido, are those horrid producers who raise our 'cost of living,' but be reassured, both John and you, it will not always be thus. The new tariff law's first concern is for us, the consumers." [Laughter and applause.]

The CHAIRMAN. The time of the gentleman has expired.

Mr. GARDNER. I yield the gentleman one minute additional.

Mr. SLOAN. Yield me five minutes, and I will forgive all Massachusetts has done from Bunker Hill until now.

The scene I have feebly depicted is not an unusual one in my State and district, filled with the best blood from the Eastern States, United Kingdom, Scandinavia, Bohemia, and Germany. They came, they subdued the soil, withstood drought, famine, and pestilence, established homes, supported the Government in peace and war, glad to purchase the products of the East and South, preferring them to those of the fatherland. They have only in the last few years been having their innings long deferred. Think not that they do not see and understand the purpose of this committee.

Gentlemen, pass this bill and the American people will hold you responsible for results. Remember that prosperity, like a great structure, is easier to injure than to adorn, easier to destroy than to build. Forty-eight States have industrial peace and satisfactory commercial conditions, save the hesitancy of the last six months. The banks are strongly buttressed with the obligations of solvent men and institutions, both as investors and borrowers. The mines yield their profitable increase. Great transportation systems are straining under their burdens. Farm and ranch are profitable. Cities and towns grow and improve. Labor, the basis of all this, is continuously employed, well and promptly paid. The people, well fed, well clad, and regularly schooled, are enjoying the comforts and luxuries a few decades ago not had by royalty. The future, based upon 16 years of the American fiscal and commercial system, is promising in the extreme. There are no internal difficulties, no foreign complications. This proposed revolutionary change carries with it terror to the investor, doubt to the present producer, fear to the purchaser, concern to the toiler, and complications in the world of trade. There should be no great change unless it be clear that it must be for the better. Have you considered well what lack of employment or reduction of wages mean? Have you considered what the dissipation of a large portion of that four and one-half billions of savings deposits may mean? Have you counted upon the real effect of a fall in crop prices? If you have, do not lean too strongly upon the broken reed of a Commerce Department investigation to keep our industries going. You must remember your solemn statement made in your report, "In our judgment the future growth of our great industries lies beyond the seas."

Gentlemen, one minute more, for which I thank you, and I am done. The other day, in this House, I heard a cruel speech. The gentleman from Pennsylvania [Mr. PALMER] charged the chairman of the Ways and Means Committee with being the author of this bill and then nominated him for the Presidency. Think of a man throwing a bag of sand upon his friend's shoulders and, so handicapped, telling him to go out and beat a trained sprinter on the cinder path. I desire to nominate that gentleman for an office to which he can be elected. Assuming that Hon. CHAMP CLARK, "the noblest Roman of them all," will not desire it, I nominate the princely UNDERWOOD, from the sovereign State of Alabama, minority leader of the next House of Representatives. [Laughter on the Republican side.] Let him then direct his battered galleons and lead his shattered legions against a scheduled series of tariff bills, drawn by this side of the House, based upon the findings of fact by an expert nonpartisan tariff commission. When these bills, containing moderate protection to all American labor and American industry, are passed, American ideal tariff legislation will have been accomplished. [Applause on the Republican side.]

Mr. GARDNER. Mr. Chairman, I yield to the gentleman from Pennsylvania [Mr. FARR].

[Mr. FARR addressed the committee. See Appendix.]

Mr. UNDERWOOD. Mr. Chairman, I yield to the gentleman from Georgia [Mr. HARDWICK].

The CHAIRMAN. The gentleman from Georgia [Mr. HARDWICK] is recognized.

Mr. HARDWICK. Mr. Chairman, permit me to join my friend from Massachusetts [Mr. GARDNER] in felicitating the young ladies of Holyoke, Mass., who were so thoughtful as to send, at this critical moment, flowers to the Republican Party. [Applause and laughter on the Democratic side.] The rare appropriateness of their gift at this juncture can not well be denied. Flowers are always in order at weddings and at funerals, and certainly this is no wedding celebration for the Republican Party. [Renewed laughter on the Democratic side.]

It seems to me that the Democratic Party in this Chamber and throughout the country is to be congratulated on one great fact that stands out in this entire debate. Whatever our political opponents and our critics may say about this bill, however much they may inveigh against some of its provisions, however critical they may be as to particular items, they have, one and all, accorded to us the supreme accolade of political knighthood in that they all concede that this bill is really a substantial revision of the tariff downward and is in accordance with our plighted faith to the American people. [Applause on the Democratic side.] Let me suggest that if four years ago our Republican friends had kept their plighted faith with the American people and revised the tariff substantially downward as they promised in the election of 1908 it is my judgment that the Democratic Party would not be presenting this bill to-night, and that in all probability the Republican Party would still be in power in this Chamber and in every branch of the Government. It is especially gratifying, then, for us to realize that our political opponents have conceded to the Democratic Party in presenting this bill the courage of its convictions and have admitted that in presenting it we are carrying out our plighted faith to the American people, and in doing so they have paid us the highest compliment that one political party may pay to another. [Applause on the Democratic side.]

Whether this bill shall work weal or woe for the American people, whether it shall mean a long and uninterrupted lease of power for our party or a speedy return to power of the other party are matters about which it is idle and futile to prophesy. The question is to be determined by what actually occurs and not by what any gentleman may think or may venture to prophesy about it. So far as I am concerned, it is a source of profound gratification to me to see that the party to which I belong is dealing fairly with the American people, is carrying out its pledges, is determined to try the fiscal system to which it stands committed, and to do its best, however faulty that best may be, to work out equal and exact justice to all of the American people without favor or special privilege of any sort whatsoever. [Applause on the Democratic side.]

For many long years tariff bills in this country have been framed with an eye single to the interests of the American manufacturer and to the American producer, and with utter and absolute indifference to the interest of the American consumer. At last our party presents a bill which, although not perfect—as the work of man never is—is, after all, the fairest and most just bill on the tariff that has been presented to the American people in a hundred years, and on that bill we stand as the authoritative and definite expression of our party on this great question of taxation. Of course, this bill does not suit any political party that believes that special advantage ought to be given to some of our people at the expense of the rest of our people. Of course, it does not accord with the views of those who insist that the sovereign powers of taxation should be used to enrich some of the people at the expense of the balance. For that matter, many of its details are not in accordance with the judgment of many gentlemen on this side of the Chamber, for no tariff bill that has ever yet been written, or that can be written, would express the exact views and preferences of every Member who supports it. But on the whole, when the account is fully and accurately cast up, what do we find? We find a tariff law in force that levies an ad valorem rate, when its prohibitive duties are considered, of about 47 per cent, and we replace that law with a bill that carries an average ad valorem rate of 24.1 per cent, justifying that statement on both sides of the Chamber that we have undoubtedly redeemed our pledge in the recent election to reduce the tariff downward, substantially and without delay, in the interests of the American consumer. [Applause on the Democratic side.]

My friend from Michigan [Mr. HAMILTON] ventured to remark during this debate that certain words of President Wilson in his opening address to Congress at the present session were unwittingly prophetic. The gentleman from Michigan called attention to the fact that the President of the United States stated that the American people would have to whet up their wits, and thereupon the gentleman from Michigan ventured to remark that the American people would whet up their wits and

would whet them up on this tariff bill. It amused me to hear my friend from Michigan make that remark, because he has just come out of a great political cataclysm in which the American people have whetted up their wits on the Payne tariff bill, and whetted them up to such good effect and purpose that the Democratic Party has the greatest majority in this House that any party has had here for many decades. [Applause on the Democratic side.] So when it comes to the propensity of the American people to whet up their wits on tariff bills, my friend from Michigan and his party associates know full well whereof they speak and can qualify as expert witnesses.

I next wish to invite your attention to another argument advanced during this debate, and advanced by a gentleman who has had enough experience in public affairs, and who ought to have had enough acquaintance with public questions, to have refrained from presenting such an utterly discredited and shopworn argument. I refer to the gentleman from Pennsylvania [Mr. FARR]. The gentleman insisted that protection was necessary and had been maintained by the Republican Party in the interest of American labor. He seems to forget that the American laborer is not only a producer but a consumer. He seems to forget that, according to the bulletin issued by the Bureau of Labor, No. 79, March, 1907, the wages of the American laborer had risen in the 10 years immediately following the passage of the Dingley bill only 19.2 per cent, while according to Bulletin No. 69 of the same bureau, issued the same month and year, and according to the figures given by that eminent American statistician, Mr. Byron W. Holt, American prices on everything that the American laborer had to buy rose, on the whole, 55 per cent, so that with one hand your artificial protection gave him a slight increase in his wage; on the other hand it took from him almost three times as much as the deceptive largess it had bestowed. Gentlemen on the other side of the aisle are fond of comparing the wages paid to laborers in this country and abroad. They seem especially fond of comparisons between this country on the one hand, and Great Britain, Germany, and France on the other. In the first place, my friends, let me suggest to you such a comparison is manifestly unsound and entirely unfair. Why? Because these great countries of Europe, Germany, France, Great Britain, and others, are old countries. They represent the finished product of many centuries of civilization. Their great natural resources have been exhausted, or have to be most carefully conserved in order to prevent exhaustion. Prices as a rule are low, and labor, like all other commodities, is also low. Countries of this character are fairly comparable only to each other. When you come to compare a great, undeveloped, growing country like the United States, with its great natural resources almost untouched, with nature's bounteous gifts scattered in profusion everywhere, with the demand for labor that the development of a new country requires, you can only compare it with countries of a similar character, like Canada, Australia, New Zealand, and South Africa, and if you will compare the wage of the American laborer with the wage of the laborer in Canada, New Zealand, and all of these new countries, you will never again boast of what protection has done for the wages of the American laborer.

For in all of these new countries, maintaining tariff duties infinitely lower than our tariff duties, labor is as well paid and, in many instances, better paid than it is here. In addition to that, suppose you next take these great European countries that you are so fond of comparing with the United States and compare them with each other, and the latter comparison is absolutely fair and just because conditions in these great European countries are practically the same and they are fairly comparable to each other. Make the comparison and what do you find? You find, if we may believe the reports of the British Board of Trade of 1904 (Vol. I, p. 289), that if 100 shillings be taken as the average wage paid to the English workingman in London, for the same work the French workingman in Paris only gets 80 shillings and the German workingman in Berlin only gets 57 shillings. We find also that if 100 shillings be taken as the average wage received by the British laborer outside of London, then the French laborer outside of Paris only gets 63 shillings and the German laborer outside of Berlin only gets 63 shillings. So it seems from this great authority, probably the most accurate on earth, that the protective tax imposed by Germany and by France, does not give the German nor the French laborer any great advantage over the British laborer who has no tariff. On the other hand, the British laborer gets nearly twice as much as the German and French laborer. [Applause on the Democratic side.]

Mr. MORGAN of Oklahoma. Will the gentleman yield?

Mr. HARDWICK. With pleasure, for a question.

Mr. MORGAN of Oklahoma. Is the gentleman aware that the statistics show that in 1909 the amount of wages paid to 7,000,000 men working in the manufacturing establishments of this country increased 70 per cent?

Mr. HARDWICK. No; I am not aware of any such thing. I challenge the accuracy of the gentleman's statement. On the contrary, let me read to the gentlemen some statistics on this question. I read from Volume I, page 275, of the report of the British Board of Trade, from which report I have already quoted at some length. On the particular question raised by the gentleman from Oklahoma it appears that in the decade between 1881 and 1900 the following has been the rate of increase in wages in each of the countries named below during that period:

	Per cent.
Great Britain	20.3
Germany	22.8
France	17.6
Italy	16.2
United States	13.4

From this table—and I do not apprehend that either its fairness or its accuracy can be questioned, for it is both impartial and official—it would seem that in the matter of money wages our American wage earner, even with the alleged aid of the McKinley and Dingley bills, has not advanced upward in increase of wage as rapidly as his brother laborer in Germany, Great Britain, France, or even in poverty-stricken Italy. [Applause.]

In the next place, Mr. Chairman, we reply that the tariff has been a positive disadvantage to the American wage earner, for it has increased the cost of living to him at a much more rapid rate than his wages have risen. The figures that I have already given on the rise of prices show an increase of 55 per cent since 1897. During that same period wages have not risen but 19.2 per cent, even according to the high estimate given by the Bureau of Labor in Bulletin No. 79, page 7 (March, 1907). What folly for the workingman to believe that the Republican Party or any other party that undertakes to create industries and fix values by law will not take more from him with the left hand in the shape of increased prices for what he must buy than it will or can give to him with the right hand in the shape of tariff protection and increased wages for his labor.

In the next place, we reply that the American laborer does not get the high wages because of tariff favoritism, but because he earns it and is entitled to it by reason of his greater efficiency and larger productive power. Although most highly paid, when its productiveness and the labor cost to the employer is considered, American labor is the cheapest on earth. [Applause.]

In this connection let me call your attention to a part of the report of the British Board of Trade on this subject (1904, Vol. I, p. 280):

> At the outset it should be understood that the problem of comparing the average level of wages of the different countries is a very difficult and complex one, not only because of the defects of the data, but also because of the essential ambiguity of the problem itself.
>
> 1. We may approach the question of comparative wages from two entirely different points of view, leading to divergent and sometimes even to opposite conclusions. We may either seek to compare the material well-being of the wage earners or the wages cost of a given amount of work.
>
> From the former point of view we are mainly interested in the average money income of the wage-earning population, modified, of course, by differences in cost of living, but irrespective of differences in the efficiency of labor. If a bricklayer in France earns half the wages of a bricklayer in America, we should say his money wages were half as great, although conceivably the American might lay so many more bricks per hour that his labor might be even cheaper to his employer.
>
> From the second point of view we are interested, not in the weekly income of the laborer, but in his wages regarded as an item in the cost of production, i. e., the wages cost of hewing a ton of coal, spinning a pound of yarn, or laying a hundred bricks, of course under identical conditions.
>
> How entirely divergent are the above two methods of comparison will be realized from the fact that competent American economists are of the opinion that in the United States the average "labor cost" of a given volume of production is at least as low in Europe, if not lower, while the average income of the working classes is certainly higher in America than in any European country. However this may be, it is clear that the real cost of labor varies much less from country to country than the level of weekly wages or of yearly earnings, and that a high labor cost is compatible with low wages, and vice versa, owing to the variations in the efficiency of labor.

I invite your attention also to the following statement as to the relative productive capacity of the British and American laborer, from our census report on manufactures (1902), part 1, page lxi:

> He (Mulhall) estimated £107, or about $500, for Great Britain in 1894 and £270, or about $1,300, for the United States, the latter being nearly three times the English average. In 1900 the census shows an average product per wage earner of $2,450, nearly five times Mr. Mulhall's estimate for Great Britain.

Mr. Chairman, whatever proportion of the wealth created by capital and labor falls to the American wage earner comes to him by reason of no tariff favoritism, of no Republican bounty.

[Applause.] It comes to him, whether it be great or small, a fair or an unfair proportion of the wealth he has helped to create, as the reward of his sweat and toil, of his brain and brawn. He never gets more than his fair share, oftener he gets less, and to teach him that for what he does get he ought to be largely thankful to the Republican Party and to the Dingley and Payne tariff laws is so monstrous a heresy that I have often wondered if any sensible, thoughtful American workingman could really be deceived by it. It is a heresy, unfounded in truth, insulting to his manhood, and destructive to his self-respect.

The American workingman leads the world, sir, to-day, just as he has done for more than 100 years, in efficiency and productive capacity. He is in no sense an object of charity and in no way requires a governmental subsidy to enable him to make his living. "In the sweat of his brow" doth he "eat bread," and for that bread he is beholden to no tariff, to no political party. [Applause on the Democratic side.]

Mr. FORDNEY. Will the gentleman yield for a suggestion?

Mr. HARDWICK. With pleasure.

Mr. FORDNEY. Is the gentleman aware that there are 83,000 paupers in the United States, and 885,000 paupers in England alone, with 40 per cent of the population of the United States?

Mr. HARDWICK. However that may be, I do not believe that it came from any difference in our tariff systems, but I do believe that if we had kept up the destructive system of taxation advocated by the Republican Party, as it has been levied upon us through all these recent years, it would not be very long before we would have a few very rich men and about 85,000,000 paupers in this country. [Laughter and applause on the Democratic side.]

Mr. FORDNEY. We had 3,000,000 unemployed laboring men under the Wilson-Gorman bill in 1892.

Mr. HARDWICK. I suppose that was in anticipation of the tariff of 1897. [Laughter and applause.]

Mr. Chairman, all this talk about panics has amused me a great deal. It seems to me that our Republican friends argue in a circle whenever they touch this question of panics. When the question is carefully considered, it will be recalled that three of the great panics of this country, the last experienced, occurred in 1873, in 1893, and 1907, and it can not be disputed that during all of these years we had Republican tariff laws in force when the panic in question came. Of course we know full well that in many cases panics have occurred in this country for reasons entirely and utterly disconnected with the tariff; indeed, I think it would be more accurate to say that such has been the case in most instances. Our Republican friends do not concede the correctness of that contention, and put themselves in the remarkable position of asserting that the panic of 1893 was caused by a Democratic tariff law which did not go into effect until August, 1894, and in the next breath assert that the panic of 1873 should not be charged to the tariff law, although we had then and had had for many years a Republican tariff. This may be sound logic; but if so, I fail to see it. I can not refrain from asking them whether the Dingley law caused the panic of 1907?

Mr. FORDNEY. Ask Teddy.

Mr. HARDWICK. Since my friend from Michigan suggests it, I will say something about the panic of 1907 and Roosevelt's connection therewith. I recall that when I first came to this House as a young, enthusiastic, and somewhat verdant Member from the State of Georgia Mr. Roosevelt was beginning that spectacular career that soon attracted the attention of the world. In common with the body of American youth—indeed, I might say the American people generally—I was much attracted by him. He captivated the imagination and attracted enthusiastic support from the populace. He was undoubtedly a most remarkable man, and it looked to me like at that time that he was about the biggest man the Lord ever did make, if the Lord did make him. [Laughter.]

Mr. FORDNEY. He did not deliver his message from the altar.

Mr. HARDWICK. No; and I will tell you a secret: I believe that ever since President Wilson did that Roosevelt has been powerful sorry that he did not think of it first. [Laughter.]

Undoubtedly, at the time my service in this body began Mr. Roosevelt was the popular idol of the country, and I must admit that for quite a while I shared in the general feeling of admiration that was felt for him; but at last the scales dropped from my eyes, and I will tell you how and why. From the time he succeeded Mr. McKinley as President up to the winter of 1907 he certainly accomplished many important reforms, and he certainly achieved many substantial triumphs for popular rights. He curbed many of the great trusts and seemed inclined to stand strongly for the rights of the people. It seemed to me that he was right on every question that came up, or earnestly tried to be, and I felt a strong sympathy for his administration as well as a deep admiration for the man. I could not overlook the fact that he had been guilty of some gross inconsistencies and had failed to measure up more than once to the mark he had set for himself. I could not forget that instead of sending the trust magnates to jail he had put Paul Morton in his Cabinet, although the latter was fresh from the commission of admitted violations of the antitrust law at the time he was so honored by our whilom trust buster. I could not forget the fact that he had tricked the railroad interests of this country, pretending to them before the election of 1904 that he was friendly to their interests and would consult with them as to the policy of his administration, and that after the election, in utter disregard of his implied promises, he advocated the strongest legislation for their just and proper regulation.

I could not forget that he had sent for "My Dear Harriman" to come to the White House via the back door, and had such a satisfactory conference with him that Harriman returned to New York and raised the money which materially assisted in the Republican victory in New York in the election of 1904. But while I remembered all of these things, it seemed to me that upon the whole if the account between this man and the public was accurately cast up and impartially balanced, the net result would show that the American people were vastly in his debt up to the fall of 1907. What happened in the fall of 1907? A panic came. A panic with the highest protective tariff that this country ever had in uninterrupted force for more than 10 years, with wheat $1 a bushel and cotton 10 cents a pound—a panic that sprang from stockjobbing and money juggling in Wall Street. A panic that rendered it impossible for the people in the West and in the South to get the money back they had deposited in New York, because the banks in New York had lent that money to the stock gamblers who speculated on Wall Street. This marvelous prosperity panic seemed to completely upset the nerve of Mr. Roosevelt. He knew that as a rule the great trust magnates of the country hated him and wished to discredit him. He knew that they were infuriated at the prosecutions he had inaugurated against them and were deeply alarmed at other prosecutions that were threatened. At first when the artificially induced panic came his heart was filled with indignation, and he denounced the men whom he believed were responsible for it in a message to Congress that is one of the most remarkable public documents in the history of our Government. He exhausted the vocabulary of invective and vituperation in the scathing indictment that he framed against them. On sober second thought, however, he came to remember the many disingenuous but fearfully effective panic arguments he had himself in the past hurled upon the devoted and undeserving heads of the Democrats, and his courage oozed out of him as rapidly as did that of Bob Acres, and from denunciation and vituperation he rapidly shifted to terms of conciliation and compromise, hoisting the white flag of surrender to the great trusts of this country, as he said to them, forgetful of the high obligation of his office and assuming a responsibility that even a czar would have hesitated to assume, "Yes; take the Tennessee Coal & Iron Co., law or no law, right or no right. If it be in violation of the law, you shall not be prosecuted." From that day his surrender to the trusts was abject, complete, and continuous, and the American people sadly realized at last that another one of its idols had feet of clay.

But, Mr. Chairman, it is not my purpose to deal in harsh criticism of either Mr. Roosevelt or Mr. Taft. So far as I am concerned, I believe the Democratic Party is greatly indebted to each of them and that the country is likewise so indebted, because when they did fall out with each other and began to tell the truth about each other the people were so badly disgusted with both of them that the triumph of the Democratic Party was not only certain but easy.

Mr. Chairman, a great deal has been said during this debate on the subject of the minority and the minority parties. It has been asserted that because the Democratic Party, although receiving an overwhelming majority of the electoral votes of the States, did not receive a majority of the total popular votes cast in the recent election, it is therefore a minority party. I deny it. I wish to say that, in my judgment, if President Wilson had been confronted by either one of the two candidates instead of both, I firmly believe that his popular majority over either of them would have been greater than the plurality of popular votes that he did receive over the highest of them. The country has accepted this election as placing full power and also full responsibility upon the Democratic Party. We necessarily assume one with the other. We could not avoid the responsi-

bility if we would, and we would not if we could, if I know my party associates on this floor. [Applause on the Democratic side.]

Our opponents sometimes speak of Representatives in this Chamber elected here by a minority of the total popular vote cast in their districts. Let us see exactly what we find on this subject. I take the facts that I now give you from the records of the Clerk of the House. There are 185 Democratic Members of this House who hold their seats in this Chamber by virtue of an absolute majority of all the votes cast in their respective districts. On the other side of the Chamber what do we find? We find that the total number of both Republicans and Progressives who hold seats on this floor by a majority of the total votes cast in their respective districts is but 47. The record speaks for itself. Figure out for yourself the proper number of the "majority" Representatives on the two sides of the Chamber. It seems to me that if there ever was a party in the history of American politics charged not only with the full power, but also with the solemn responsibility and imperative duty of enacting the legislation carried in this bill, it is the Democratic Party, and, Mr. Chairman, I wish to repeat the statement that if I know my party associates on this floor, we have the courage to face the issue and to meet it like men. [Applause on the Democratic side.]

THE SUGAR SCHEDULE.

It is not my intention, Mr. Chairman, to make to-night anything like a general political speech, and I have already indulged in more general observations than I had intended. It is my purpose to enter into a somewhat extended discussion of the sugar schedule, and I hope to show the committee exactly what the facts are in reference to this schedule, and I hope to demonstrate as a matter of simple justice to the American people as a whole that we ought to allow the 25 per cent reduction on sugar duties that will be carried in this bill for the next three years, with free sugar at the end of that period. I hope to be able to demonstrate that as a business proposition it would be utterly unreasonable and unsound and commit us to a policy that no private person would adopt in his own business affairs, to continue to tax the American people from $125,000,000 to $140,000,000 per year, only $50,000,000 of which goes into the Treasury of the United States, in order to maintain an industry at the expense of all the people, the total investment in which is as much as the annual burden that its existence imposes upon our people continuously, year after year. [Applause on the Democratic side.]

The consumption of sugar in the United States during the calendar year 1912 was 3,504,182 tons (long). It must be remembered that practically all of the refined sugar used in this country was manufactured or refined in this country, less than 2,000 tons of refined sugar having been imported. The sugar that we consume came from the following sources:

	Tons.
Louisiana (raw)	160,000
Texas (raw)	10,000
Domestic beet (refined)	604,045
Maple and molasses sugar (raw)	15,155
Total continental United States	789,200
From Hawaii, Porto Rico, and the Philippines (raw)	943,769
From Cuba (raw)	1,664,863
From other foreign sugar paying full duties (mostly raw)	106,350

So that it will be seen that continental United States produces a little less than one-quarter of our consumption, our insular possessions a little more than one-quarter of the consumption, and Cuba almost one-half of our consumption.

The greatest sugar statistician in the United States, Mr. Wallace P. Willet, of Willet & Gray, has recently estimated from actual invoices that during the past seven years the importers of raw sugar have paid an average of 1.6 cents per pound in the way of duty on each pound of sugar imported into this country and that this amount has in every case been added to the cost of refined sugar before it reached the consumer. On this basis it appears that the duty on the sugar we consumed during the calendar year 1912 had the effect of enhancing the cost of sugar to the American consumer to the extent of $125,598.88.

But it must be remembered that the duty on refined sugar is 1.9 cents per pound, and that if the refiners take the same benefit of this duty that our manufacturers take in every other line of industry, then the full duty on refined sugar, or 1.9 cents per pound, is the real measure of burden resting on American consumption because of the sugar tariff. Measured by this test, the real burden, the cost of the sugar tariff in 1912 is $142,000,000, in round numbers. It must also be recalled that of this amount only about $52,000,000 found its way into the Treasury of the United States, the balance of it being a clear bonus to our domestic producers in continental United States and in Hawaii, Porto Rico, and the Philippines. I give the committee these facts at the beginning of my argument so that we may realize the exact amount of the burden imposed on the American consumer by the sugar duty.

CANE SUGAR.

Mr. Chairman, I now wish to invite the attention of the committee to the consideration of this question from the standpoint of the cane producer. I wish the committee to weigh in the scales of justice this claim that we ought to continue to burden the American consumer by making him pay a higher price for sugar in order to keep the cane-sugar people in business.

The cost of producing a pound of cane sugar (raw) in Louisiana is 3.75 cents per pound. The cost of producing a pound of raw cane sugar in Java is 1.5 cents per pound. In the Philippines it is 1.75 cents per pound, and in Porto Rico, Cuba, and Hawaii about 2 cents per pound. There is no dispute whatever about these facts, as will be seen on examination of the evidence submitted to the special committee on sugar and from the report of that committee (p. 23) and from the recent hearings before the Ways and Means Committee of the House of Representatives. (Hearings, Schedule E, p. 2268.) From the above figures it is perfectly apparent that so far as the production of cane sugar in Louisiana is concerned it is nothing more or less than a hot-house proposition. The cost of production is being gradually but surely lowered in Cuba, the Philippines, Porto Rico, Java, and, I think, in Hawaii. In Louisiana I do not believe that it is being lowered at all, but, if anything, is increasing. It is my judgment that the Louisiana sugar-cane industry can not and will not long survive free sugar. Indeed, I do not believe, as I have stated more than once, that the industry can continue and prosper in Louisiana even under our present rate of duty, and that it is practically certain that its doom is already decreed by the fixed and unalterable laws of nature. Let me state some of the reasons for this opinion. In Louisiana the sucrose in the cane is from 6 per cent to 7 per cent. In Hawaii it is from 14 per cent to 15 per cent; in Cuba from 10 per cent to 11 per cent, occasionally 14 per cent. (Hearings, Schedule E, pp. 2268–2269.) In Cuba the cane is only planted once in every 10 years, and in Louisiana it must be replanted, or practically replanted, every year. In Cuba frost never interferes with the maturing of the crop, whereas in Louisiana the cane has to be cut early in October; hence its sucrose contents are low, as I have already shown. It seems to me that for these reasons it is perfectly apparent why Louisiana can not profitably continue to produce cane sugar in competition with tropical countries; and if she is driven out of the sugar business, it will not be the unkindness of the Democratic Party that accomplishes this result, but the stern decree of the God of nature, for sugar cane is the natural product of a strictly tropical country, and Louisiana is located too far to the north for its successful cultivation in competition with tropical countries. Great and insuperable as are these natural disadvantages, Louisiana labors under certain other disadvantages growing out of inefficiency, which contributes to the high cost of production in that State. Antiquated machinery and open-kettle mills might be mentioned in this category, for as a whole the industry in Louisiana is inefficiently organized, nor is it well equipped. This will be readily seen when it is remembered that in Louisiana 210 mills produce an annual average of 330,000 tons, whereas in Cuba 174 mills produce annually 2,328,000 tons. The labor cost in factories in Cuba and Louisiana is practically the same, and for field labor Louisiana pays hardly as much as is paid in Cuba. It appeared in the sworn testimony before the special committee that in Louisiana the sugar planters pay the following rates for field labor: Seventy-five to 80 cents to men per day, 75 cents per day to women, and $1 per day in harvesting time; whereas in Cuba for the same class of labor the planters are paying from $1 to $1.25 per day, and in Cuba the women do not work in the fields. So it seems to me that the equalization of labor cost is not involved in this proposition.

Mr. Chairman, we have heard a great deal of talk about destroying the many millions of dollars invested in the production of cane sugar in Louisiana. Let us see what the exact facts are about the amount of this investment. On November 12, 1912, a mass meeting of Louisiana sugar planters was held in the city of New Orleans, and in the resolutions adopted by that mass meeting there was a statement of the capital invested in the industry in that State, and to some extent an attempt was made to itemize this capital. The statement was that $70,000,000 was invested in land, $10,000,000 in mules, $35,000,000 in sugar factories, $2,000,000 in farm implements, and $2,000,000 in plantation railroads. Now, let us consider that statement for just a moment. Of course, we do not propose to confiscate either their lands or mules, and this legisla-

tion will not affect the value of either. On the contrary, it seems to me that it is our bounden duty to save our Louisiana friends both politically and industrially from the serious and fundamental mistake they have made, and let us hope that they will soon turn their energies to other industries better adapted to their splendid soil, and therefore more profitable to themselves. They tell us that if they were to plant cotton on this land the stalks would grow so high that they would have to use stepladders to pick the cotton. They admit that they could raise vegetables, grain, cotton, or almost anything, and it is my judgment they ought to raise something better adapted to the climate and soil instead of attempting to raise a tropical product which they can not produce on even terms with other countries better adapted by nature to its cultivation. So, then, from this bill of particulars which they give us we can subtract the items of lands and mules—a total of $80,000,000. What, then, does this leave of their investment? Thirty-five million dollars for sugar factories, $2,000,000 for farm implements for sugar cultivation, and $2,000,000 for plantation railroads. I have no doubt that the plantation railroads could be utilized in moving whatever crops they cultivate, and it is undoubtedly true that, so far as their sugar-factory machinery and farm implements are efficient and modern, they will readily demand a fair value for use in other countries. So that it seems to me that the total amount of loss of actual capital invested that would probably result from the suspension of this industry in Louisiana is certainly not over $30,000,000, and probably far under that amount, and that for this amount, and in order to produce a crop of the annual gross value of $25,000,000, our Louisiana friends insist that we ought to continue a system of taxation that costs the American people practically $140,000,000 in the increased price they are forced to pay for their sugar. It is undemocratic; it is unfair; it is unrighteous; and, so far as I am concerned, I will never stand for a continuance of this policy to keep a duty on this great necessity of life, which can not possibly be produced in Louisiana one-half as cheaply as it can in the balance of the world.

Mr. Chairman, before I have passed the discussion of this question to beet-sugar production I wish to submit a few observations concerning the situation in Hawaii and Porto Rico and the effect of this legislation upon these islands, for we have heard a great many cries of distress, mostly inspired, on this subject. In the first place, let me submit that, according to my conception of Democratic principles and policies, it has never been our plan to tax the American consumer in order that the inhabitants of these insular possessions might obtain a higher price from us for their products, nor do I believe that in the case of sugar that it is at all necessary that we should do so. For a good many years under the Republican policy we have suffered from that very thing, and the sacrifice has been entirely unnecessary, in my judgment. Let us take the case of Hawaii first. It is to be remembered that we import most of our sugar from Cuba and that the protection that Hawaii now enjoys is really against Cuban sugar. Let us see whether that protection is necessary to the Hawaiian producer, even if the interest of the consumer be ignored. In the first place, the cost of production is not materially different in Cuba and Hawaii. According to the testimony of the representatives of the sugar interest of Hawaii, in the past Hawaii has been able to produce raw sugar at around 2 cents per pound, which is about the Cuban figure, and there is no doubt that they can do so again. Indeed, it is admitted and boasted that the industry is most highly organized in Hawaii, controlling through its cooperative associations the large bulk of the sugar plantations, great steamship lines, warehousing facilities, and so forth, and having strong connections with the refiners in San Francisco and New York. Indeed, it is perfectly apparent that the Hawaiian planters maintain the most amicable relations with the trust, for the Hawaiian Planters' Association sells all of its product that is not handled through its San Francisco refinery to the trust in New York, making three-year contracts with the trust for the trust to handle all of their product except the comparatively small amount that is sent to their own refinery in San Francisco. So profitable is this arrangement and so admirable, from the standpoint of the Hawaiian planter, is this adjustment that in the year 1911 it is currently reported and not denied that they sold their crop for $52,000,000, with a net profit of $20,000,000, and under date of November 21, 1912, the Kekahala mill declared a dividend of 87½ per cent. Besides, there are no reasons why Hawaii needs any protection whatever against Cuba, which, of course, would be its real competitor under free sugar. On the contrary, the natural advantages seem to be with Hawaii and against Cuba. According to the Crop Reporter of the United States, February, 1913, the average yield of cane per acre in Hawaii for the year 1910–11 was 41.3 tons; in 1911–12, 42.3 tons. The average yield of cane per acre in Cuba is 25 to 30 tons. The average sugar contents of a ton of cane in Hawaii is 13.16 per cent; in Cuba, 11 per cent. The average extraction per ton of a cane in Hawaii is 238 pounds, for 1910–11, and 248 pounds for 1911–12, against an average in Cuba of 230 pounds. So that it appears that an acre produces more cane in Hawaii than it does in Cuba, and that a ton of Hawaiian sugar cane contains more sugar than a ton of Cuban sugar cane, and that the yield of the mills in Hawaii is more than the yield of the mills in Cuba. The natural conditions in Porto Rico are very similar to those in Cuba, the islands being located within about 150 miles of each other. In the past Porto Rico has produced sugar successfully without tariff protection and unquestionably can do so again if the cultivation of sugar cane is confined to the lands that are suitable. The high tariff under which the island has been working has encouraged to some extent the cultivation of sugar on unsuitable lands, and the tendency recently has been to climb the mountains to extend the cultivation of cane. Such a condition is, of course, an unnatural one and does not serve as a proper excuse for heavily taxing the American people.

In the case of both Hawaii and Porto Rico all of the available lands are now under cultivation of sugar cane, so that if any protection of the industry was ever needed it has been given, and the American people have done so much for our insular possessions that it is now time that these islands did something for the American people in the way of supplying them with sugar at a low price, based on legitimate cost of production, and still leaving them a large profit.

BEET SUGAR.

Mr. Chairman, I next propose to discuss this subject from the standpoint of the beet-sugar industry of this country, and in doing so I wish to discuss it, first, from the standpoint of the beet-sugar factories and, secondly, from the standpoint of the farmers engaged in the cultivation of sugar beets, for I am satisfied, Mr. Chairman, that these two interests are not so necessarily connected as the proponents of continued protection would have us believe.

BEET-SUGAR FACTORIES.

According to the last statement issued by Mr. Truman G. Palmer, representing the beet-sugar factories, it appears that there are now located in the United States 76 factories engaged in the production of beet sugar. These factories are located in the following States: Colorado, 17; Michigan, 16; California, 13; Utah, 6; Idaho, 5; Wisconsin, 4; Nebraska, 2; Montana, 1; Minnesota, 1; Kansas, 1; Iowa, 1; Illinois, 1; Indiana, 1; and Arizona, 1. From the reports of Bradstreet's Commercial Agency it appears that the total capitalization of these 76 factories is $141,410,000, and according to their own statements their combined capacity for slicing beets in tons per day is 63,550 tons.

These figures demonstrate beyond all question the extent of overcapitalization of the companies that operate these factories.

Why? Let us see what the beet-sugar men have themselves sworn before the several of the House committees. In the hearings on the Payne tariff bill before the House committee (hearings, p. 3292) Mr. F. R. Hathaway, secretary and treasurer of the Michigan Sugar Co., estimated the cost of a beet-sugar factory to be $1,000 per ton of daily beet-slicing capacity. At the hearings before the special committee on sugar during the last Congress, Mr. Henry T. Oxnard, of the American Beet Sugar Co., made exactly the same estimate (hearings, p. 376), as did Mr. Charles W. Nibley, of the Amalgamated Sugar Co. of Utah (hearings, p. 1090). While Mr. Oxnard at a subsequent time did seek to raise his figures and while some others testified to a slightly higher figure than $1,000 per ton, yet other witnesses swore to even lower figures, notably Mr. E. N. Combs, of Colorado, fixing the figure at $600 (hearings, p. 3285).

On the whole, therefore, I believe we may safely take $1,000 per ton of daily slicing capacity as the true basis of cost and the real value of a beet-sugar factory. On that basis the true value of all the beet-sugar factories in the United States does not exceed $63,550,000. Indeed, according to the unanimous report of the special committee of the House on sugar during the last Congress, we estimated the amount of this investment at a somewhat smaller figure, $60,712,500 (Rept., p. 26), and the gentleman from Michigan [Mr. FORDNEY] agreed to that figure, along with his other Republican colleagues on the committee. So that it appears the beet-sugar factories of this country as a whole are capitalized at from two to two and one-half times their actual value. While we are considering this question of the overcapitalization of the beet-sugar factories, it might be as well to call the attention of the committee to the

facts about the three largest of the beet-sugar companies and to see exactly to what extent this mania for overcapitalization has affected them.

First, let us take the Great Western Sugar Co., a Colorado concern, but chartered "under the laws of New Jersey"; but that charter, Mr. Chairman, was granted before the days of New Jersey's regeneration. [Laughter and applause.]

It was capitalized at $30,000,000, one-half preferred and the other half common stock, but of this stock only about $24,000,000 was issued. Its nine factories, all located in Colorado, have, according to its last statement, a total daily beet-slicing capacity of 10,600 tons, which ought to represent a real value of approximately $10,600,000—on the basis of $1,000 per ton. So that its stock is more than one-half water, except so far as it may, perhaps, now represent accumulated and undistributed earnings. Under oath the company returned its property for taxation in the State of Colorado at $2,500,000 as late as 1910 or 1911. Although its stock, under its New Jersey charter, was originally more than half water, yet it manages to pay 7 per cent interest per annum on its preferred stock, or $1,050,000, and 5 per cent interest per annum on its common stock, or $750,000. This means a total annual dividend of $1,800,000 on a real investment of $10,600,000, as already explained, or about 17 per cent dividend on the actual investment. Nor do these dividends represent anything like the total net earnings of this largest and greatest of the beet-sugar factories, as I will now proceed to show the committee. It must be recalled that the American Sugar Refining Co., commonly known as the Sugar Trust, owns 26 per cent of the common stock and 38 per cent of the preferred stock of the Great Western (report of special committee, p. 13), according to the admissions of both the Great Western and the trust.

During the recent investigation of the Sugar Trust in the United States District Court for the Southern District of New York, among the letters of the Sugar Trust was discovered a most interesting letter from Mr. Chester S. Morey, of Denver, Colo., president of the Great Western Sugar Co., to Mr. Washington B. Thomas, then president of the American Sugar Refining Co. This letter was dated March 19, 1910, and read as follows:

MY DEAR MR. THOMAS: Inclosed herewith I hand you copy of the financial exhibit and income statement. This is the form in which we expect to publish these statements, and they will also be used when we make application to list our stock on the New York Exchange.

You will notice that this year, in addition to the regular 2½ per cent depreciation which we have been deducting for the last three years, we have set up $1,000,000 in depreciation reserve. I do not want this year's earnings to appear as large as they would if we had not made this entry. Of course this can be changed if the board of directors does not approve of it.

You will note that our total surplus is shown by these statements as a little over $5,000,000. This does not include any surplus from the Billings Co., the Great Western Railway Co., and other corporations, which really add nearly $2,000,000.

Our sugar is invoiced at 4 cents, and judging from present market indications there is at least $1,000,000 profit that will show up in next year's business. The value of our real estate and railroads over and above the amount at which they are carried is at least $5,000,000, so that the actual surplus is nearer $9,000,000 than $5,000,000.

Am pleased to say that at some of our factories the farmers are signing up acreage and feel more encouraged than I did a week ago.

The details of these statements I will bring with me when I come to the stockholders' meeting.

When it is recalled this company was chartered in 1905 and it is seen by the above letter than in five years, by 1910, it had accumulated a surplus of $9,000,000, besides paying dividends for fully that amount, as I have already shown, and also allowing the regular 2½ per cent for depreciation, it will be seen that this company's annual net profit on its real investment during these five years was 36½ per cent—17 per cent for dividends, 17 per cent for surplus, and 2½ per cent for regular depreciation. It thus appears that in the short space of five years it made a total of 182½ per cent on the actual capital invested. No wonder that its president, Mr. Morey, juggled the entries, according to his own letter; no wonder that he said, never expecting his letter to become public, "I do not want this year's earnings to appear as large as they would if we had made this entry."

Let us next look into the American Beet Sugar Co., a concern operating six factories, two in California, three in Colorado, and one in Nebraska, with a total beet-slicing capacity of 5,300 tons per day. According to the standard of $1,000 per ton of daily beet-slicing capacity, the factories of this corporation represent a real value of $5,300,000, and yet we find this company, with the water injected into it somewhat more freely than usual, capitalized at $20,000,000—$5,000,000 preferred stock and $15,000,000 common stock. And it appears that in seven years from the time of its organization it had paid annually 6 per cent interest on the actual investment and had cleared seven and one-half millions besides, for at the end of that time its common stock, which had no value whatever in the beginning, was selling at $50 per share, while its preferred stock, with a guaranteed dividend of 6 per cent, was selling above par. In seven years it paid $2,100,000 in interest on its preferred stock, and its earnings created a value of 50 cents on the dollar for its common stock—pure water—or $7,500,000. This is a total of $9,600,000 on the investment of $5,000,000 in seven years, or a little over 190 per cent, or 24.3 per cent per annum on the actual investment. It must be remembered also that we have not been able to learn the whole truth about the profits of this company in any such way as we discovered it in Mr. Morey's case. Personally I do not doubt that their profits have been fully as great as those of the Great Western, if we could find out just how they have kept their books, as we did in the other case, but it seems to me that the showing is strong enough as it is.

In reference to the earnings of this company, I next invite your attention to an article in the Beet Sugar Journal of April, 1911, as follows:

"American Beet Sugar Co. sets new high record. The report of the American Sugar Co. for the year ended March 31, 1911, shows total income of $8,357,012, an increase of $1,347,368 over the previous year, and a surplus, after preferred-stock dividends, of $1,643,659, equal to 10.95 per cent earned on the $15,000,000 of common stock, compared with $1,097,252, or 7.31 per cent, earned in the previous year. The common stock has not yet paid any dividends. The preferred pays 6 per cent. Comparative results for the past three years follow."

Then are given the figures for 1911, 1910, and 1909. For 1909 the gross receipts were $7,135,326; total income, $7,156,855; expenses, interest, tax, etc., $5,863,713; balance, $1,293,143. Well, now, we will take 1910: Gross receipts, $6,983,772; total income, $7,009,644; expenses, tax, interest, etc., $5,612,391; balance, $1,397,252. For 1911: Gross receipts, $8,344,792; total income, $8,357,012; expenses, interest, tax, etc., $6,413,353; balance, $1,943,659. Preferred dividends, $300,000 in each of the years 1911 and 1910 and $245,400 in the year 1909, leaving a surplus of $1,643,659 in the year 1911, $1,097,525 in the year 1910, and $1,047,743 in the year 1909. "The general balance sheet as of March 31 shows total assets of $22,577,371."

"The reserve for working capital is $1,825,637, against $832,151 a year ago, and there is a reserve for betterments and improvements of $377,246, a new item. Bills payable to the amount of $1,266,000, which appeared in the previous balance sheet, have been paid off. H. P. Duval, president, says: 'The surplus has been applied to working capital, which is now adequate for ordinary operations. The company is now free of all debt. There was an increased production of 196,741 bags, exceeding that of any former year. The increase was principally due to California, though Grand Island increased 31,704 bags. In Colorado the decrease was 88,324 bags. Due largely to increased efficiency of the plants, the cost of making sugar, as compared with previous campaigns, was somewhat diminished. Taxes increased $30,989, of which $25,560 was the Federal corporation income tax. Depreciation and maintenance cost $344,842—was $13,119 less than last year.' The design of this expenditure (included in the above statement in expenses) is to keep the plants up to their original condition."

It appears from the above that during the year 1911 the American Beet Sugar Co., after paying its preferential dividend of 6 per cent on its preferred stock (real value) earned 10.91 per cent on $15,000,000 of common stock—water. This represents in all an earning of $300,000 (interest on preferred stock) plus $1,643,659 (surplus), or $1,943,659, which, in turn, is almost 39 per cent profit during the year ending March 31, 1911, on the real investment.

I next invite your attention to a statement in the American Sugar Industry of March, 1912, in reference to the profits of this same company—the American Beet Sugar Co.—for the year ending March 30, 1912:

The net earnings of the American Beet Sugar Co. for the fiscal year ending March 31, 1912, will probably not exceed 12 per cent, instead of the 15 per cent estimated last December. The reason assigned for this is that the company began to sell its 1911 crop too early. Sales were made in advance of production in order to take advantage of what seemed a very flattering profit. Sugar prices advanced and it is estimated the difference to the company amounted to between $300,000 and $500,000. The company then went to the other extreme and held back the remainder of the 1911 crop on a declining market.

As the dividends on the preferred stock are fixed at 6 per cent and are paid before any other dividend and before any surplus is laid aside it is quite evident that the 12 per cent "net earnings" refers to the amount of surplus set aside, which is figured from the basis of the amount of the common stock, so that it appears that for the year ending March 31, 1912, the American Beet Sugar Co. earned $300,000, interest at 6 per cent on its preferred stock, plus $1,800,000, surplus, the equivalent of 12 per cent on $15,000,000 worth of common stock, or $2,100,000, which is a little more than 40 per cent on its real investment.

One more illustration of this mania for overcapitalization among the beet-sugar factories and of the excessive profits they hope to conceal by this operation, and I shall pass on. We will next take the Michigan Sugar Co., from the State of my friend Mr. FORDNEY.

The present capitalization of the Michigan Sugar Co. consists of $3,703,500 preferred stock and $7,471,107 common stock, a total of some more than eleven millions. Here, again, we find "the trail of the serpent," for it appears from its own statement that "the trust"—the American Sugar Refining Co.—

owns 35 per cent of all the common stock and 55 per cent of all the preferred stock of the Michigan Sugar Co. This company operates six factories, all located in the State of Michigan, with a total beet-slicing capacity of 5,450 tons per day. This represents, according to the rule laid down by Mr. Hathaway, its own secretary, an investment of approximately $5,450,000, and yet, as we have already seen, its present capitalization is more than double that amount. It was chartered in 1906, with an authorized capital of $9,000,000, one-half preferred and one-half common stock, not all of which was issued. It simply represented at the time of its charter an attempt to form a small local beet-sugar trust among a number of Michigan factories that had been previously independents and competitors of each other. It was simply a Michigan manifestation of the prevailing "trust-organizing" mania with which the country was then mad, and was attended by the one invariable sympton of the disease, to wit, overcapitalization.

Let me now call your attention to certain reliable trade reports in friendly journals touching the profits this company has made.

I quote, first, from the Beet Sugar Journal of May, 1910:

The Michigan Sugar Co. reports a profitable year. The regular annual meeting of stockholders of the Michigan Sugar Co. was held at the Eddy Building, Detroit, Mich., Wednesday afternoon, May 25, 1910. There was a representative attendance to hear the statement of the officers as to the year's business. The year was a profitable one, the company being able to show a surplus of $3,025,000 after expending $3,500,000 for labor and beets, and also paying regular dividends, not only on the preferred, but on the common stock as well. As the Wednesday meeting was the regular annual meeting, no dividend was declared.

I next invite your attention to an extract from the Beet Sugar Journal of July 6, 1910:

Offers of 121 for stock in the Michigan Sugar Co. have been made within the last month, and the stock is now considered one of the best on the Detroit or, for that matter, any market. The enormous profits, coupled with the favorable prospects, are the causes for the increase in interest and price in stock. The net profits of the Michigan Sugar Co. in 1909 exceeded $1,500,000, and the financial statement submitted at the annual meeting last month showed a surplus of $3,000,000. By a person in close touch with the workings of the company it is stated that the earnings from the sale of the by-products is almost enough to meet the dividend payments. The stock has trebled in value in little more than a year.

"Michigan sugar stock is now one of the best investments possible," says a local broker who has been prominent in handling the stock; "there are more buyers for it than there is stock for sale, and probabilities are an even higher mark than already touched will be reached before the break comes. All Michigan sugar companies are prospering. When the 'trust' came into the State some years ago it smashed many independent companies, but in recent years, due to the improved methods of growing and manufacturing, which permits large profits to the farmer and extraordinary profits to the factory, several independent companies have been rehabilitated and are now sharing in the general prosperity."

It appears from the above that from 1906 to 1910 the Michigan Sugar Co., besides paying 6 per cent on its preferred stock, made three millions in profits, "trebled the value of its stock in little more than a year," and made almost enough money from its by-products to pay its dividends. In four short years it paid back every dollar of real money invested in it, or fully 25 per cent per annum.

But, Mr. Chairman, why continue on this line? Is not the demonstration complete? These, forsooth, are the lusty "infants" that cry aloud against being weaned; these are poor foundlings who can not stand on their own legs and therefore urge that the public be forced to support them in order that they may be allowed to continue to pay ever-swelling dividends on watered stocks, in order that they may continue to grow richer and to reap where they have not sown.

But they insist that, even if they have prospered marvelously under the Dingley and Payne rates, this does not prove that they can stand alone without any aid whatsoever, and they further insist that after three years, when this great necessity of life shall be untaxed, that they will perish beneath an avalanche of German and Cuban sugar. Let us look into that a little. In the first place, let me call your attention to the fact that our American beet-sugar factories have one great advantage over their foreign beet competitors in that while our factories produce refined sugar, ready for table and trade uses without further process of manufacture, that is not true of the German or any other foreign beet factories. In foreign factories the manufacture is not carried so far, and the sugar produced by them has to go through a process of refining, as our cane sugar does, before it is ready for table and trade uses. This process of refining costs the foreign beet-sugar man fully 0.4 cent per pound.

Nor is the difference in the cost of factory labor, if any, a serious handicap to the American factory, as the total labor cost of manufacturing does not exceed 14 cents per 100 pounds.

Fuel, relatively a far more important item of expense, is more abundant here than abroad and is much cheaper, especially in the West, where this industry is located, and oil is largely used as fuel.

Besides these considerations it must be remembered that the difference in geographical extent between this country and Germany gives to our domestic sugar factories a natural protection growing out of freight rates, which is most important and to which I will advert later. All of those considerations doubtless contributed to the very thoughtful view of Prof. Taussig, professor of economics of Harvard University. Let me quote briefly from his article on "Beet sugar and the tariff," published in the Quarterly Journal of Economics, Harvard University, February, 1912:

A question in some respects different is presented by the beet-sugar factory, which buys the beets from the farmers and makes the sugar. Here there is what the business world calls a "straight manufacturing proposition." Whether the manufacturing of sugar can be done to advantage in the United States depends on the same conditions as in other manufactures. It is much affected by the opportunities for using machinery and for the exercise of American inventive and engineering capacity in improving machinery. Such evidence as I can get indicates that, so far as this branch of the industry is concerned, the conditions are not unfavorable to its successful prosecution, with little need, if any, of tariff support. When the first factories were built in California the machinery was imported from Germany. "The Yankee inventive genius of machinery men at once took hold of the matter, making so valuable improvements that both the above-mentioned factories (at Watsonville and at Chino) were shortly refitted with machines of American make, and every factory in this country in the last few years has purchased American machines." So in the Department of Agriculture pamphlet on the industry it is stated that "in the early days of the beet-sugar industry in this country Europe was called on to furnish all machinery. Now very little is imported, and, in fact, some of the foreign factories are using American-made machinery." The domestic making of machinery, the breaking loose from European tutelage, the introduction of technical improvements—these are significant indications of the successful adaptation of a new industry to American conditions and of ability to meet foreign competition unaided. It should be borne in mind, moreover, that the factory managers take an active part in directing and supervising the agricultural operations. In this regard there seems to be abundant and successful enterprise. The managers of the beet-sugar factories have been chiefly instrumental in bringing the indispensable labor supply to the farms. Through traction engines and the like they have grappled with the difficulties of transporting the beets from the field to the factory. They have selected the seeds and have assiduously spread information among the farmers on the best ways of getting a large tonnage of beets and a large content of sugar. In the far West especially all this activity has been carried on with industrial and pecuniary success. Neither in the factory itself nor in the problems of organization arising from the interdependence of farm and factory has there been a lack of skill or energy.

Now, let us consider the freight-rate question briefly, and then I shall pass to a discussion of the question from the standpoint of the producer of the sugar beets, the farmer, if you please. When the Brussels convention, after agreeing on everything that affected the production, importation, and exportation of sugar as in and between the various European countries that were the powers signatory, came to consider the protection that their beet sugar needed against tropical cane sugar the sugar scientists of the world agreed that a tariff duty of one-half cent a pound, or, to be exact, 0.47 cent per pound on raw sugar and 0.53 cent per pound on refined sugar was sufficient. This decision was made after the most careful estimates as to the cost of production of beet sugar in Europe and of cane sugar in the various tropical countries and after carefully considering the cost of transporting the cane sugar across the seas and finally to the consuming centers of the various European countries.

Now, so far as the latter element, namely, the cost of transportation, is concerned we must remember that it is practically negligible when compared to similar cost of transportation in our great country. So highly developed are these European countries in the matter of transportation that canals and water routes of all kinds intersect and traverse every part of the more important of them. On these canals the rates on heavy freight, like sugar, are so low that they are almost a negligible factor. As a result, German beet sugar has very little, if any, more protection over tropical cane than the amount of the duty—one-half cent per pound. On the other hand, even after foreign sugar, cane or beet, reaches our coast there are large parts of our great territory that it can not reach at all without paying a far greater freight rate than the differential that the Brussels convention has fixed between European beet and tropical cane sugar. The territory which this freight-rate protection would preserve to the beet factories is far greater than they can possibly supply with sugar if they will supply all of the territory in which a reasonable profit on actual investments will enable them to sell.

There are great regions of the country in the very vicinity of many of these factories where the freight rate on sugar is from 70 to 80 cents per hundred pounds, and this is the natural territory in which these factories can best operate and sell their product at a reasonable profit on the actual investment and yet as cheaply as the consumer could buy it from anyone else.

Now, let us see how German beet or Cuban cane could drive the American beet factory out of business, provided the American beet factory is willing to content itself with a fair and reasonable profit on the actual investment. Let us first take German beet sugar. Its cost of production, refined, is 2.415 cents per pound. The cost of ocean freight, Hamburg to New York, and insurance is 0.12 cent per pound. This would make a cost of laying it down at New York, duty free, 2.535 cents per pound.

To this figure, according to the sugar experts, should be added 0.18 cent per pound to make up the difference in grade between the Hamburg sugar and our beet sugar. This makes a total cost of 2.715 cents per pound delivered in New York. Now, take our beet sugar. The Spreckels Sugar Co. (beet), of California, admits that it is producing it at a cost of 2.70 cents per pound. The Oxnard (Cal.) factory of the American Beet Sugar Co. is admittedly producing it at a cost of 2.81 cents per pound, and according to the testimony of Mr. E. U. Combs, of Colorado, the Great Western Sugar Co. has produced it at a cost of 2.59 cents per pound.

Most of these figures can be verified by consulting page 23 of the report of the sugar committee. Mr. Combs's figures can be verified from the testimony taken by the committee. Now, let us go one step further. The report of the sugar committee, taking the figures submitted by the beet factories themselves, found the average American cost of production to be 3.54 cents per pound. The difference between that figure and the German cost, laid down at New York, is only 0.735 cent per pound, and I submit that even this difference is more than equalized by advantages in freight rates that our domestic producers will have in a territory far greater than they can supply. Besides, in considering these questions, we must remember that the cost figures I have given to-day are simply the ex parte statements of the beet-factory people, made while they were battling to uphold the tariff, made while they were urging that there was a large difference in the cost of production here and abroad, and hence, from their standpoint, an absolute necessity to maintain the protective duties. Under these circumstances, I insist that, without reflection on any of these gentlemen, we are bound to take their statements with at least one grain of salt, to construe their evidence most strongly against themselves, to accept the lowest rather than the highest or even the average figures they gave us. This is especially true because the special committee, although it labored many months on this investigation, had neither the time nor the money at its disposal to make an examination of the books of these factories, and did not do so, merely taking the statements of witnesses as to what the books showed; and even then in more than one instance we discovered, on cross-examination, that to the actual cost of producing a pound of sugar brokerage charges and even freight rates to competitive points had been added, thus increasing the apparent cost of production. But our domestic beet factories insist that even if they could survive the competition of German beet sugar, they can not survive that of tropical cane sugar, if the same is admitted free of duty. Let us look into that for a moment. The cost of producing a pound of raw cane sugar in Cuba is around 2 cents (report sugar committee, p. 230). This is raw sugar, and to it should be added 0.5 cent per pound, cost of refining (report, p. 23), also approximately 0.12 cent per pound, cost of freight and insurance to New York, or a total of 2.62 cents per pound, not materially or substantially different from the figure at which German sugar can be laid down at New York, and there is therefore no more danger that Cuban competition will overwhelm any properly located, honestly managed, fairly capitalized American factory than that German competition will do so. Indeed, if the American cost of production is what I firmly believe it is, somewhere around 2.75 cents per pound, the difference in cost of production between American beet sugar on the one hand and German beet and Cuban cane on the other is so small as to be almost if not wholly negligible.

BEET FARMERS.

But our beet-sugar factories insist that even if it be granted that fuel is cheaper here than abroad, and that their machinery is better than that of their foreign competitors, and that the factory labor cost is so small a proportion of the total cost of producing a pound of sugar as to be almost negligible, and therefore that any difference in factory wages is not an important factor, that still there is one overwhelming and unanswerable reason why they should have a protective tariff on sugar, and that reason is to enable them to pay the American farmer a higher price for his beets than he could otherwise get or than the farmer of any other country gets for his beets. It is therefore insisted that, after all, the man the duty protects is the American farmer, and in his name the beneficiaries of the duty attempt to call a halt on this movement to untax one of the great necessities of life. Let us look into this question and weigh it carefully. Mr. Chairman, I sometimes think that there are more appeals to ignorance, to passion, to prejudice, in the name of the American farmer than of any other name that I can think of, unless it be possibly that of the American laborer. Why the intelligence and honesty of both of them should be so often affronted is more than I can comprehend, and yet it does seem to me that this particular appeal "in the name of the American farmer" is the most unjust and unjustifiable one that I have ever heard, and I protest against it as emphatically as I can in behalf of the great masses of the American farmers throughout the country, who constitute the very backbone of its prosperity and well-being, and who demand no more than a square deal and an even chance to earn their living in the sunshine of the Almighty, unhampered by unnecessary burdens and unfair discriminations against them, and demanding neither discriminations in their favor against other people, nor special privileges of any kind whatsoever.

In the first place, take the whole body of American farmers everywhere. Have you no regard for their rights and their interests? Do you propose to make fish out of one kind of farmers and fowl out of another kind? I do not believe, as I will undertake to show you later, that the removal of this duty will make it necessary for the factories to pay the farmer any smaller price for sugar beets, nor do I believe the beet factories will be able to get the beets at a lower price, nor that the farmers will stand for such unnecessary reduction in price, but even if it did mean that the farmer must take a lower price for his sugar beets, which I utterly dispute, what then? It appeared from the testimony of many witnesses who were sworn by the sugar committee and were engaged as farmers in the production of sugar beets in the various Western States that the net profits per acre of the sugar-beet farmers varied from $19.20 to $76. Taking the average of the figures given by the first 14 witnesses on this subject, it would appear that the average net profit per acre of the sugar-beet farmer throughout the West was about $43.37 in the year 1911. According to the figures of the Department of Agriculture, the average net profit of the American farmer in the production of wheat was $3.07 per acre, and the average net profit of the American farmer engaged in the production of corn was $8.15 per acre. The above averages do not include any allowances whatever for rent of land. These are given by the department for the year 1909, but I do not believe that the figures of 1911 or 1912 will materially vary from them. The estimate of the average net profit of the American farmer engaged in the production of cotton is not above $6 per acre. It is often much less, but certainly never much larger. Now, is the American farmer who makes $3.07 on his acre of wheat, or $6 on his acre of cotton, or $8.15 on his acre of corn, to be taxed in order that other American farmers, infinitely smaller in number, shall be allowed to make $43.37 on an acre of beets? Such a contention does not appeal to my sense of justice, nor do I believe that it will ever be indorsed by the people of America, if any party should have the temerity to present it.

As I have already stated, I firmly believe that sugar can be put on the free list without a cent's reduction to the farmer who raises sugar beets, if the beet-sugar factories will simply be content to accept a fair and reasonable return on their actual and legitimate investment; but in any event, I am unwilling to tax all of the American people in order to give a few thousand American farmers a better price for their sugar beets.

But let us see to what extent our Republican friends have really been engaged in the business of protecting the beet farmer and to what extent, if any, they have aided him.

Let me suggest that the real measure of "protection" that they have given him can be found in the duty of 10 per cent ad valorem that the Payne bill imposed on sugar beets that come in direct competition with his product and are imported and sold in rivalry with it. It will not do for our Republican friends to reply that this amounted to nothing because there were no foreign beets to compete with his beets. The fact is that in 1909 we imported 37,731 tons of sugar beets from Canada, and in 1910 57,950 tons of sugar beets from the same country, which were sold to the Michigan Sugar Co. and to the Mount Clemens Sugar Co. in competition with beets raised by the Michigan farmer. These beets only bore a 10 per cent duty, and yet when they were manufactured into sugar the farmer who bought the sugar had to pay a duty eight times as high in the additional cost of the sugar that went on his table.

Now let us compare the prices paid for our beets under a sugar tariff almost four times as high as the German sugar tariff—1.90 cents against 0.53 cent. In the United States, according to the testimony given to the special committee by

the beet-factory representatives, the following prices were paid for beets (Rept., p. 20):

In California the price of beets in 1911 was $5.30 per ton of beets grading 16 per cent, and a contract has been made for an increase of 75 cents per ton for the year 1912. (Hearings, p. 3873.)

In Utah and Idaho the ruling price is $5 per ton and freight, which makes the beets cost, delivered at the factory, over $5.60 to $5.65 per ton. (Hearings, p. 797.)

In Colorado and Nebraska the price averages from $5.50 per ton to $6.50 per ton. (Hearings, pp. 400, 888.)

In Michigan and Ohio the customary contract calls for a payment by the factory of $4.50 per ton for beets testing 12 per cent sugar with 33⅓ cents per ton for each additional per cent of sugar in the beets, with a minimum guaranty of $5 per ton. (Hearings, p. 719.)

Compare these prices with the prices paid in Europe. Mr. Czarnikaw, of London, one of the most eminent authorities on sugar conditions in the whole world, states that the usual price paid for beets in countries that are parties to the Brussels convention—and that includes most of the beet-sugar producing countries in Europe—was $5.11 to $5.48 per ton. Messrs. L. Behrens & Son, of Hamburg, fix the price at from $5.32 to $6.70 per ton. Messrs. H. J. Merck & Co., of Hamburg, reporting for the district of Stettin, fix the average price at $5.78 per ton. In Posen the price varied from $5.59 to $6.49, the average being $6.27 per ton. In Belgium and Holland the average in 1911 was $5.79 per ton.

It will be noted that the American figures I first gave were those of the beet-sugar factory people and that it is difficult if not impossible to find the average price paid throughout the country from those figures. I therefore call your attention to the last annual report of the Department of Agriculture of the United States, in which it is stated that the average price paid to the farmers of the United States for sugar beets for the year 1911–12 was $5.50 per short ton, and for the three previous years $5.35 per short ton.

As against this price paid to the American farmer, the German farmer received for his beets during the same year (1911–12) $6.07, according to the last quarterly book of statistics—official—of the German Empire. Besides, in Germany, the farmer is furnished beet seed free by the factories. In the United States the farmer buys his beet seed from the factory. In Germany, according to the great sugar expert, Mr. F. O. Licht, the farmers "receive allowances for freight and get 40 per cent to 60 per cent of the pulp returned to them without charge." The farmer gets neither of these things in the United States. So that in Germany, with a tariff only one-fourth as high as our tariff, the German farmer gets considerably more for his beets, although the sugar content of our beets is fully as good as that of the German beets. Now, if the German factory, with a tariff duty only one-fourth as high as the duty carried in our present law, can and does pay the German farmer considerably more for his beets than our farmers are paid, then I wish to ask the beet farmers if they feel they have received their fair share of the protection that has gone to enrich a few factory owners and to pay millions of dividends on watered stock and to create value out of nothing at the expense of consumers everywhere, and if they do not believe the beet factories, even under free sugar, can and ought to be able to even up things with them, and maintain the price of beets, especially since they will be able to do so if only they will be content to accept a fair and reasonable profit on the actual capital that is invested in the factories.

That the beet-sugar industry can survive and can pay the farmer just as much as it now pays him for sugar beets, under free sugar, is, I believe, certain. It may not be able to continue to pile up a huge surplus after paying good dividends on actual investments. It may not be able to continue to make huge dividends on vast issues of watered stock, but surely that is not so desirable that the American people ought to be taxed in order that it may continue.

THE CONSUMER'S STANDPOINT.

Mr. Chairman, I wish to next invite the attention of the committee to the consideration of this question from the viewpoint of the consumer. I am quite aware that in doing so I am invoking a doctrine long in disuse, utterly disregarded by our Republican friends in the preparation of tariff bills, and, apparently, almost distasteful to them. But, sir, from the Democratic standpoint this is the most important angle from which this great question can be considered, for, after all, in it is involved the interest of all the people, which is, or ought to be, of more importance to Congress than the interest of any part of the people.

In discussing this question from that standpoint I shall undertake to show to what extent our tariff duties on sugar have increased the burdens of the American consumer and to what extent he may hope to obtain relief and lower prices by the removal of the duty. First, then, to what extent has our duty on sugar been a burden on the American consumer? I wish to invite your attention to a table showing a comparison of the export price of sugar at Hamburg with the wholesale price at New York for the years 1890 to 1911, inclusive:

Comparison of export price of sugar at Hamburg and wholesale price of same at New York, 1900 to 1911.

[Cents per pound.]

Year.	Raw sugar.			Granulated sugar.		
	Export price, Hamburg.	Wholesale price, New York.	Difference between export price at Hamburg and wholesale price at New York.	Export price, Hamburg.	Wholesale price, New York.	Difference between export price at Hamburg and wholesale price at New York.
1900	2.24	4.56	2.32	2.64	5.32	2.68
1901	1.88	4.04	2.16	2.29	5.05	2.76
1902	1.43	3.54	2.11	1.79	4.45	2.66
1903	1.81	3.72	1.91	2.11	4.63	2.52
1904	2.14	3.97	1.83	2.55	4.77	2.22
1905	2.55	4.27	1.72	3.00	5.25	2.25
1906	1.87	3.68	1.81	2.31	4.51	2.20
1907	2.05	3.75	1.70	2.40	4.65	2.25
1908	2.29	4.07	1.78	2.63	4.95	2.32
1909	2.35	4.00	1.65	2.78	4.76	1.98
1910	2.74	4.18	1.44	3.22	4.97	1.75
1911	2.82	4.45	1.63	3.20	5.34	2.14
Average	2.18	4.02	1.84	2.58	4.89	2.32

The figures contained in the above report can not be questioned. They are taken from the statements, before the special committee, of Mr. E. F. Adkins, vice president of the American Sugar Refining Co., and of Mr. Truman G. Palmer, secretary of an association of American beet-sugar factories. The figures presented by these gentlemen are from authoritative and unquestioned sources—the records of the standard trades journals of the sugar industry. They show that during the 12 years for which the figures are given the average difference between the export price of raw sugar at Hamburg and the New York wholesale price of raw sugar averaged 1.84 cents per pound, whereas the tariff on raw sugar was 1.685 cents per pound, and the insurance and freight from Hamburg to New York 1.2 cents per pound, a total of 1.805 cents per pound. They also show that during this same period of years the average difference between the export price of granulated sugar at Hamburg and the wholesale price of granulated sugar at New York was 2.32 cents per pound, whereas the tariff during three-fourths of this period was 1.95 cents per pound—and during the last three years 1.90 cents per pound—and the cost of insurance and freight from Hamburg to New York 0.12 cent per pound, to which should be added 0.18 cent per pound for difference in grade, making a total of 2.25 cents per pound. In other words, the table demonstrates conclusively that during the 12 years that it covers the American consumer paid every penny of the duty on sugar and could have bought his sugar almost 2 cents per pound cheaper but for the existence of the tariff tax.

From 1897 to 1912, inclusive, the people of the United States consumed 43,274,605 tons (long) of refined sugar. During the above period, 12 years of this time the Dingley rate of 1.95 cents per pound on refined sugar has been in force, and during the last 4 years the Payne rate of 1.90 cents per pound. The Dingley rate was equivalent to $43.68 per long ton. The Payne rate was equivalent to $42.56 per ton. So that since the passage of the Dingley bill up to January 1, 1913, this sugar duty had cost the American consumer the enormous sum of fully two thousand million dollars, of which amount only eight hundred million has gone into the Treasury as taxes, the other twelve hundred million being a bonus, pure and simple, to the domestic sugar producer. The briefs for the sugar people are full of two specious replies when the attention is called to this great burden on consumption. They reply, first, that the burden is infinitesimal when it is considered just what it costs each person per year. They first attempt to deduct the amount that goes into the Treasury from the total and then to deduct the amount of sugar that is indirectly consumed in candies, confectioneries, soda water, and so forth, and then to figure the burden on the basis of the sugar directly consumed in table use. In this way they manage to present some very ingenious and amusing figures. The fallacy of this argument is perfectly apparent. In the first place, the refined sugar consumed in every way in the United States in 1912 cost the American consumer about $142,000,000 more than it would have cost but for the duty.

This is no opinion, but is history, as is demonstrable from a comparison of the world's export price at Hamburg with both the wholesale and retail price of sugar in the United States. This enormous yearly charge represents an annual burden of about $1.50 per capita on every man, on every woman and child in our country, or a tax of $7.50 per average family of five persons, and every ounce of that burden is borne by the people, regardless of the amount of taxes that are collected out of it, for on this proposition there can be no dispute but that the consumer pays the tax. Nor is there any doubt where the sugar is used in the trade for canning, preserving, and so forth, that the consumer of the articles thereby produced in every case pays for the sugar used either in the quality or quantity of the product he buys. Nor is the answer that this is, after all, even on this basis, a very small burden, because so generally distributed, a good one, in my judgment. To that argument we rejoin that this tax on a great necessity of life falls on the poor man least able to bear it just as heavily as on the rich man most able to bear it, and for that reason this bill the Democratic Party presents undertakes to remove the tax upon a food product that the poor as well as the rich must eat and to place it on something else, namely, the incomes of men who are abundantly able and ought to be abundantly willing to bear the burden.

The sugar producers next contend that it is unwise and unnecessary to make this change because sugar is now cheaper in this country than in any other country on earth except perhaps Great Britain. While true in a way this statement is most misleading and unfair. In most of the European countries, in order to maintain large and expensive military establishments and to meet other expenses that this country does not have to meet, not only is a moderate tariff duty levied on imported sugar but heavy consumption taxes of all kinds on all the sugar, both foreign and domestic, that is consumed. In order to make any fair comparison in the real cost of sugar in the several countries of the world it is necessary to deduct from the selling price of sugar these various taxes before any fair comparison can be made. Even then differences in grade of sugar and peculiarities of the local market must be allowed for to some extent.

The table I next present gives the average American retail price and the average retail price in many foreign cities and the taxes collected on sugar in each, thus giving us the price of sugar in each of these cities after such taxes have been deducted therefrom.

European and American retail prices for sugar during July, 1911.

	Retail price per pound.	Import and internal revenue taxes levied per pound.	Retail price less taxes levied per pound.
	Cents.	*Cents.*	*Cents.*
Average American	5.69	1.90	3.79
London	4.00	.40	3.60
Liverpool	4.00	.40	3.60
Manchester	3.80	.40	3.40
Berlin	4.90	2.03	2.87
Hamburg	5.90	2.03	3.87
Magdeburg	4.90	2.03	2.87
Cologne	4.70	2.03	2.67
Paris	5.90	2.89	3.01
Marseille	6.10	2.89	3.21
Bordeaux	6.80	2.89	3.91
Lyons	6.50	2.89	3.61
Rome	14.00	8.67	5.33
Vienna	6.50	4.02	2.48
Budapest	6.80	4.02	2.78
Geneva	4.40	.79	3.61
Zurich (loaf)	5.10	.79	4.31
Berne	4.20	.79	3.41
Rotterdam	8.20	4.92	3.28
Amsterdam	8.70	4.92	3.78
Brussels	5.40	2.27	3.13
Liege	4.80	2.27	2.53
Copenhagen	5.00	1.71	3.29
Madrid (loaf)	12.20	7.00	5.20
Stockholm	8.00	3.70	4.30
Gothenberg	7.70	3.70	4.00
Constantinople (loaf)	5.10	.25	4.85
Lisbon	10.30	7.40	2.90
Athens (loaf)	11.40	7.90	2.50
Bucharest	10.10	6.56	3.45
Belgrade	8.70	5.26	3.44
Christiana	6.30	2.43	3.87
Sofia (loaf)	7.20	4.69	2.51
United States (Lowry)	6.35	1.60	4.75
United States (Willett)	6.35	1.44	4.91

The foreign prices in the above table were compiled in July, 1911, by the Bureau of Trade Relations, Department of State of the United States, from consular reports made in pursuance of a special investigation of the foreign prices of sugar by our State Department at the special request of the sugar committee.

The American figure, the first given, is arrived at by taking the figures of Mr. Truman G. Palmer, the beet-sugar expert, who fixes the average American retail price of beet sugar at 5.69 cents per pound in July, 1911, and the American figure in the third column is arrived at by subtracting from 5.69 cents the sum of 1.90 cents, which is our duty on a pound of refined sugar. I believe that even a casual investigation of the above table will convince any thoughtful person that the American consumer is not indebted to our domestic producer of sugar for any decrease in price during comparatively recent years. In the first place, such decrease is world-wide, due to improvement in processes of manufacture and ever-cheapening cost of production throughout the world, and in some countries is considerably more marked than our own, as the above table clearly shows. In the next place, it is most important to remember that years ago, when our sugar was so much higher in price than it is now, our tariff duties on sugar were much higher than they are now, and this is a most important factor in the equation. In this connection it is well to bear in mind we have at various times since the foundation of our Government levied the following tariff duties on sugar:

The act of 1789 carried a sugar tax of 3 cents per pound and in 1790 the tariff was 5 cents per pound; in 1794, 4 cents per pound; in 1816, 3 cents per pound on brown or raw sugar, 4 cents per pound on white or refined sugar, 10 cents per pound on lump sugar, and 12 cents per pound on loaf sugar. In 1832 the tax was 2½ cents per pound on brown sugar and 3½ on refined sugar; in 1842 it was 2½ cents per pound on brown sugar and 6 cents per pound on refined sugar; in 1846, three-fourths of a cent per pound on raw sugar and 2 cents per pound on refined sugar; in 1861, 2 cents per pound; in 1862, 2½ cents per pound; in 1864, 3 cents per pound; in 1870, 4 cents per pound; in 1883, 2.24 cents per pound on raw sugar and 3½ cents per pound on refined sugar; in 1890, five-tenths of a cent per pound on refined sugar; and all other sugar under 16 Dutch standard in color, free, with a bounty of 2 cents per pound on domestic production; in 1894, 40 cents ad valorem and an additional tax of one-eighth of a cent per pound on refined sugar; in 1897, 1.685 cents per pound on raw sugar and 1.95 cents per pound on refined sugar; in 1909, 1.685 cents per pound on raw sugar and 1.90 cents per pound on refined sugar.

In weighing the present contention of our beet and cane sugar producers that their product has caused a decrease in the price to the American consumer, it is just as well for us to recall a significant paragraph in the unanimous report of the sugar committee (p. 17) when a somewhat similar contention was made in behalf of the Sugar Trust:

> The contention of the American Sugar Refining Co., that because sugar costs the consumer less to-day than it did when that corporation was organized, therefore the existence and operation of the corporation has benefited rather than injured the consumer, we regard as unsound. Such a contention entirely ignores most important considerations, such as improvement in the processes and reduction in the cost of refining and manufacturing during that period of time; the greater supply of raw material; improved methods of cultivating sugar cane and sugar beets; and a perfect host of conditions that are entirely independent of the existence of the American or any other sugar refining or manufacturing company.
>
> Besides, in the last 20 years the reduction in price has been world-wide, embracing in its scope all the countries of the earth, from the most enlightened to the most barbarous; and surely no American corporation can claim that it accomplished this result in countries where it has no business and where its very name is practically unknown. In the opinion of your committee, the reduction in the price of sugar in the last 20 years to the American consumer did not come because of the organization and operation of the American Sugar Refining Co.

It is contended, however, that even if the duty is reduced or entirely removed the consumer will not get the benefit of such reduction of removal of duty. This I deny. I deny it in the light of history. I deny it on the sworn testimony of every sugar man who has testified on the subject, including the sugar manufacturers and refiners themselves. The contention is utterly disproved by the comparison I have already made, through a long period of years, between export prices at Hamburg and wholesale prices at New York. In every one of the years that the duty has been enforced the New York price has exceeded the Hamburg export price by the full amount of the duty.

When the sugar schedule of the McKinley bill went into operation, on April 1, 1891, the effect of the removal of the duty on sugar was made instantaneously apparent. Granulated was quoted in New York on March 26, 1891, at 6¼ cents per pound, and on April 2, 1891, the day after the tariff change went into effect, it fell from 6¼ to 4¼ cents per pound, and by May 14, 1891, it had fallen to 4⅛ cents per pound.

In this connection I invite your attention to the tables furnished the special committee by Mr. Wallace P. Willett, of the firm of Willett & Gray, the greatest sugar statistician in America, and one of the very greatest in the world. Mr. Willett furnished the special committee with a number of tables

in proof of his statement to the committee that every one of our tariff changes in sugar have been followed by a corresponding change in the price of sugar to the American consumer. He contended that, other conditions being equal, such as crop conditions and the world-wide law of supply and demand, that any increase in duty necessarily increased the price of sugar to the consumer by the amount of such increase, and any decrease in duty, with the same qualification, necessarily decreased the price of sugar to the consumer. These tables will be found on pages 3548 to 3552 of the hearings before the special committee, and they show some very interesting facts. For instance, Mr. Willett states that, comparing the three years and three months preceding free sugar—January 1, 1888, to April 1, 1891—with the three years and five months of free sugar—April 1, 1891, to August 1, 1894—the consumer paid 2.512 cents per pound less for his sugar in the last period of time, when there was no duty, than in the first period, when there was a duty of 2.24 cents per pound.

Next, Mr. Willett shows, in Table No. 4, on page 3548 of the hearings before the special committee, that the effect of the imposition of the 40 per cent ad valorem duty on sugar carried in the Wilson bill, which he says was equivalent to a duty of 0.979 cent per pound, was to raise the price of refined sugar 0.834 cent per pound, and that the effect of the Dingley law of 1897, which still further increased the Wilson duty by 0.824 cent per pound, was to increase the price of sugar to the consumer 0.586 cent per pound, and he accounts for the fact that the price did not increase to the full extent of the increase in duty, in these periods, by stating that it did not so increase "because of the lower range of prices for raws, owing to overproduction of supplies." Of course, Mr. Chairman, the committee will understand that as to sugar, and as to all other commodities, prices are affected by causes that are entirely independent of changes in the tariff. For instance, in September, 1911, our price of sugar advanced about 2 cents per pound because of a reported, though possibly somewhat exaggerated, shortage of more than a million tons in the German beet crop, and this advance occurred without any tariff change whatever, but the point is that whatever change is made in the price because of crop conditions, and in obedience to the law of supply and demand, we pay the tariff tax just the same, whether the crop is short and price rises or whether the crop is long and the price falls. In other words, while sugar went up 2 cents a pound in September, 1911, entirely independent of the tariff, yet even then we would have gotten our sugar at 2 cents a pound cheaper than we did get it if it had not been for the duty on sugar, and since then it has gone down more than 2 cents, with the tariff still unchanged, and we would now get it 2 cents a pound cheaper than we do but for the tariff.

After analyzing the changes in our tariff laws on sugar to which I have just referred, Mr. Willett summed up the situation in the following striking and significant statement:

The chairman remarked (p. 3072, at bottom of page), "and the less will be the worth of the sugar lost in refining." All the analyses of changing from duty to free sugar show that whenever duty is taken off the cost of refining decreases and when duty is added the cost of refining increases, but these analyses also show that whenever duty is taken off the consumer gets the full benefit of the amount of duty taken off and also a part of the lower cost of refining.

Mr. Henry C. Mott, buyer of raw sugar for the American Sugar Refining Co., testified (Hearings, pp. 2451, 2452) that the amount of duty is always charged to the consumer.

Mr: C. A. Spreckels, president of the Federal Sugar Refining Co., testified (hearings, pp. 2245, 2246) that to place sugar on the free list would reduce the price of sugar to the consumer—

by the amount of the duty, approximately 2 cents a pound.

Mr. Edwin F. Atkins, vice president of the American Sugar Refining Co., testified (hearings, p. 142) that if we reduce the tariff on sugar the effect would be to reduce the price of refined sugar—

practically by the amount of the reduction, always subject to the fluctuations of supply and demand for raw sugar.

Mr. Frank C. Lowry, when asked the question (hearings, p. 1721) as to whether or not the removal of the duty on sugar would guarantee to the consumer the full benefit of such removal, replied:

Exactly, because then there would be no combination of dealers in this country, because they would have to compete with the dealers in other countries, and you can not get the dealers in the entire world into a combination.

Mr. Henry T. Oxnard, of the American Beet-Sugar Refining Co., testified (hearings, p. 406) that by admitting Hawaiian and Philippine sugar free the advantage was given to the Hawaiians and Filipinos rather than to anyone in the United States, because the sugar people in Hawaii and the Philippines had simply "increased their price just the amount of duty removed," and following that statement he had a very interesting colloquy with the distinguished gentleman from Michigan [Mr. FORDNEY], who preceded me in this debate, to which I wish to invite special attention:

Mr. FORDNEY. Would not Europe do that to-day if we were to take the duty off of European sugar, and Cuba?

Mr. OXNARD. They would to a certain extent; but they could not, because they would be competing against the world.

Mr. FORDNEY. Suppose the duty was removed to the whole world. Suppose we removed the duty on all imported sugar from all countries of the world; would they not take advantage of it?

Mr. OXNARD. They would compete with the other countries.

So, Mr. Chairman, it seems to me to be both demonstrated by history and proven by the testimony, without conflict or dispute, that the removal of duty will reduce the price of sugar by the amount of the duty, and we present this bill to the American people, to the overburdened American consumer, with the confident hope that we have demonstrated the contention and that the enactment of the bill into law will reduce the price of every pound of sugar consumed in this country to the extent of nearly 2 cents at the end of three years, when the entire duty is removed.

Mr. Chairman, the remarkable and entirely unfounded contention has been made on this floor and throughout the country that the American Sugar Refining Co., commonly called the Sugar Trust, is for free sugar. The fact is precisely otherwise, and during this very debate I have been simply astounded to hear gentlemen, who must and do know better, try to convey the impression that such is the case. To set this matter at rest forever, I will here quote from the testimony of Mr. Edward F. Atkins, the vice president and executive head of the American Sugar Refining Co., given to the Ways and Means Committee on January 15, 1913. (Hearings, Schedule E, pp. 2382-2383.)

Mr. HARRISON. I would like to ask the witness a question. Mr. Atkins, you are the vice president of the American Sugar Refining Co., which is popularly known as the Sugar Trust?

Mr. ATKINS. It is sometimes referred to as that.

Mr. HARRISON. Do you appear here representing the sentiment of the directors of that company?

Mr. ATKINS. Yes, sir; with their authority.

Mr. HARRISON. Are you in favor of free sugar?

Mr. ATKINS. I am not, and our company is not.

Mr. HARRISON. I wish to ask you further whether you know of the campaign which has been conducted by Mr. Frank C. Lowrey, as secretary of the Wholesale Grocers' Association, in favor of a reduction in the duty on sugar?

Mr. ATKINS. I have occasionally received a pamphlet expressing Mr. Lowrey's views on the subject.

Mr. HARRISON. It has been suggested, also, that the campaign conducted by Mr. Lowrey was at the instigation of the American Sugar Refining Co.; is that true?

Mr. ATKINS. It is untrue. One reason why I appear before this committee is to clear that matter up, not only with your committee, but with the whole country. We are opposed to free sugar, for the reasons that are given here. We are, however, desirous of a reduction in the tariff.

Mr. HARRISON. What is the extent of the interest of the American Sugar Refining Co. in the beet-sugar plants of the United States?

Mr. ATKINS. We hold not so much as we had at one time. At present I think it is——

Mr. ATKINS'S SECRETARY. It is given at page 100 of the hearing before the Hardwick committee. Would you like to have it?

Mr. HARRISON. No; I will not trouble you for that.

Mr. ATKINS. It was $23,000,000, the par value. It is since somewhat reduced. It is approximately $22,000,000, the par value now. We have disposed of some holdings.

Nor ought it to be overlooked that many years ago the colossal architect of the Sugar Trust, the late Henry O. Havemeyer, testifying before the industrial commission, truly characterized the protective tariff as "the mother of trusts." What position do the various cane refiners take in reference to free sugar? The American or "the trust," controlling 62.39 per cent of the total sugar-refining business (report of sugar committee, p. 16), is opposed to free sugar, undoubtedly largely because of its $22,000,000 interest in the beet-sugar factories. The next largest refiner, the National, producing 10 per cent of the total product (report of sugar committee, p. 15), also opposes free sugar as is evidenced by the statement of its president, James H. Post, to the Ways and Means Committee on January 15, 1913. The reason for the position of the National is quite easy to understand when we recall that it is completely under the control of the trust, since the common stock of the National was declared invalid by the courts (report of sugar committee, p. 15), for the trust now owns a majority of the National's stock. The only two refiners of any size who are independent of the trust, namely, Arbuckle Bros. and the Federal, favor free sugar, Arbuckle Bros. producing 8.7 per cent of the total output of refined sugar, and the Federal, of which Mr. C. A. Spreckels is president, controlling only 6.3 per cent of that output (report of sugar committee, p. 14).

When the exact facts are understood and the comparative size of the great interests who oppose free sugar and of those independents who favor it is realized, all sensible men must and will be disgusted at all this silly twaddle that free sugar is proposed by the Democratic Party in the interest of the trust and of the great refiners of the country. It is the veriest of

nonsense, and the fact that gentlemen who oppose free sugar indulge in it is the strongest possible proof of how hard put they are for real arguments. Before I pass from this question let me say just a few words as a matter of simple justice to two gentlemen who have been most unjustly assailed in this debate and who for some years past have been conspicuous targets for the abuse of almost every man who wishes to keep a protective duty on sugar. I refer to Mr. C. A. Spreckels and to Mr. Frank C. Lowrey, of the Federal Sugar Refining Co. These gentlemen are both strong and forceful advocates of free sugar. They have conducted an open, an aggressive, able propaganda in support of that cause. So far as I have ever heard it suggested by anyone, they have been honorable and open in their methods and have conducted a clean fight, if a hard one. And yet there are gentlemen in this country, and even in this House, who seem to think that while it is perfectly proper for Messrs. Oxnard, Hathaway, Warren, Atkins, Truman Palmer, Ballou, and a host of other gentlemen to conduct as strong a fight as can be made to retain the protective duty on sugar, to their own enrichment, that it is hardly short of crime for Spreckels and Lowrey to contend for free sugar. I can not understand the fairness of such a view. It does not appeal to me. Whatever other gentlemen may say or think, I believe that Mr. Spreckels and Mr. Lowrey have earned and are justly entitled to the gratitude and good will of every American consumer who eats sugar and has a grocery bill to pay.

But, Mr. Chairman, let me attempt to reply to just one or two more of the so-called arguments that are made against free sugar. Its opponents insist that as soon as sugar is put on the free list the refiners will all combine and the domestic beet and cane product having been destroyed will proceed to raise the price of refined sugar to the American consumer. Let us examine this argument. In the first place, as I have already explained, the Louisiana sugar people produce raw sugar, which they sell to the refiners, and are in no competition with the refiners, hence there can be no lessening of competition from that quarter. In the next place, I do not believe that free sugar will have the effect of either destroying or substantially curtailing the production of domestic beet sugar, but if, for the sake of the argument, we assume that it should do so, what rational human being can believe that there is more danger of combination among American refiners when they are subjected to the competition of the refined sugar of the entire world, a total of almost 18,000,000 tons per year, than when they are protected from world competition by a high duty, as now, and have a domestic competitor (in which the largest of the refiners, the trust, has an enormous interest) that produces only a little over half a million tons? Have they more or less inducement and opportunity to combine now or then? I have heard great Republican statesmen concede that one of the dangers of a protective system is a tendency and a temptation for domestic producers to combine to raise prices behind the shelter of a tariff wall, but it has remained for latter-day, and I fear decadent, Republican statesmanship to suggest that one of the tendencies of free trade is to invite a combination among domestic manufacturers. It is too ridiculous a contention to merit further reply.

Mr. Chairman, almost two years ago, while testifying before the House committee on sugar, the head of the Sugar Trust, Mr. Edward F. Atkins, ventured this observation (hearing, p. 167):

> They have never been able to get a reduction of the duties on sugar for this reason. There are 17 States in the Union producing beet sugar. Every one of these States has two Senators. There are 34 Senators, and every one of these Senators is a Republican. * * * They have never had an opportunity to get that reduction down. The probability is that they can not get any reduction now (1911) in the face of such strong opposition as that is.

So, according to the head of the Sugar Trust, in 1911 there were 34 practical reasons why the American people could get no relief from the tax on sugar—just 34. Thanks to a merciful Providence many of these "reasons" have been removed since the day of Mr. Atkins's significant and truthful observation, and I believe that at the other end of the Capitol as well as here we may now hope and believe that the general interests of all the American people are to prevail over the selfish greed of a few large corporations that would like to retain a perpetual license to continue to make huge dividends on watered stocks out of the pockets of the people.

Mr. Chairman, in concluding my remarks, I wish to say that the proposition that the Democratic Party presents to-day is neither new nor novel in this body. In the last Democratic House that ever sat in this Chamber before the Sixty-second Congress the Wilson bill left that door, on its way across this Capitol, with free sugar written in it. It was in the Senate of the United States that the will of the people was defeated and the American consumer denied the relief to which he was so justly entitled.

In the last House of Representatives, the first we had controlled in 16 years, we again sent a free-sugar bill to a Republican Senate only to meet in that body an untimely but not unexpected death. Mr. Atkins's 34 "reasons" were still there.

Before many more days shall elapse this great bill with free sugar written in it will cross to the other side of the Capitol in its triumphant march to passage and approval, and I believe that nowhere in all its schedules is there carried any single reduction or removal of duty in the interest of the American consumer that is more righteous, just, and necessary than in its sugar schedule. Nor has it been very long ago since the great leaders of the Republican Party were proclaiming exactly the same faith that I proclaim to-day. Let me refer you to several instances in which our political adversaries have advocated free sugar.

I read first from the speech of William McKinley, delivered on this floor on May 20, 1890, when that distinguished gentleman presented the McKinley bill:

> I would have preferred, Mr. Chairman, if the article of sugar could have been left in the tariff schedule upon the dutiable list. This, however, was not practicable in the presence of an almost universal sentiment in favor of the removal of the entire duties upon this article of universal family use.

Again, hear the Hon. Nelson Dingley during the same debate on May 10, 1890:

> The duty collected on sugar and molasses the last fiscal year was $55,975,610, or nearly 2 cents per pound. Adding to this the increased cost of 275,000,000 pounds of sugar produced in this country, equivalent to the duty of 2 cents per pound, and the duty imposed on these articles was practically a tax of $63,500,000, or $1 per head, on the people of this country.
>
> Inasmuch as there is scarcely another article of common use not now on the free list which can not be promptly produced or made here nearly or substantially to the extent of our wants, the transfer of sugar and molasses to the free list will afford conspicuous relief to the people of this country.

I next read you from a speech of another distinguished gentleman who had a long and illustrious career in this House. I refer to the Hon. Joseph G. Cannon, of Illinois, who on May 20, 1890, said:

> Mr. Chairman, the placing of sugar on the free list will relieve each inhabitant, rich and poor, of $1 per annum of tax, and at least 50 cents of extortion levied by the sugar refiners.
>
> The gentleman from California asks, Why give a bounty to the producers of sugar in the United States? Well, I answer my friend, I am not anxious to give a bounty if you do not want it. My principal anxiety is to place sugar on the free list and relieve the people from this great burden of taxation.

In 1894, when the Senate amended the Wilson bill, the late Senator William B. Allison of Iowa said on June 8, 1894: "If I had my way, I would strike from this bill every vestige which provides a duty on sugar." And yet Republicans of to-day, the few that are left, first at this end of the Capitol and a little later, I suppose, at the other end of the Capitol, denounce this bill as radical, unjust, and indefensible, and assert that in presenting it the Democratic Party is "destroying a great American industry." Like the French Bourbons, these gentlemen seem alike unable to forget anything and to learn anything. Forgetful now as always, heedless now as always, of the interest of the whole people, they seem utterly unable to comprehend that the days of their power have passed to return no more, because the country sees that they can never learn the meaning of the first test of true statesmanship—"the greatest good to the greatest number."

Mr. Chairman, it is my deliberate judgment after some study of the question that the sugar schedule carried in this bill is a splendid redemption of our election pledge, that so far as it can be done by tariff legislation the Democratic Party will reduce the cost of living, and I believe that in giving this relief to the consumer the Democratic Party plants itself on impregnable ground, as it asserts it will not continue this burdensome tax on one of the great necessities of life.

Mr. UNDERWOOD. Mr. Chairman, I will ask how the time stands on the two sides?

The CHAIRMAN (Mr. HEFLIN). There are 30 minutes now due to the gentleman from Massachusetts [Mr. GARDNER] in order to even up the time.

Mr. UNDERWOOD. I will ask the gentleman from Massachusetts to even the time now.

Mr. GARDNER. I did not understand the gentleman.

Mr. UNDERWOOD. I understand that there are 30 minutes due on that side of the House to make the time even, and I ask the gentleman from Massachusetts to use that much time.

The CHAIRMAN. The gentleman from Georgia [Mr. HARDWICK] used 34 minutes of the 35 minutes allotted to him.

Mr. GARDNER. Before we begin further discussion on the Republican side of the House, I want to thank the gentleman from Georgia [Mr. HARDWICK] for his remarks about these

flowers, and I also wish to thank him for his "supreme accolade," as he says was accorded him and his colleagues in the support of this bill. I read in the dictionary that an accolade is a "ceremony or salutation consisting of an embrace or a kiss." I will accept the invitation of the gentleman from Georgia [Mr. HARDWICK] later in the evening. [Laughter.]

I now yield to the gentleman from Kansas [Mr. MURDOCK].

Mr. MURDOCK. Mr. Chairman, I yield to the gentleman from California [Mr. BELL].

Mr. BELL of California. Mr. Chairman, I have been interested in the proceedings of the last three or four days, and one thing that I have noted is the calm, placid demeanor and the smiling face of the distinguished gentleman from Alabama [Mr. UNDERWOOD]. He has sat here secure in the thought that no amount of fervid oratory or argument, answerable or unanswerable, could pry from him a single vote, and with this knowledge it is idle for me to voice my protest against this bill, as idle as it was for me to file the several thousand protests against the proposed reduction in the sugar tariff from the farmers that you gentleman on that side of the House love so well, and whom you are protecting and caring for so carefully—protests from the beet growers, from the mechanics who work in and about the factories—the factories not owned and controlled by the Refining Trust—and from the men who make and repair the agricultural implements that are used by the beet farmers; from the small merchants who furnish supplies to the thousands of white laborers—well-paid white laborers—engaged in this industry; and last, but not least, from the home keepers and the housewives in my State who, by grace of the chivalry, the sense of justice, and the intelligence of the men of California, are voters as well as taxpayers. [Applause.]

Now, Mr. Chairman, I realize that these debates, so called, have no bearing whatever on the fate of this tariff bill. The bill was passed, in so far as this House is concerned, when the gavel fell for the last time behind the closed and locked doors of the Democratic secret caucus room.

The gentleman from Kentucky [Mr. BARKLEY] said in a very ingenuous way, at the beginning of his well-delivered address the other day, that he did not expect to change a single vote. Why, of course he did not. The gentleman sat in this same secret Democratic caucus, and of course he knew that no vote would be changed. But I suppose, Mr. Chairman, that there was a time in the history of this Nation when within these very walls, and before the days of Cannonism or its successor, the Democratic caucus, men voted their convictions and statesmen by arguments may have changed some votes on measures in this House. But that was long ago. [Laughter.]

The gentleman from Ohio [Mr. WILLIS], in his speech, read a plank from the Democratic platform, and the gentleman from Illinois [Mr. STRINGER] also spoke of a platform pledge of the Progressive Party. The reading of platform pledges seems to be a popular thing, and I want to reread this section from the Democratic Baltimore platform:

> We recognize that our system of tariff taxation is intimately connected with the business of the country, and we favor the ultimate attainment of the principles we advocate by legislation that will not injure or destroy legitimate business.

THE BEET-SUGAR INDUSTRY.

I wonder if the gentlemen who framed this bill considered the growing of sugar beets a legitimate business.

Is it a legitimate industry in which thousands of laborers find employment during the season in plowing, seeding, thinning, cultivating, irrigating, and harvesting a crop that pays about $2,000,000 for field labor in California annually? There is no other crop grown in a large way that pays so large a per cent of the gross income to the labor that produces it. The proposed reduction of the tariff means, of course, a lower price for the beet grower. It can mean nothing else, but there is absolutely no way by which the grower can reduce the cost of production, which is almost entirely labor. Because of our high percentage of sugar, California could compete with the world if it were not for the high cost of labor. We pay three or four times as much for labor as they do in Germany and France. Beet culture has been a great factor in the reclamation of alkaline lands, and California has thousands of acres of such lands that can be utilized for the growing of sugar beets but are of very little value for other crops. After beets have been grown in such soil for a number of years the alkali is eliminated and the soil is suited for any agricultural purpose. This has been amply demonstrated in many sections of my State.

The citrus-fruit growers of California, many of whom are sturdy pioneers who, in the face of almost insurmountable difficulties, have spent years of toil in reclaiming lands supposed to be arid and valueless; who have spent time and money in bringing from the mountains water that would otherwise run uselessly to the sea; and who by their thrift and pluck have made that portion of America the beauty spot of the world—they believe they are engaged in a legitimate industry.

And yet you gentlemen in your platform promised the people of this Nation not to injure or destroy legitimate business.

I have listened to the debates on both sides of this Chamber, but I want to say that outside of the locked caucus room of the Democratic Party and beyond the walls of this House there is a waiting, expectant audience—the people of this Nation. And they are not waiting to read the academic arguments that are presented here; they are not waiting to hear the well-rounded sentences of these carefully prepared addresses. They are watching and waiting to see the result and the practical effects of this new tariff bill. They are waiting for the redemption of your promise to make lower the cost of living. And let me say to you, gentlemen, that they will not be brushed aside by the hedging statement made on this floor that, of course, they must not expect the benefits of this bill to accrue to them at once. Oh, no; they must not expect that, and they must wait until the big wholesaler, as has been stated on this floor, has unloaded his well-filled warehouses into the smaller warehouses of the retailer, and he in turn has dumped these goods into the homes of the ultimate taxpaying consumers; and then, perhaps, after that time, there may be another excuse offered. And let me say to you that they will not be content to wait one, two, or three years. Your orators and your candidates have gone up and down the length and breadth of this land promising an immediate reduction in the cost of living, and these people are looking to you for the promised relief, and woe betide the party, as your Members have so eloquently said, that fails to keep its promises. [Applause on the Republican side.]

THE CITRUS FRUIT INDUSTRY.

The world's supply of lemons is produced in southern Italy and in California; and Italy has a monopoly in supplying this product to all the countries in Europe, a monopoly in eastern Canada, and until recently it had a complete monopoly in the United States. But when the frost last winter destroyed the greater part of the crop in California the fruit importers' trust in New York took advantage of California's disaster and misfortune and raised the price of lemons immediately a dollar a box. [Applause on the Republican side.]

The duty on citrus fruits has been lowered, apparently, on the theory that the reduction will give the eastern consumer cheaper lemons; at least that is the plea made by the lemon importer and the foreign exporter and those who have been retained by both to secure a reduction in the duty. It is not a difficult task to show the fallacy of this assumption, but the citrus item has a far subtler influence behind it than a reduction in the retail price of lemons. This citrus item has been systematically kept before the eastern people since 1910 by those who have been retained to convince the people that a lower duty means cheaper lemons to the consumer. It has appealed to the voter who formerly lived in Italy. Does any Member of Congress think that the importers of lemons in New York and the exporters of lemons in Palermo are running a charitable institution in the interest of the eastern consumer? The Fruit Importers' Union of New York and the foreign exporters are not institutions of that kind. They are business men who want to be relieved of paying the duty, so that it may not act as a fixed charge against the wholesale price of the fruit. That is the only reason why the importer has been willing to bear the burden of such a campaign. Eleven importers control more than one-half of the lemons imported into the United States, or one-fourth of all the lemons consumed in the United States.

The orange industry in California represents an investment of $150,000,000. Ten thousand farmers are engaged in the culture of the fruit. Twenty thousand laborers are employed directly in the industry. One hundred and twenty-five thousand people depend upon it, directly and indirectly, for a livelihood, and, together with the lemon industry, it is the basis of the stability of the banks, schools, churches, and other institutions in the citrus districts of California. The California orange is the only article of food of general consumption that has decreased in price to the consumer in the last 20 years. The citrus-fruit growers of California ask only that the difference in the cost of production at home and abroad be equalized. They do not ask that the great difference in the cost of transportation be equalized.

A TARIFF COMMISSION.

Mr. Chairman, I am in favor of a proper downward revision of the tariff that will equalize conditions of competition between the United States and foreign countries, both for the farmer and

the manufacturer, and which shall maintain for labor an adequate standard of living.

I regret that no opportunity will be afforded me to vote upon the separate schedules of the present tariff bill. I believe in the principle of an income tax, but no opportunity will be given me to vote upon this proposition separately, and the ills that will flow from this proposed revision of the tariff will, in my opinion, far outweigh the benefits of an income tax.

I believe that a tariff bill should be based upon scientific principles rather than on the exigencies of a political party that is endeavoring to perpetuate itself as the dominant party in American politics. The Democratic principle of a tariff for revenue only is a theory that would destroy the protective system of this country.

Together with other members of the Progressive Party, I believe that in the drafting of a tariff bill the problem undertaken to be solved should be first understood; that no tariff bill should be framed solely upon the political beliefs or theories of any party, but upon the recommendation after investigation and information of a scientific nonpartisan tariff commission, whose sole duty it should be to best conserve the interests of America as against the world. [Applause.]

Mr. GARDNER. I yield to the gentleman from Nevada [Mr. ROBERTS].

Mr. ROBERTS of Nevada. Mr. Chairman, I realize how difficult it is to make remarks that may be of any interest at this hour of the night, after you have listened to so many distinguished men; but being a son of parents who crossed the Plains in 1849 and located upon the great Western Plateau, I stand before you to-night to voice my protest as best I can, in my humble way, against the measure which you intend to place upon your statute books and which I believe will destroy practically every industry of the great State of Nevada.

Nevada to-day forms the greatest district, from a congressional standpoint, that there is in this Union. I do not say so with reference to population, but I do say so with reference to area, with reference to possibilities, and especially with reference to infant industries.

What do you propose to do with the wool industry of the great West—practically 2,000,000 sheep? What do you propose to do with our beet-sugar industry of the great Carson-Truckee project, amounting to almost $3,000,000? You propose to destroy it at one fell stroke.

What do you propose to do with the lead mines of the State I have the honor to represent and which came to the front when this Nation was in peril? Ah, you propose to let in the lead from Mexico and South America and to drive the laboring men from the State of Nevada out of work and employment.

What do you propose to do with our zinc mines in that State, I ask you—an infant industry which to-day bids fair to become one of the best there is upon the Pacific coast?

What do you propose to do with our cattlemen? What do you intend to do with our farmers and those people for whom this Government is expending millions of dollars in order to irrigate their lands? Ah, I want to tell you, my friends, that you are striking a deathblow at the very industries in which they are engaged.

I want to say that I know something about the West. I may be uncouth and to some extent unlearned, but I know something of the circumstances that exist there. I see a number of laboring men upon this floor who have come forward on various occasions and at important times in behalf of organized labor. I want to tell you gentlemen that every wind that is wafted eastward across the Pacific Ocean from China and Japan brings to our shores the hum of industry of the Japanese and the Chinese of those countries who are only seeking an opportunity of coming into closer competition with the American workingmen of this country, the American farmers, and the American miners. You know you can not buy a potato to-day—and the gentleman from California who has just preceded me can substantiate this—you can not buy a potato for your little children the price of which is not fixed by the Japanese potato king at Berkeley, in that great educational center. I know whereof I speak, and that is a fact. In the place where I was born and where I played as a boy the cherry trees to-day are in the hands of the little brown men. I do not believe in violating any of our treaties, and I do not mean to inject this as a piece of jingoism, but I do as a warning say to you that I have great admiration for the South, for the manner in which they have been able to uphold the virtue and womanhood of this country and the dignity of the Caucasian race. I am proud of them in that respect; but I want to tell you that I, as an American citizen, am proud that the Republican Party, to which I belong, has ever stood not only to protect the races of one country who have come here, but the races of all countries, but especially the Caucasian race.

Mr. GORDON. Will the gentleman yield?

Mr. ROBERTS of Nevada. The gentleman can ask all the questions he wants to, but I do not know whether I can answer them or not.

Mr. GORDON. Does the gentleman think the tariff law affects the divorce industry in Nevada?

Mr. ROBERTS of Nevada. I do not know from what State the gentleman comes. I have been here two years, and I never met the gentleman before. The gentleman has injected himself into several speeches on the floor and perhaps he wants to inject himself into my speech because it will be sent to every voter in my district. I will say that so far as the divorce industry in my State is concerned I have nothing to say against it other than this, that the State of Nevada stands to-day on a par with the State that the gentleman comes from or any State in this Union. I am proud of it. It takes one year to get a divorce in Nevada, and I do not know whether it takes any less in the State the gentleman comes from or not. However, I will venture to say that there are a goodly number of the gentleman's own constituents who have been out there for the purpose of divorce in the past. [Laughter and applause.]

Now, gentlemen, I have got to inject some things into this speech, and I have only a few moments left. I am one of the newcomers and you know we have to beg for time.

Mr. Chairman, of late we have heard so much from the three parties represented upon the floor of this House concerning their ideas on tariff measures that I desire to briefly give my own views, without regard to where the "chips may fall." I am no "hidebound" partisan, as my record shows, but am a protectionist in all that the term implies. I have voiced my sentiments here upon the questions involved on several occasions, and I defy any man of any party to be a stronger protectionist than myself. I am a stronger protectionist to-day than I ever was, and I am proud of it. Some of my esteemed colleagues, longer in service than myself and representing constituents whose very all depends upon the fundamental principles of protection, have practically abandoned those principles because of political expediency and are to-day "dillydallying" with the free traders and the Socialists. Some of them occupy high committee assignments, and their positions demand more of them than mere criticism of those principles which brought them from obscurity into positions of prominence before the American people. The question before the American people to-day is protection or free trade. There can be no halfway ground. I have more regard for an out-and-out free trader than I have for one who would clothe his honest convictions in academic verbiage and "beat around the bush" about a "competitive tariff" and reciprocal talk, which means nothing but an abandonment of the very principles upon which the greatness of our country is based. I like the sound, honest, commonsense judgment of such men as "Uncle JOE FORDNEY," the gentleman from Michigan, clothed in the language of the layman rather than the "high-flown" rhetorical phrases of some of our colleagues, who talk theory and write fiction, and who are wont to paint rainbows in the vernacular of the modern collegian just entering upon public life, and whose words are solely for home consumption.

I have always advocated the establishment of tariff schedules under the guidance and direction of a scientific nonpartisan tariff board, and I trust my good friends on the other side of the aisle, notable among whom are the chairman of the Ways and Means Committee and the Speaker of this House, both of whom are on record as favoring that manner of tariff reform, will not take offense when I state that since Congress through its Democratic Members has abandoned that mode of procedure that the Members of this House will be tempted to look out more particularly for the interests of their respective districts than for the general welfare of all the people. We will be forced into the position of using our own judgment based upon the best data available, which, to say the least, is most unsatisfactory. By abolishing the tariff board you have simply gone back to a farcical local proposition wherein each and every locality will, in the very nature of things, look out for itself. In the State I represent there are many industries entirely dependent upon a protective policy of legislation, and the Representative who fails to recognize it and who votes against protection simply votes against the interests of his own people. I can not do so, and I do not believe other Members will do so. We untrained and unscientific men are apt to err in attempting to fix the proper rate of protection without the guidance of a scientific and nonpartisan tariff board, and, besides, we are also apt to be forced into the position of standing in with some one else who wants too much protection in order to see that our

own interests are properly safeguarded. For that reason I dislike the manner now proposed of establishing the various tariff schedules, and for that reason alone have thus protested. No tariff schedule ever yet adopted by Congress has proven satisfactory to all the people, and by the present procedure never will be, nor would perhaps a tariff established by a tariff board be satisfactory to all the people, any more than a verdict of a jury would be acceptable to all the people; but it would at least have some sort of foundation based upon judgment and logic and free from the sectional objections I have heretofore mentioned.

This is the sixth time in the history of our Government when the majority Members of the House have sought to "cut out" the principles of protection. The first five times it signally failed and hard times, disaster, business stagnation, and starvation followed the experiment. If it does not fail this time—and I sincerely trust that it will not, but that marked prosperity will be the result of the legislation of the new administration—I will be agreeably surprised. Inasmuch as you on the other side of this House are certain to pass tariff schedules without regard to the element of protection, I certainly wish you success, for I am no blind partisan, and if the principles you advocate are the ones which will bring the greatest good to the greatest number of our countrymen, then will I, for one, meekly submit to the superiority of your judgment.

The great trouble with tariff making has ever been that the interests of the people as a whole have been disregarded, and certain localities with sufficient "political pull" to get what they desired, regardless of the general welfare of our people, have succeeded in passing tariff measures calculated only for special interests. Whenever any system of tariff revision can be devised whereby favoritism to certain interests and localities will be abandoned and the interests of the whole people cared for, then will I support the measure. That was my reason for supporting a scientific, nonpartisan tariff board.

The Tariff Board, however, for the time being is a thing of the past, and we can only strive to work for the general welfare as best we can, realizing our shortcomings and our weaknesses, as have ever "cropped out" under the present mode of procedure.

Why, gentlemen, when the sugar schedule was up for revision at the last session of Congress my good friends from the State of Louisiana, and though loyal Members of the majority side of this House, came squarely out for the particular interests of their particular section. Other Members of this House have done likewise for their sections, myself among the number. You can not get away from it any more than you can from your own shadow on a sunny day. It is the everlasting bickering, trading, and "back scratching" in the fixing of schedules that I detest. It has been the cause of all our "top-heavy" and "lopsided" tariff schedules since the beginning of this Government.

For some time the political leaders on the majority side of the House have been looking for some term that will designate their doctrine other than tariff for revenue only, and have at last hit upon the euphonious words "competitive tariff." That may suffice for a time, but when the working people of this country find that it means a sort of "free-for-all" competition with all the laboring classes on the face of the earth there will be a sudden change in the designation and some other high-sounding term used. Why not say free trade and be done with it? That is what you mean, but you do not dare come out openly and espouse it. You try to mislead the American people. I am a protectionist, and believe in it, and am not afraid to say so.

You hear much talk about the high cost of living. It is universal. One of the chief causes is the barrier between the consumers and the producers. Our consumers are too far removed from the producers, both by distance and the intervention of middle men. Could the profits of the middle men be eliminated, the cost to the consumer would be lowered and the producer not injured. The farmer, while prosperous, is not getting it all. He is only getting what rightfully belongs to him. He deserves it, and I hope he continues to get the same prices under the present administration. You told him before election times would be better. He voted for you, and now it is up to you to make good. You told him you would give him cheap machinery, cheap farming implements, cheap sewing machines, and all sorts of good and useful utensils for farming. Your promises before election reminded me of "pink pills for pale people"—a veritable panacea for all the ills that flesh is heir to. Of course the farmer will not feel the effects of free foodstuffs from the four corners of the earth. Oh, no; not at all! His cheap implements will offset that. But let me tell you, gentlemen, the farmer will not only get less for his produce, but he will pay just as much for his machinery and implements. The importer and middle men will get the benefit, if anyone does. The stock raiser will doubtless sing your praises for the interest you are taking in him. You will let in the stock and herds from Canada and Mexico and South America and will, besides, bring in free wool from Australia and elsewhere. That will be quite a boon to the sheepmen.

In November of last year the people of the United States gave into the hands of our Democratic brethren the reins of Government, and for the first time in many, many years the three separate and distinct branches of Government are of the same political complexion. Did I say separate and distinct? Yes; and I trust that they will ever remain so; but in these days of strenuous life and political and commercial activity there is far too great a tendency to combine the executive, legislative, and judicial branches into one great semi executive, legislative, and judicial branch and depart far from the fundamental principles upon which this Republic was based. We are moving in the direction of a monarchial form of Government through our failure to maintain the complete independence of the three departments of Government.

Just as long as the consumers of this country clamor for lambs and lamb chops and calves and veal chops and pigs and pigs' feet and squabs on toast will the herds and flocks decimate and the prices of those table foods continue to increase. You can not kill off the young and keep up your herds and flocks. The stock raiser finds more profit in the sale of the young than in the sale of the old, and accordingly the market price for meat continues to soar. The areas of lands suitable for stock raising is diminishing at an alarming rate. Much of the land has been put into forest reserves and considerable of it cut up into small farms for the culture of food cereals, and our population is continually on the increase. In other words, the production does not keep pace with the consumption, and as long as that continues we can not hope for much relief as far as the high cost of living is concerned. Some of you say open our markets to the world and then the consumer can obtain the foodstuffs cheaper. Yes; but what of the producer? It is only of recent years that the farmer has come into his own. He deserves it. His life has been one of hardships and privations, and through his efforts has our Republic flourished and progressed. Take away his profits and you will hit at the bone and sinew of the Nation. Perhaps you gentlemen on the other side of the House will reduce the cost of beefsteak. You told us so before election, and we are willing to be shown, even those of us who do not come from Missouri.

You told us particularly that we were being robbed by giant corporations and that as soon as Congress could get together in extraordinary session the greedy corporation plutocrats would be sent to jail, and that clothes, shoes, boots, underwear, and foodstuffs would come tumbling down, and that the wage of the wage earner would increase, and that the dinner pail he carried under the Republican administration would not half hold the good things he could buy for the same money under your administration.

> But stop and listen; I hear a sound;
> It's the butcher a chasing CHAMP'S dawg around.

And the workingmen. They are breathlessly waiting for that increased wage scale and the corresponding reduction in the necessaries of life. Of course some of them are waiting for pie at the pie counter, but even the price of pie and plums has not been reduced to any perceptible degree. Perhaps that is owing to the increased demand since the inaugural ceremonies. At any rate, brethren, the people have given you full power and authority to do things. We will await your efforts. But if I might venture a guess I will say right here that four years from now you will hear a sound, and it will not be some one "kickin' CHAMP'S dawg around." It will be the sound, steady tread of millions of misled American voters on their way to the polls to repudiate your action in taking away from them the prosperity they are now enjoying.

You have come into power by means of Catalysis, notwithstanding the fact that you have fallen heir to the largest revenues ever known in American history. On March 3, 1913, the balance in the general fund amounted to $149,335,711.78. Your appropriations are increased $120,000,000 for the fiscal year ending June 30, 1914. Never in American history has there been a more prosperous administration of Government affairs and never before have the opportunities of our citizens been better.

Republican statesmanship and far-sighted wisdom have wedded the Atlantic and the Pacific and brought into closer commercial relations the nations of the entire world; has conserved for prosperity the natural resources of our country; has reclaimed and improved millions of acres of arid lands; has built up a great beet-sugar industry; has protected the farmer and manufacturer along legitimate lines, and leaves you as trustees of the greatest Nation on earth. What will you do to perpetuate our independent sovereignty? Will you down the

industries of this country for experimental purposes? Or will you continue the policies which have made them flourish? Republican statesmanship preserved the Union and extended our domain; has preserved for all time the Monroe doctrine and the liberties of the people of the South American Republics; has built up internal improvements, and preserved through troublous time the Constitution of our fathers—the liberties of 100,000,000 free men.

Republican statesmanship has settled our troubles without as well as within; has increased our revenues, advanced the Nation along lines of progress, and made of our people—cosmopolitan though they be—the most free and independent people on the face of the globe. Our farms are producing as they never produced before; our mines are giving up their wealth to be poured into the channels of trade and commerce; our relations with foreign powers are of a friendly nature; our mills and factories are working overtime; and our working classes are receiving the highest wages on an average ever paid for the same class of work in this country or in any other country. Inventions are coming thick and fast, and the impossible is becoming the possible. Railroads are extending in all directions. Urban and interurban lines connect, and the farmer's produce is carried to market directly from his door. Rural delivery and the pacel post contribute to his success, and the American people are making such advancement and enjoying a prosperity never before known in our history.

And yet, crazed by an overprosperous administration of national affairs and misled by what I believe to be unsound doctrine, systematically and skillfully preached from platform and through the medium of the press, the executive and legislative branches of the Government has been changed, and men whose policies are directly opposite to our views are now in control. We accord to them lofty purposes and high ideals and concede their intelligence, but condemn as unsafe and experimental their doctrine. The prosperity of this country and general good of the people are too important to be trifled with. But the people have willed it; have taken you at your word, and you must "fish or cut bait." It is a case of "you'll be damned if you do and be damned if you don't," but in your deliberations here act the part of men, sound, reasonable, broad-gauged men, and legislate in the light of experience rather than in the dreams of theory. Theoretical doctrine plausibly preached may win votes enough to upset an administration, but it will not clothe the naked and feed the hungry.

My friends of free-trade persuasion on this and the other side of the aisle which separates the majority from the minority, you are responsible to this country for your stewardship. If your policies prove to be all that you claimed for them during the recent campaign, God help us protectionists; if they prove to be otherwise, God help you and save the country. You came into power with an overwhelming majority in the House and a working majority in the Senate. You are all in perfect harmony. A sort of love-feast feeling permeates your caucuses and your deliberations. All, all, is harmony. But stop and listen, you can not hear a sound, everybody's patting the "dawg around."

The leader of the majority, that estimable gentleman from Alabama, Mr UNDERWOOD, has poured Standard Oil upon the troubled waters and doubtless abundant streams of revenue will gush forth. Our Democratic friends from the South and West will consent to free lemons, in the interest of peace and harmony at home and in the interest of the foreign lemon growers abroad. Our friends from Louisiana will give up their protective ideas concerning sugar and will bow to the will of the majority in the interest of harmony, and the Sugar Trust will sing a sweet requiem over the departed spirits of Democratic antagonism.

Just stop and listen—you can't hear a sound—
Everybody's loving each other around.

And, in conclusion, with apologies to the poet of Alabama, the Hon. THOMAS HEFLIN, and in the interests of harmony at home and abroad, I submit the following verses as appropriate for singing at the next Democratic caucus:

Take off the old tariff, let lemons in free;
Look out for the fruit men of old Italee.
Cut out your beet sugar, let it come in free;
Let's do all we can for our friend Germanee.
Take it all off of lumber, and let it in free;
Lend a hand to the axman in old Canadee.
Take it off of rice, and let it come free;
We must not forget John, the heathen Chinee.
Take it off of laces, let cheap goods in free;
It will give better wages to the brown Japanee.
Let in your free boots and shoes; don't you see
It will raise the cheap wages across the blue sea?
Take it all off of everything, let it all come in free;
We must—if we fight for it—have harmonee.

Mr. GARDNER. Mr. Chairman, I now yield to the gentleman from Illinois [Mr. MANN].

Mr. MANN. Mr. Chairman, when I first read the bill as it was introduced in the first instance, it seemed to me that I would desire considerable time in which to discuss both the principles of the bill and the items of the bill, and I feel the same way now. But the time for debate was so limited, and the demand was so great on this side of the House, that I did not feel at liberty to ask preference over those Members who wished to discuss the bill as affecting the interests in their districts.

But, after all, Mr. Chairman, what we say here is of no great interest to the country at large. What we say amounts to little; what we do will be the guide by which the country judges us, and in the main what we do has all been settled by the Democratic caucus. We may talk and talk, but when this bill becomes a law and people know its effects, then they will judge by the results, not by the prophecies.

We believe on our side of the House, chastened perhaps in spirit by defeat, learning somewhat through experience, we believe in a scientific adjustment of the tariff, in the placing of tariff duties based upon information and not upon ignorance. [Applause on the Republican side.] We stand for a tariff commission to learn facts, so that we know when we act in tariff legislation. You, on the other side of the aisle, declare that you know better the facts already than you can learn through a commission to be selected for the purpose of obtaining information. We believe that when your law takes effect the country will learn that you are now ignorant on the subject, and the country will demand a party in power who profited by experience, learned the facts, and based a tariff upon scientific information. [Applause on the Republican side.]

In theory, perhaps, in one sense, we are not so far apart. While you have, on the other side of the aisle, for years talked of a tariff for revenue only, I notice that in the speeches which have been made, and particularly the opening speech in the presentation of this bill to the House, there was little said about tariff for revenue but a great deal said about a competitive tariff. Competitive tariff means what? It either means that our industries are to be protected by tariff duties, so that foreign industries can only meet them in fair competition, or else it means that you propose that our capital and our labor and our factories shall meet the competition of cheap labor from abroad. That you do not dare to acknowledge to the world, you do not dare to acknowledge it in this bill.

Mr. Chairman, it has been frequently said on the floor in this debate that nothing which could be said would affect any provision in this bill, and I will be pardoned, after all these speeches of this character if I call attention to some provisions of this bill, and while what I may say may not affect any amendment as to them in the House, yet it will be sure to change the bill in one of its vital particulars before it is sent to the President of the United States for his approval. On page 207 of the bill, subsection 7 of paragraph J of section 3, is this provision:

That a discount of 5 per cent on all duties imposed by this act shall be allowed on such goods, wares, and merchandise as shall be imported in vessels admitted to registration under the laws of the United States.

Presumably that means what is says, and in the report accompanying the bill the majority Members say this, referring to this paragraph:

It is a discrimination in favor of American shipping similar to the provisions of some of the first tariff bills that were enacted by the Congress of the United States. Under like legislation the merchant marine of the United States was encouraged and developed in the early decades of the last century until our merchant marine became the largest carrier of merchandise in the world. We believe that to again discriminate in favor of American shipping will build up our merchant marine and keep at home millions of dollars that are now being paid to foreign vessels to carry the products of our country to foreign markets.

A plain statement that the purpose of this section is to give a discrimination in favor of goods brought in American bottoms to the extent of 5 per cent. In other words, that if goods are brought in American bottoms under the provisions of this paragraph, duties will be not 100 per cent as fixed in the law, but 95 per cent of the duties fixed in the law. There is nothing in the bill there in reference to the treaties. Does this section mean anything? Is it the purpose of the law to have 100 per cent collected in any case? Does the discount apply only to goods brought in American bottoms? I yield for a reply from the other side of the House as to whether this provision will apply to any goods except those brought in American bottoms. Will it or not?

Mr. UNDERWOOD. Mr. Chairman, if the gentleman will yield sufficient time I will be very glad to answer the question.

Mr. MANN. I will yield for a yes or no question, and that is all I can yield for. This is a simple proposition. Does it or does it not allow any goods to be brought in other bottoms

than American bottoms to have the discount of 5 per cent? That is a simple proposition. It does not require an explanation. It requires only an answer—yes or no. Yet, under another paragraph of the same bill, we find this provision, being subsection 1 of paragraph J:

J. Subsection 1. That a discriminating duty of 10 per cent ad valorem, in addition to the duties imposed by law, shall be levied, collected, and paid on all goods, wares, or merchandise which shall be imported in vessels not of the United States, or which being the production or manufacture of any foreign country not contiguous to the United States shall come into the United States from such contiguous country.

I read only part of the paragraph. That is existing law—a discriminating duty of 10 per cent against goods brought in foreign bottoms, with this exception that I now read:

But this discriminating duty shall not apply to goods, wares, or merchandise which shall be imported in vessels not of the United States entitled at the time of such importation by treaty or convention or act of Congress to be entered in the ports of the United States on payment of the same duties as shall then be payable on goods, wares, and merchandise imported in vessels of the United States.

In other words, if under the treaties goods brought in foreign bottoms are not entitled to pay only the same rate of duty as goods brought in American bottoms, then they must pay 10 per cent more than the amount fixed in the law. There is a 10 per cent discrimination against goods brought in foreign bottoms which are not entitled to come in at the same rate as goods brought in American bottoms.

Under the provisions of this bill no goods brought in any bottoms can pay 100 per cent of the tariff rates. It is either 95 per cent, the rate fixed here for American bottoms, or else it is 110 per cent, the rate fixed for goods brought in foreign bottoms, which do not enjoy the same rate as goods brought in American bottoms. That is care in making a bill. That was a brilliant thought. The gentleman in charge of this measure took an existing law, passed in the first place many years ago, providing for a discriminating duty of 10 per cent against goods brought in foreign bottoms, so that our country would be enabled to force foreign countries to enter into treaties and conventions with us by which we and our vessels would have the same rights abroad as we were willing to grant here. And, finding that in the law, finding it had been effective, finding it had compelled every foreign country or maritime power to enter into conventions with us providing that goods brought in their vessels should pay the same rate of duty coming here as goods brought in our vessels and goods going abroad in our vessels and entering foreign countries should pay the same rate as goods in their own bottoms—finding that in the law, they then inserted the other provision that all goods brought in American bottoms should only pay 95 per cent, but these treaties that we have made provide also that goods brought in foreign vessels shall pay the same rate of duty as goods brought in American vessels, and if they do not pay the same rate of duty, then they pay 110 per cent of the tariff rate. Is it the intention of the gentleman to administer and hold that this 5 per cent discriminating duty does not apply in favor of foreign vessels? If so, then the discrimination is not 5 per cent, but 15 per cent.

Do the gentlemen on the other side of the aisle, having proposed a 5 per cent subsidy, as they thought—and I use the term advisedly—subsidy to American bottoms, intend that they should apply a law to give 15 per cent of the subsidy to American bottoms? I have noticed, Mr. Chairman, in service in the House that it was sometimes well for gentlemen who prepare bills to read them. [Laughter and applause on the Republican side.] In this case the gentlemen took the law on the statute books and repeated it in the bill without knowing or considering what it meant and added on another provision practically in direct conflict with its terms or what they intended to provide in the second part of the bill.

Mr. Chairman, I congratulate the other side of the House, however, upon one provision in the bill, and that is the antidumping clause, a purely protective measure, intended for protection and nothing else, flying in the face of every statement that they have made in the House about their desire to have goods cheaper for the consumer, a proposition to increase the tariff by protection. We believe in the principle of protection on our side of the House. We welcome a proposition which will prevent the dumping of foreign goods on American soil and driving out American industries and the cheapening of American labor. We would go further than you. You go one step toward protection in your antidumping clause. We are in favor of protecting Americans on American soil, of building homes on American soil, of having men work on American soil, of producing here the things which we use which we consume instead of going abroad and encouraging industries there. Mr. Chairman, when tariff bills are before the House brought by the Republican side of the House the inquiry of the House is, What new industries will be developed, what new manufacturing plants will be located, what new factories will be built, how much will wages be increased, but when a tariff bill is presented from the other side of the House no such inquiry is made.

The people are wondering now what factories will be dismantled, what manufacturing establishments will be closed, how much wages will be reduced, what industries will be destroyed. We leave that to be settled by what comes, hoping on behalf of the country as against party advantage that disaster will not overtake us, that prosperity will continue, but fearing in the light of experience and common knowledge we will again learn the blessings of adversity. [Loud applause on the Republican side.]

Mr. UNDERWOOD. Mr. Chairman, it is always a pleasure for me to listen to the remarks of the distinguished leader of the Republican Party, but it was peculiarly a pleasure for me to listen to him to-night. Here is a great revenue measure, a reorganization of the financial system of our Government, and the leader of the party that has been in power for the last 16 years, chargeable with the erection of two great tariff bills in the country, sticks in the bark, leaves the substance of the bill alone, and is captious about his criticism of the nonpartisan administrative features of a bill. Why, my friend from Illinois does not know the distinction between for and against. He has overlooked the fact that the provision in paragraph J that he refers to is to protect this country against discrimination by foreign nations, discriminations that are erected by a foreign land, and that section 7 of paragraph J is a discriminating duty given by this country to its own ships and in favor of its own ships. [Applause on the Democratic side.]

It is not a subsidy, but it is a subvention. The gentleman from Illinois [Mr. MANN] since I have been a Member of this House voted for a ship subsidy that was a discrimination in favor——

Mr. MANN. Will the gentleman yield?

Mr. UNDERWOOD. I can not yield; I have only 10 minutes.

Mr. MANN. I did not know that the gentleman had any time. I think the gentleman ought to yield, as long as he is making a statement about me.

Mr. UNDERWOOD. I yield.

Mr. MANN. I may vote for a ship-subsidy bill, although I never have done so yet. The gentleman is as accurate about that as he is about other things.

Mr. UNDERWOOD. The gentleman may not have been here.

Mr. MANN. I was here.

Mr. UNDERWOOD. But his party was in favor of the ship subsidy, and that was in favor of American shipping, as this provision is, and there was not one line in that bill repealing the part the gentleman refers to in the present bill. The gentleman from Illinois was unable at that time to discover the fine discrimination he points out to-day. As I said before, the only difficulty with my friend from Illinois [Mr. MANN] is that he has never been able to discover the distinction between for and against.

But I have one word to say in conclusion. My friends on that side of the House, in either political party that represents the minority, have been chargeable with the tariff legislation of this country for the last 16 years. You sat in the Republican Congresses, or your Representatives did; you occupied the White House, or your Presidents or standard bearers did, and as long as you remained in power you were not willing to confess your own ignorance that you confessed to-day. You wrote the Dingley bill without a tariff board. [Applause on the Democratic side.] You wrote and signed the Payne bill without a tariff board. [Applause on the Democratic side.] It was only when the people of the United States had repudiated you and driven you from power that, on your bended knees, you came before this House and confessed your own ignorance and your own legislative inability to write a revenue measure that was just and honest to the American people. [Applause on the Democratic side.] And, more than that, you plead for a tariff board to-day. I want to challenge you to look into the hearings that were held when this bill was before the Ways and Means Committee and find for me a manufacturer in the wool or cotton or iron and steel schedules that was willing to uphold the Tariff Board appointed by your own party when it came down to the particular schedule in which he was interested. In every instance where they appeared before the committee and they were asked if they agreed with the findings of your Tariff Board they repudiated it. [Applause on the Democratic side.]

Now, you are proud of the fact that you write your tariff bills for the great manufacturing interests of the country and not for the people. But those you wrote them for—the manu-

facturing interests of this country—have repudiated the last Tariff Board you appointed. You appointed a tariff commission in 1883. That commission reported in favor of a low tariff, and your Republican Congress, because it did report in favor of a low tariff, repudiated the action of your own commission. [Applause on the Democratic side.] You know as well as I know that if this bill becomes a law, as it will, and stays on the statute books for four years, and you should by some ill fate that may happen to the American people be returned to power, you will never wait for a tariff board to investigate in order to repeal the bill. You would throw a tariff board to the winds and come back in here with your ill-conceived ideas of a tariff revision, and once more walk into your committee and allow the great manufacturing interests of the United States to dictate the terms of the bill to you. [Applause on the Democratic side.] You would do that in the future as you have always done it in the past. I am not surprised that you confess your own ignorance in the writing of a tariff bill and of necessity claim that all others are equally as ignorant. Why should you not be ignorant? You have never attempted to learn the art. It has never been necessary for you to learn the art. When the time came to write the bills you called in the beneficiaries of your acts, the great manufacturers of this country, and they told you how much they wanted and you put it in the bill. [Applause on the Democratic side.]

Mr. Chairman, I move that the committee do now rise.

The motion was agreed to.

Accordingly the committee rose; and Mr. CLINE having assumed the chair as Speaker pro tempore, Mr. GARRETT of Tennessee, Chairman of the Committee of the Whole House on the state of the Union, reported that that committee had had under consideration the bill H. R. 3321, a bill to reduce tariff duties and to provide revenue for the Government, and for other purposes, and had come to no resolution thereon.

Mr. GARDNER. Mr. Speaker, I ask unanimous consent that in the permanent RECORD, wherever it appears that I have yielded time to any gentleman, the amount of time shall not be stated.

Mr. UNDERWOOD. I ask that that include everybody.

Mr. GARDNER. I ask that that include not only time yielded by me, but time yielded by everyone.

The SPEAKER pro tempore. The gentleman from Massachusetts asks unanimous consent that wherever it appears that time has been yielded by any person in this debate having control of the time, that the amount of the time shall not be stated.

Mr. GARDNER. In the permanent RECORD.

Mr. MANN. I shall not object, although I would rather have the time yielded to me stated.

The SPEAKER pro tempore. The Chair hears no objection.

LEAVE OF ABSENCE.

Mr. SLEMP, by unanimous consent, was granted leave of absence for three days, on account of illness.

ADJOURNMENT.

Mr. UNDERWOOD. Mr. Speaker, I move that the House do now adjourn.

The motion was agreed to; accordingly (at 11 o'clock and 28 minutes p. m.) the House adjourned until Tuesday, April 29, 1913, at 11 o'clock a. m.

PUBLIC BILLS, RESOLUTIONS, AND MEMORIALS.

Under clause 3 of Rule XXII, bills, resolutions, and memorials were introduced and severally referred as follows:

By Mr. CAMPBELL: A bill (H. R. 4348) to establish a school of agriculture at the Chilocco Indian School, in Oklahoma; to the Committee on Indian Affairs.

By Mr. BUCHANAN of Illinois (by request): A bill (H. R. 4349) to amend the laws relating to patents for designs; to the Committee on Patents.

By Mr. GARDNER: A bill (H. R. 4350) directing the Secretary of the Treasury to prepare designs and estimates for and report cost of a national archives building in the District of Columbia; to the Committee on Public Buildings and Grounds.

By Mr. HAY: A bill (H. R. 4351) to regulate detached service in the line of the Army; to the Committee on Military Affairs.

By Mr. KELLY of Pennsylvania: A bill (H. R. 4352) to provide old-age pensions; to the Committee on Pensions.

By Mr. LA FOLLETTE: A bill (H. R. 4353) authorizing the Secretary of the Interior to grant further extensions of time within which to make final proof on desert-land entries in the county of Grant, State of Washington; to the Committee on the Public Lands.

Also, a bill (H. R. 4354) to authorize the board of county commissioners of Okanogan County, Wash., to construct and maintain a bridge across the Okanogan River at or near the town of Malott; to the Committee on Interstate and Foreign Commerce.

By Mr. LAFFERTY: A bill (H. R. 4355) relating to entries on the public lands; to the Committee on the Public Lands.

Also, a bill (H. R. 4356) to authorize the coinage of 3-cent pieces, and for other purposes; to the Committee on Coinage, Weights, and Measures.

By Mr. RAKER: A bill (H. R. 4357) to provide for the inspection of any parcel sent by mail which contains fruit, plants, trees, shrubs, nursery stock, grafts, scions, peach, plum, almond, or the pits of other fruits, cotton seed, or vegetables, at point of delivery in any post office of the United States that requests such inspection and where the requisite inspectors are provided by the States to perform such service; to the Committee on Agriculture.

By Mr. BEALL of Texas (by request): A bill (H. R. 4358) to define the true intent and meaning of section 48 of the act of August 28, 1894, and for other purposes; to the Committee on Ways and Means.

By Mr. WITHERSPOON: A bill (H. R. 4359) to prevent the desecration of the flag of the United States of America; to the Committee on the Judiciary.

By Mr. HAMILL: A bill (H. R. 4360) authorizing the Secretary of the Treasury to sell the present post office and site thereof in Jersey City; to the Committee on Public Buildings and Grounds.

By Mr. LAFFERTY: A bill (H. R. 4384) to create an interstate trade commission, and for other purposes; to the Committee on Interstate and Foreign Commerce.

By Mr. GARDNER: Memorial of the General Court of Massachusetts, relative to an amendment to the Constitution of the United States prohibiting the practice of polygamy; to the Committee on the Judiciary.

By Mr. THACHER: Memorial of the General Court of Massachusetts, relative to an amendment to the Constitution of the United States prohibiting the practice of polygamy; to the Committee on the Judiciary.

PRIVATE BILLS AND RESOLUTIONS.

Under clause 1 of Rule XXII, private bills and resolutions were introduced and severally referred as follows:

By Mr. ALLEN: A bill (H. R. 4361) granting a pension to Herbert Montgomery; to the Committee on Pensions.

By Mr. BORLAND: A bill (H. R. 4362) granting a pension to Thomas Glynn; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4363) granting a pension to Lucy A. Wharton; to the Committee on Invalid Pensions.

By Mr. FRANCIS: A bill (H. R. 4364) granting an increase of pension to James B. Wilkinson; to the Committee on Pensions.

Also, a bill (H. R. 4365) granting a pension to John H. Opperman; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4366) granting a pension to Sarah Hought; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4367) for the relief of Benjamin R. Buffington; to the Committee on Military Affairs.

Also, a bill (H. R. 4368) for the relief of Henry E. Thomas; to the Committee on Military Affairs.

By Mr. KEY of Ohio: A bill (H. R. 4369) granting a pension to George L. Mickle; to the Committee on Pensions.

Also, a bill (H. R. 4370) granting a pension to Emma Holland; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4371) granting a pension to Henry Neff; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4372) granting a pension to Elizabeth Boetticher; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4373) granting a pension to Mary McGregor; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4374) granting a pension to Annie E. Farber; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4375) granting an increase of pension to Jacob Gish; to the Committee on Pensions.

Also, a bill (H. R. 4376) granting an increase of pension to Samuel Douglass; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4377) granting an increase of pension to Rufus H. Slaymaker; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4378) granting an increase of pension to John Herndon; to the Committee on Invalid Pensions.

Also, a bill (H. R. 4379) granting an increase of pension to Phebe A. Deming; to the Committee on Invalid Pensions.

By Mr. LAFFERTY: A bill (H. R. 4380) granting an increase of pension to Edward D. Hamilton; to the Committee on Invalid Pensions.

By Mr. RAUCH: A bill (H. R. 4381) granting an increase of pension to James Marshall; to the Committee on Invalid Pensions.

By Mr. STONE: A bill (H. R. 4382) granting a pension to Odillon C. Shupp; to the Committee on Pensions.

By Mr. WALLIN: A bill (H. R. 4383) granting an increase of pension to John Reynolds; to the Committee on Invalid Pensions.

PETITIONS, ETC.

Under clause 1 of Rule XXII, petitions and papers were laid on the Clerk's desk and referred as follows:

The SPEAKER (by request): Petition of Alb. Buscher against the income-tax section in House bill 10, relative to mutual life insurance companies; to the Committee on Ways and Means.

Also (by request), petition of sundry citizens of Hawaii, against reduction of the duty on sugar; to the Committee on Ways and Means.

Also (by request), petition of Arthur E. Bisberg, of St. Louis, Mo., favoring an amendment to the income-tax provision taxing mutual life insurance companies; to the Committee on Ways and Means.

Also (by request), petition of sundry citizens of Buffalo, N. Y., against the duty on wheat, oats, etc.; to the Committee on Ways and Means.

Also (by request), memorial of the city council of Buffalo, N. Y., against the revision of the tariff schedules affecting milling, packing, and other industries of Buffalo; to the Committee on Ways and Means.

By Mr. ALLEN: Memorial of Cigar Makers' Local Union No. 4, Cincinnati, Ohio, against admission of cigars free from Philippine Islands; to the Committee on Ways and Means.

By Mr. ASHBROOK: Petition of John A. Miller, Lottie Craig, and William Craig, of West Lafayette; G. C. Parrill and Charles E. Merrick, of Newark; Glenn W. Foster, of Coshocton; George G. Koegler, of Loudonville; and John Mertz, of Smithville, Ohio, against the income-tax section in House bill 10; to the Committee on Ways and Means.

By Mr. BURNETT: Petition of T. J. Christopher and 3 other citizens of Glass and Boaz, Ala., protesting against including mutual life insurance companies in the income-tax bill; to the Committee on Ways and Means.

By Mr. CARY: Petition of sundry citizens, insurance companies, and other corporations of Milwaukee, Wis., protesting against including mutual life insurance companies in the income-tax bill; to the Committee on Ways and Means.

Also, petition of the Albertype Co., Brooklyn, N. Y., protesting against the proposed tariff on gelatin-printed pictures, post cards, etc.; to the Committee on Ways and Means.

Also, petition of the F. Meyer Boots & Shoes Co., Milwaukee, Wis., protesting against the removal of the duty on boots and shoes; to the Committee on Ways and Means.

Also, petition of the National Cloak, Suit, and Skirt Manufacturers' Association, Cleveland, Ohio, protesting against placing wool on the free list; to the Committee on Ways and Means.

Also, petition of J. O. Myers, Charles H. Tesch, and 3 other citizens of Milwaukee, Wis., favoring the passage of legislation prohibiting the importation of plumes and feathers of wild birds for commercial use; to the Committee on Ways and Means.

By Mr. DALE: Petition of the National Cloak, Suit, and Skirt Manufacturers' Association, of Cleveland, Ohio, against the duty of 35 per cent on finished clothing; to the Committee on Ways and Means.

Also, petition of G. B. Desatenk and Henry Schade, against the income-tax section in House bill 10, relative to mutual life insurance companies; to the Committee on Ways and Means.

Also, petition of M. K. Gurtvood and Lillie Ahrens, of New York, N. Y., favoring the clause prohibiting importation of aigrettes, etc.; to the Committee on Ways and Means.

Also, petition of sundry citizens of Brooklyn, N. Y., favoring an amendment to the income-tax provision taxing mutual life insurance companies; to the Committee on Ways and Means.

Also, petition of Adelaide Kemsey and Mary Irwin, of New York, N. Y., against placing bibles on the free list; to the Committee on Ways and Means.

Also, petition of the Buffalo Chamber of Commerce of Buffalo, N. Y., against the duty on wheat, oats, etc.; to the Committee on Ways and Means.

By Mr. DYER: Petition of 26 citizens of St. Louis, Mo., protesting against including mutual life insurance companies in the income-tax bill; to the Committee on Ways and Means.

Also, petition of the National Business League of America, Chicago, Ill., favoring the passage of House bill 1723, for the enactment of an adequate consular law; to the Committee on Foreign Affairs.

Also, petition of sundry citizens of Buffalo, N. Y., protesting against admitting wheat, flour, meats, etc., free of duty; to the Committee on Ways and Means.

Also, petition of the King Brinsmade Mercantile Co., St. Louis, Mo., favoring the passage of legislation for the improvement of the railway arbitration law; to the Committee on the Judiciary.

Also, petition of the W. T. Ferguson Lumber Co., St. Louis, Mo., favoring the passage of legislation making an appropriation for the continuance of the Commerce Court; to the Committee on Appropriations

Also, petition of the Citizens' Industrial Association, of St. Louis, Mo., protesting against the passage of House bill 2441, exempting labor organizations from the provisions of the Sherman Act; to the Committee on the Judiciary.

By Mr. ESCH: Petition of sundry citizens of the State of Wisconsin, favoring an amendment to the income-tax provision taxing mutual life insurance companies; to the Committee on Ways and Means.

Also, memorial of the National Business League of America, favoring retention in the Consular Service officials of efficiency, etc.; to the Committee on Foreign Affairs.

Also, memorial of the Progressive Party of Hawaii, against the reduction of the duty on sugar; to the Committee on Ways and Means.

By Mr. FRANCIS: Petition of sundry citizens of Bellaire, Ohio, against the reduction of duty on glass and glassware; to the Committee on Ways and Means.

By Mr. GARDNER: Petition of Cigar Makers' International Union, against free trade with the Philippine Islands; to the Committee on Ways and Means.

Also, petition of Rev. B. R. Bulkley and other citizens of Beverly, Mass., favoring repeal of the clause in the Panama Canal act exempting American coastwise shipping from the payment of tolls, etc.; to the Committee on Interstate and Foreign Commerce.

By Mr. GOULDEN: Petition of sundry citizens of the twenty-third congressional district of New York, against including mutual life insurance companies in the income-tax bill; to the Committee on Ways and Means.

Also, petition of the Buffalo Chamber of Commerce, of Buffalo, N. Y., against the duty on wheat, oats, etc.; to the Committee on Ways and Means.

Also, petitions of sundry citizens of the twenty-third congressional district of New York, against the placing of Bibles on the free list; to the Committee on Ways and Means.

By Mr. HAMILL: Petition of sundry citizens of New Jersey, protesting against including life insurance companies in the income-tax bill; to the Committee on Ways and Means.

By Mr. MOTT: Petition of sundry citizens of Watertown, N. Y., protesting against the placing of paper on the free list; to the Committee on Ways and Means.

Also, petition of the William Wrigley, jr., Co., Chicago, Ill., protesting against the proposed increase of duty on chicle; to the Committee on Ways and Means.

Also, petition of the National Cloak, Suit, and Skirt Manufacturers' Association, Cleveland, Ohio, protesting against placing wool on the free list; to the Committee on Ways and Means.

Also, petition of the National Business League of America, relative to improving the efficiency of the consular service; to the Committee on Foreign Affairs.

Also, petition of the Progressive Party of Honolulu, Hawaii, protesting against the removal of the duty on sugar; to the Committee on Ways and Means.

Also, petition of Local No. 15 of the International Brotherhood of Paper Workers, Fulton, N. Y., protesting against the removal of the duty on paper; to the Committee on Ways and Means.

Also, petition of the Oswego Chamber of Commerce, Oswego, N. Y., protesting against any reduction of the duty on car wheels; to the Committee on Ways and Means.

By Mr. O'SHAUNESSY: Petition of Charles Matteson, Archibald C. Matteson, William J. Brown, Henry W. Roth, James A. Crum, Louis Swift, Harry F. Miller, and Thomas Ready, Providence, R. I., favoring the passage of legislation exempting life insurance funds from taxation; to the Committee on Ways and Means.

Also, petition of Arthur Boucher, H. N. Gartier, Holden O. Hill, Frank E. Chafee, John H. Hawbly, Charles Matteson, and Archibald Matteson, Providence, R. I., and Arnold Schaer, Warren, R. I., protesting against including mutual life insurance in the income-tax bill; to the Committee on Ways and Means.

Also, petition of the Atlantic Mills, Charles K. Hancock & Co., Mosberg Wrench Co., Brown & Sharpe Co., and Theodore Foster & Bros. Co., Providence, R. I., protesting against the passage of legislation exempting labor organizations from the provisions of the Sherman Antitrust Act; to the Committee on the Judiciary.

By Mr. ROBERTS of Massachusetts (by request): Petition of B. T. Martin and other citizens of Chelsea, West Somerville, Winthrop, and Everett, Mass., favoring repeal of the clause in the Panama Canal act exempting American coastwise shipping from payment of tolls, etc.; to the Committee on Interstate and Foreign Commerce.

By Mr. ROGERS: Petition of E. C. Colman and other citizens of Woburn, Mass., favoring repeal of the clause in the Panama Canal act exempting American coastwise shipping from the payment of tolls, etc.; to the Committee on Interstate and Foreign Commerce.

By Mr. SCULLY: Petition of Henry E. Ayres, Thomas J. Sweeney, and other citizens of New York, protesting against including mutual life insurance companies in the income-tax bill; to the Committee on Ways and Means.

Also, petition of the National Cloak, Suit, and Skirt Manufacturers' Association, Cleveland, Ohio, protesting against placing wool on the free list; to the Committee on Ways and Means.

Also, petition of Cigar Makers' International Union of America, Chicago, Ill., protesting against admitting Philippine tobacco and cigars free of duty; to the Committee on Ways and Means.

Also, petition of the William Wrigley, jr., Co., Chicago, Ill., protesting against the proposed increase of duty on chicle; to the Committee on Ways and Means.

By Mr. TREADWAY: Petition of Carrol Lewis Maxey and other citizens of western Massachusetts, favoring the repeal of the clause in the Panama Canal act exempting American coastwise shipping from the payment of tolls; to the Committee on Interstate and Foreign Commerce.

By Mr. UNDERHILL: Petition of the National Woman's Christian Temperance Union favoring passage of legislation relative to the closing of the gates of the Panama Exposition on Sunday; to the Committee on Industrial Arts and Expositions.

Also, petition of the Political Study Club, of Ithaca, N. Y., favoring legislation conferring the right of suffrage on women; to the Committee on the Judiciary.

Also, petition of Bronston Bros. & Co., of New York, N. Y., relative to the straw-hat industry; to the Committee on Ways and Means.

Also, petition of the George Urban Milling Co., of Buffalo, N. Y., against the duty on wheat, oats, etc.; to the Committee on Ways and Means.

Also, petition of the Primos Chemical Co., of Primos, Pa., against the reduction of the tariff on metal and alloys; to the Committee on Ways and Means.

Also, petition of the Cornell Equal Suffrage Club, of Ithaca, N. Y., favoring an amendment to the Constitution of the United States giving women suffrage; to the Committee on the Judiciary.

Also, petition of 50 citizens of the thirty-seventh congressional district of New York, protesting against including mutual life insurance companies in the income-tax bill; to the Committee on Ways and Means.

By Mr. WALLIN: Petition of citizens of the thirtieth district of New York, favoring an amendment to the income-tax provision taxing mutual life insurance companies; to the Committee on Ways and Means.

Also, papers to accompany bill granting increase of pension to John Reynolds; to the Committee on Invalid Pensions.

Also, petition of W. G. Van Name, favoring retention of provision prohibiting the importation of the skins and plumage of certain birds in tariff bill; to the Committee on Ways and Means.

By Mr. WILDER (by request): Petition of Rev. Emanuel C. Charlton and other citizens of Brookfield, C. L. Judkins and other citizens of Barre, and Frederick Foodick and citizens of Fitchburg, all of the State of Massachusetts, favoring the repeal of the clause in Panama Canal act exempting American coastwise shipping from the payment of tolls, etc.; to the Committee on Interstate and Foreign Commerce.

By Mr. WILSON of New York: Petition of the Buffalo Chamber of Commerce, of Buffalo, N. Y., against the duty on wheat, oats, etc.; to the Committee on Ways and Means.

Also, petition of employees of the Moehle Lithographic Co., of Brooklyn, N. Y., against the reduction of the duty on lithographed articles; to the Committee on Ways and Means.

Also, petition of Cigar Makers' International Union of America, against free trade with the Philippine Islands; to the Committee on Ways and Means.

Also, memorial of the National Business League of America, favoring the retention in the consular service those officials of efficiency, etc.; to the Committee on Foreign Affairs.

Also, memorial of sundry citizens of Shelby, N. C., against duty on monzonite and thorium; to the Committee on Ways and Means.

HOUSE OF REPRESENTATIVES.

TUESDAY, *April 29, 1913.*

The House met at 11 o'clock a. m.

The Chaplain, Rev. Henry N. Couden, D. D., offered the following prayer:

O Thou, source of all our longings, hopes, and aspirations, strengthen our arm of faith that we may draw nearer to Thee; be inspired with brighter hopes, a warmer, purer love for Thee and our fellow men; that selfishness may depart, evil cease, and brotherly love prevail; that godliness may enrich the heart, the home, society, the Nation; that the world may be a better dwelling place for all classes and conditions of men, to the glory and honor of Thy holy name. Amen.

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

PERSONAL EXPLANATION.

Mr. JOHNSON of Washington. Mr. Speaker, I desire to correct a statement of mine in the RECORD of yesterday's proceedings, in the closing of the tariff debate. In the crush attendant on the closing of the tariff debate last night I seem to have permitted a lapsus linguæ, or more strictly speaking a "lapsus pencilibus." I spoke of the noble and generous Jane Addams as desiring pensions for all persons. I meant, instead, to refer to the Member from Pennsylvania [Mr. KELLY], who only yesterday introduced a bill to provide old-age pensions of $10 each for all persons over 65 years.

It was not my desire to criticize either Miss Addams or the gentleman from Pennsylvania [Mr. KELLY], but to show that they, in connection with Vice President MARSHALL; former President Roosevelt; the Industrial Workers of the World leader, Bill Haywood; and the food poisoner, Ettor, are all striving—each with different motives—for the great brotherhood of man, but each one setting back this movement thousands of degrees.

The SPEAKER. Without objection, the correction will be made.

There was no objection.

GOVERNMENT OWNERSHIP OF TELEGRAPHS AND TELEPHONES.

Mr. BRYAN. Mr. Speaker, I ask unanimous consent to print in the RECORD a resolution passed by the city council of the city of Tacoma, one of the largest and most populous cities of the State of Washington, on the government ownership of telegraphs and telephones.

The SPEAKER. The gentleman from Washington [Mr. BRYAN] asks unanimous consent to have printed in the RECORD the paper which he sends to the Clerk's desk. Is there objection?

There was no objection.

Following is the resolution referred to:

Resolution 6129.

Whereas the telegraph and telephone are ever-increasing public necessities; and

Whereas these services could be more certainly and more fairly rendered under a system of government ownership of these utilities: Now, therefore, be it

Resolved by the city council of the city of Tacoma, That it is the judgment of the council that the time is ripe for the acquisition of these utilities by the Government of the United States, and that the Congress of the United States be urged to take the necessary steps for the establishment of a Federal telegraph and telephone system rendering a local and interstate service like the Post Office Department; and be it further

Resolved, That the city clerk send copies of this resolution to the Senate and the House of Representatives and to the Senators and Representatives from the State of Washington.

April 16, 1913. Adopted on roll call: Yeas 5, nays 0, absent 0.

W. W. SEYMOUR, *Mayor.*

Attest:

HOMER H. EDWARDS, *City Clerk.*

SWEARING IN OF MEMBERS.

The SPEAKER. Are there any Members here who desire to be sworn in?