

Tariff Catechism

Q. What is a tariff?
 A. A duty collected on imports.

Q. What is a protective tariff?
 A. A duty imposed upon imports for the aid of home factories producing competing articles.

Q. What is a revenue tariff?
 A. A revenue tariff is a tariff levied for the purpose of raising a revenue.

Q. What is the difference between the two kinds of tariff?
 A. A revenue tariff is collected for the benefit of the whole public, and the government stops when it gets enough. A protective tariff is imposed for private benefit, may be so levied as to impose a heavy burden without raising much revenue and there is no limit to its exactions except the greed of the protected interests and the patience of the people.

Q. Who pays the tariff?
 A. The consumer.

Q. How can this fact be established?
 A. By reason, by observation and by experience. If a tariff were paid by the foreigner it would be no protection to the home industry. Only when the consumer must pay more than the foreign price for an imported article can the home producer charge more than the foreign price for the domestic article. A tariff paid by the foreigner would give no protection to an American manufacturer. Then, too, the government gives a rebate on raw material when the finished product is exported. Why does the government pay the rebate to the domestic manufacturer if the foreigner pays the tariff? But experience is the best test. Go abroad, buy in the open market, and when you return you will pay the duty and you can not find any foreigner to reimburse you.

Q. Is such a tax constitutional?
 A. It violates the spirit of the constitution for it collects from the many and gives to the few, but as the protective features are concealed in a revenue law it is difficult to get a decision on the principle involved.

Q. Can the wisdom of such a tax be defended?
 A. No; a policy of favoritism is never wise in a republic. A government of the people, by the people and for the people should be administered according to the maxim: Equal rights to all and special privileges to none.

Q. Is the present protective tariff necessary?
 A. No; it is about twice as high as would be necessary to cover the entire labor cost of protected manufactures. The fact that we are exporting an increasing amount of manufactures is proof that our industries do not need the present protection. And it must be remembered that our manufactures have the benefit of the freight when the foreigner brings his goods here, while the foreign competitor has the benefit of the freight when we export. And it must also be remembered that the tariff on all kinds of material, on machinery and on food and clothing increases the cost of articles manufactured here. If we can now export in spite of these burdens we could export more if the tariff were reduced.

Q. Does a high tariff make good wages?
 A. No. If it is said that we pay higher wages than they do in England—a stock argument with protectionists—it is a complete answer to say that England with no protective tariff pays better wages than Germany does under protection. Our best wages are paid in our unprotected industries and the fact that we export goods made with our high priced labor is positive proof that good wages do not depend on protection. The labor organizations have done far more to increase wages than all the tariff laws.

Q. What about the home market argument?
 A. The friends of protection claim that the farmer can afford to pay more when he buys because the manufacturers furnish him a home market, but this is a fallacy. The staples of the farm are exported and the price received for the surplus exported fixes the price received for the part sold at home. As the farmer sells in the unprotected markets of the world and buys in a protected market he is constantly drained of his earnings for the benefit of the manufacturer and the manufacturer now shows his ingratitude by selling abroad cheaper than at home.

Q. How has the tariff been maintained so

long when it is wrong in principle, unwise in policy and unnecessary?

A. The protected interests have contributed liberally to support literary bureaus and to campaign funds and have coerced their employees by the threat of shutting down. Advocates of protection have been able to organize, distribute literature and get out the vote, while advocates of tariff reform, as they could promise no special pecuniary benefits, have had to make their campaigns without funds. The advocates of protection have done much to corrupt public opinion by boldly teaching that the voter should use the ballot to advance his pecuniary interests. The manufacturer has been invited to vote dividends into his pocket, the wool grower has been solicited to vote himself a higher price for wool and the laboring man has been warned that a vote against protection would lower his wages.

Q. Is it true as often asserted by advocates of a high tariff that a high tariff always brings good times and that tariff reform always brings a panic?

A. No. Prosperity followed the low tariff of 1846 and the panic of 1873 occurred under a high tariff. The panic of 1873 not only occurred under a high tariff but twelve years after the republican party came into power and eleven years before Mr. Cleveland's first election. The panic of 1893 occurred while the McKinley law was in force—a year before the Wilson bill was passed, and really began while the republican party was in power.

Q. Is there any evidence of growth in tariff reform sentiment?

A. Yes. The farmers are no longer deceived by the home market argument, the employees no longer regard their wages as dependent upon the tariff and many manufacturers find the tariff more of an embarrassment than a benefit. Our exporters, too, are discovering that our tariff discriminations excite retaliation in other countries.

Q. When will the beneficiaries of protection consent to tariff reduction?

A. Never. A child gets so old that it is ashamed to nurse; a calf gets so big that it will wean itself, but no beneficiary of protection ever voluntarily lets go of the public teat.

Q. When will the tariff be reformed by its friends?

A. Just after the money lenders ask for a reduction in the legal rate of interest—that is, just before the millenium.

Q. To whom must we look for tariff reform?

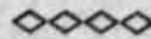
A. To those who suffer—no abuse was ever reformed by those who profited by the abuse to be reformed.

Q. When should tariff reform begin?

A. At once.

Q. And how?

A. By putting on the free list those articles which compete with articles controlled by the trusts; second, by the reduction of the tariff on the necessities of life, and, third, by such other changes in the tariff schedules as will put "protection for protection's sake" "in the process of ultimate extinction" with a view to restoring the tariff to a revenue basis.



THE PRIMARY PLEDGE

As this copy of The Commoner may be read by some one not familiar with the details of the primary pledge plan, it is necessary to say that according to the terms of this plan every democrat is asked to pledge himself to attend all of the primaries of his party to be held between now and the next democratic national convention unless unavoidably prevented, and to secure a clear, honest and straightforward declaration of the party's position on every question upon which the voters of the party desire to speak. Those desiring to be enrolled can either write The Commoner approving the object of the organization and asking to have their names entered on the roll, or they can fill out and mail the blank pledge, which is printed on page 14.



LOCKJAW

Senator Foraker accused Secretary Taft of having the lockjaw on public questions and calls upon the secretary to declare himself. Well, maybe the senator will do some good, after all.

The Two-Cent Veto

Buffalo, New York, July 30.—Governor Hughes' consistent inconsistencies are more and more apparent as he makes up his official record of our year's legislation. He evidently thinks that he can legislate better on the railroad passenger rate than the legislature can and will give this most important question into the hands of a commission of his own selection. I do not know of any railroad in our state that does not sell 1,000 mile books for \$20, or two cents per mile. Now if our railroads are willing to carry the well-to-do people who can spare \$20 at one time at two cents per mile, why should not our legislation say to these roads you must carry even poor people who have not the \$20 for this purpose at the rate fixed by the roads for the favored \$20 class. But here comes the governor and says this will imperil the interests of the roads. Can not the governor see that his veto of the two-cent fare bill is the most helpful thing he could do to assist the roads in discriminating against the working classes, and imperiling the rights of the poor?

If we have in the future governors and commissions as obedient to the corporate interests that provide their campaign funds and as oblivious to the rights of the public as some governors and commissions have been, we shall only hasten the day of the exposure and breakdown of the new fad of government by commissions. The people are slowly waking up to the great encounter before them and have even now advanced far enough to deny the right of any chartered transportation company to charge one man two cents, another three cents per mile, and some line of serviceable professionals half fare, while carrying practical politicians and retained officials free. There would be at least a pretense of justice if the roads were to weigh all their passengers on their penny in the slot scales and charge fare according to the actual weight of each person they carry. But to charge the very common and poor people whose rides are mostly those of necessity one-half or three cents per mile while carrying the well-to-do class at two cents is an outrage in this or any other state. But the governor's idea seems to have the regular republican trend of high tariff "stand pat" taxation of the poor for the benefit of trusts and monopolies. Many people still believe that public utility corporations can be regulated and controlled for the public good while owned by private interests whose only aim is large incomes and speedy profit on sale of windblown and water-logged stocks.

The German railway question was easily and satisfactorily solved by one of the cabinet ministers, buying in open market the stock of a railroad company, for the government, and in charging a reasonable price for carrying people and merchandise and in basing rates on the actual cost of the service rendered maintaining in good order road bed and rolling stock and paying interest on the investment. On this basis one after another of the over-capitalized private lines could not compete and sold to the government, so that all, or nearly all, German roads are owned by the government and the people are cheaply and satisfactorily served while paying the government a handsome income above cost of operation. In our state and nation those who prefer government-owned railroads to a railroad owned government will continue to increase in numbers and activity.

C. B. MATTHEWS.



TAYLOR, TOO

The St. Louis Globe-Democrat (republican) says: "For seven years democratic administrations in Kentucky have failed to finish the trial of Caleb Powers. Meanwhile Mr. Powers is kept in jail and mud is thrown at the republican party of the state."

And in the meanwhile Mr. Taylor, charged with complicity in the Goebel murder, is a fugitive from justice and for seven years the republican party of Indiana has protected him from arrest.



In the preliminaries concerning the prosecution of the powder trust one great fact has been overlooked. Nothing has been done about removing the trust's little "protection" of from four to six cents a pound. Removing the tariff would put the powder trust to sleep much quicker than an injunction.