

EDUCATIONAL SERIES

"Do Special Interests Control the United States Senate?"

The New York World in its issue of July 17, printed the details of a secret meeting held in Chicago in October, 1908, at which meeting a compact was arranged between wool growers and woolen manufacturers. Senator Dolliver of Iowa, was one who declares that such an agreement existed.

Following this publication, the World printed the following interesting dispatch:

Great Chebeague Island, Me., July 17.—W. C. Hunneman, a leading carded-wool manufacturer, who for months has been fighting the carrying out of the conspiracy between worsted-wool manufacturers, headed by William Whitman of Boston, and the wool growers of the west to keep the Dingley wool schedule intact in the new tariff measure, which was exposed by the World today, throws much additional light on what Whitman called a "solemn pact" and "the proudest achievement of his life" in a letter addressed by Mr. Hunneman today to Senator Lodge.

Mr. Hunneman concludes his letter by a demand on Senator Lodge that the contributions made to the republican congressional campaign fund by the parties to the wool conspiracy be made public.

"I have based my argument in this letter only on known facts," he writes. "They enshroud the republican majority in the senate with a dense cloud of suspicion—so dense that it should lead the senators from Massachusetts to insist that it shall be lifted before the Payne-Aldrich bill becomes a law.

Publish the Names

"With these facts so plain I want to ask, Will not you and Senator Crane make the demand? Will not you begin by demanding that the names of the contributors and the amount of each contribution to the republican congressional fund of 1908 shall be made public at once?"

"If the publication of that list should disclose large contributions by the worsted interests, no house, senate nor president could face the storm of opposition to the Payne-Aldrich schedule K, the wool schedule. If you will not make the demand that the list be published, why not?"

In a previous letter to Senator Lodge Mr. Hunneman charged that "a pact had been made between the worsted people and the wool growers, that this pact was relied upon to pass the bill, and so Senator Warren delivered the western senators and Whitman the eastern senators."

Replying, Senator Lodge took violent exception to the suggestion that his vote had been "delivered" by Whitman or anybody else. Mr. Hunneman replies by saying that he desires to "correct the misapprehension your letter indicates you are laboring under that there was any reflection on you or any other senator personally and individually," adding:

"The idea I intended to convey and which, it seems to me, is a plain construction of my words, is that the senators were delivered by reason of their allegiance to a party, and that this party had been controlled by the special interests of which Senator Warren and William Whitman are leading representatives."

He charges the members of the senate finance committee with bad faith in their treatment of the wool interests and the consumers, and with a determination not to permit the facts to be placed before them.

Snubbed by Tariff Makers

"The carded wool people went before the finance committee with facts and a just cause," he writes, "and they were met with silence, coldness, indifference, or in some cases, with contempt and the statement that the committee would summon no witnesses, nothing could be done, and that the carded woolen manufacturers had better go into some other business.

"You, Senator Lodge, can not escape from your share of responsibility for such methods of legislation. You have played a leading part in this extraordinary legislative proceeding; and for one who, like myself, believes in your personal integrity, there is but one explanation of your course—namely, that you have not applied your great natural abilities to the systematic and thorough study of this question so as to understand the injustice of the senate bill; that

under these circumstances you and the other republican senators, with the exception of the ten 'progressives,' have 'gone along' with the party machine, deluded with the idea that the passing of a bill of some kind was paramount, and that the redress of wrongs you did not understand was of minor importance.

"To take this view of the case is showing great consideration for you as an individual senator, for you have been silent when the petition, not for free wool but for the equalization of wool duties, was before the senate, and have spoken long and unreservedly for free hides. You have voted for an unjust duty on wool and for no duty at all on hides.

"With this record before me you will see how difficult you have made it for me to understand your course and how much consideration is shown to you in explaining your action on the wool and wool goods tariff as the result of party discipline.

Was There a Conspiracy?

"This brings us back to the question: Has this party action been in accordance with a pact between the wool growers and the worsted spinners? You must admit there was and is a powerful motive for such a pact. On the one hand is William Whitman, representing the worsted spinners, who now under the Dingley bill are in the enjoyment of enormous and unfair advantages at the expense of the carded woolen manufacturers, of the growers of light shrinking wool in the middle west and of the consumers of wool goods. On the other hand are the sheep ranchmen of the far west raising heavy shrinking wool, which is protected by prohibitory duties running up to 700 per cent.

"Why has the republican majority in the senate stood pat with them?"

"You say in your letter: 'Neither my colleague nor myself can be 'delivered' by any one, and I know of no one who would make the attempt. I met Mr. Whitman accidentally and talked with him for perhaps five minutes. He made no attempt to influence my action, and I never heard from him in regard to the subject in any way.'

"It is not by direct and personal appeals to individual Senators and representatives, among whom are men as honorable as Henry Cabot Lodge and Winthrop Murray Crane, that these great corporations 'deliver' their votes. It is by hidden methods beginning before the election of the people's representatives and which leave the individuals apparently untrammelled, hugging the delusion that they are obeying the dictates of their conscience, while in reality they are only parts of a powerful political machine.

"To trace the influence of the worsted trust on this tariff legislation it is necessary to go back to the time last year when the republican party was seeking the suffrages of the people and was in sore need of funds with which to conduct the campaign."

As to Motives

Mr. Hunneman flatly denies that he and those opposed to the continuance of the Dingley wool duties are prompted only by selfish interests.

"You are mistaken," he tells Senator Lodge, "if you think I would object if you should say 'that my desire for the revision of the wool schedule was owing simply to my personal interests.' I expect you will hear me as an interested witness and all I ask is that you decide in our favor only so far as we can prove the justness of our case.

"You state that if you are mistaken regarding the house rates on by-products you were misled by the carded woolen manufacturers themselves, who appeared before the finance committee and 'urged the reductions made in the house on tops and noils as the essential reductions desired for the benefit of their industry.' You are wrong regarding both the reductions and who it was that misled you. The duty on tops is of no direct concern to the carded woolen manufacturers, as they do not use tops, while the following extract from the brief filed with your committee by Gordon Dobson, on April 7, shows how plain the carded woolen manufacturers made it to you that the house reductions on by-products were worthless as a measure of relief to their industry: 'The

Dingley duty on these by-products is prohibitory and the Payne bill gives no relief, because the rates, although slightly less, are still prohibitory.'

An Affront

"To assume, as you do, that a reduction from 20 cents to 18 cents on noils means anything is an affront to the carded woolen manufacturers, and, as I wrote you, will have only one effect, and that is make them even more angry than they are now. The carded woolen manufacturers reject a specific duty on wool and by-products, regardless of shrinkage and value, as utterly unfair. They have from the beginning based their petition on an ad valorem duty. And yet you are willing to believe that shaving a prohibitory specific duty of 20 cents to the extent of two cents is what the carded woolen manufacturers want.

"The carded woolen industry is being starved to death by prohibitory duties on by-products which, in the case of noils, vary from 60 to 160 per cent. And this outrage on justice is aggravated by the fact that the low rates are on the high priced stock and the high rates on the low priced material suited for wool clothing for the poor.

"I read this in your letter to me: 'You say that you only ask justice, but the wool growers and the worsted manufacturers take precisely the same ground, and their conception of justice differs from yours. What seems simple justice to you appears unjust to them, and what they think right you think grossly unfair.'

"Schedule K in the senate and Dingley bills lays a duty rising to 700 per cent on the wool adapted for carded woolen goods and a duty running as low as 23 per cent on the wool used by worsted mills. Do you think that is justice?"

Questions and Answers

"It prohibits the importation of wool by-products, depriving the carded woolen mills of an adequate supply of those necessary materials depriving the people of warm clothing and enabling the American worsted mills to sell their by-products at a high price. Is that justice?"

"It allows the worsted mills to import class two washed worsted wools at a single duty of 12 cents a pound, and by a double duty of 22 cents prohibits the carded woolen mills from importing class one washed wools. Do you call that justice?"

"Of the total protective duty on worsted cloth, 82 per cent is on yarn and only 18 per cent additional on cloth, although the labor cost on the yarn is only 40 per cent and on the cloth 60 per cent additional. This places the weavers of worsted cloth at the mercy of the spinners and is rapidly promoting a powerful worsted yarn trust. Do you call that justice?"

"These questions carry their own answer.

"You say that 'what seems simple justice to us appears unjust to the wool growers and worsted manufacturers.' I deny it. It is not conceivable that any one would call these things that I have mentioned just. The wool growers have not justified them, because they could not. Their spokesmen in the senate—Smoot, Warren, Carter, McCumber and Aldrich—have indulged in the most ridiculous sophistry and evasion. The other senators, of whom you are one, who voted for these things uttered no word in their defense.

Brazen and Defiant

"As for the worsted spinners, they are so brazen, they apparently feel so secure in the possession of their power, that they admit the inequalities of the tariff and defy those who complain. You will find many admissions of this kind in the tariff hearings this year.

"Here are the words of William M. Wood to the ways and means committee in 1897. Mr. Wood was then the treasurer of the Washington mills and was proposing a duty in place of free wool:

"In our experience it is unjust for the wool growers to demand a specific duty on wool. It prevents the manufacturer, who is compelled to follow the demands of the consumer, from securing more completely the domestic market. He must make the quality of goods wanted, and if he does not the foreign manufacturer supplies the want. A specific duty, arbitrarily placing 12 cents a pound or any rate per pound on wool handicaps the manufacturer under these circumstances. He is at a great disadvantage in buying the necessary foreign wool to make the particular quality of fabric desired, wools which can not be raised in this country.'

"Mr. Wood is now the president of the largest worsted corporation in the world, the American