

Kirby Lumber Company and Tariff on Lumber

Mr. John H. Kirby, president of the Kirby Lumber company, of Houston, Texas, has written to Mr. Bryan and has caused to be published in the daily press a letter in which Mr. Kirby takes exception to some remarks attributed to Mr. Bryan at El Paso. In this letter Mr. Kirby says:

"According to the press reports you stated in your El Paso speech that the Kirby Lumber company 'owned twenty-six mills;' that it had '4,500,000 wood chunks with which to bring pressure to bear upon the congress of the United States in the tariff matter;' that 'it was not working for a few people on the Canadian border when it worked so hard for a tariff on lumber;' and 'that it went after a tariff and it went hard.' I wish to call your attention to the circumstance that the Kirby Lumber company owns exactly twelve mills, no more and no less. All of these mills are located in the state of Texas. It has no other mills and no interest in any other mills. In selling its product it competes with more than four thousand other sawmills in the United States and more than four hundred in Texas, and does a strictly legitimate business on a strictly competitive basis. It has never been in congress or before congress, directly or indirectly, soliciting any form of legislation, whether about the tariff or otherwise, and neither it nor any one connected with it or interested in a financial way in its affairs, has written any letters, signed any petitions, spoken any word or made any character of communication, directly or indirectly, to Senator Bailey or to any other senator or representative in the congress of the United States concerning the tariff or concerning any other question pending before congress.

"In 1907 the product of Texas lumber mills sold at the average price f. o. b. cars at the mill, of \$18 per thousand feet. This was when the duty on lumber was \$2 per thousand feet. In 1908 and up to July 1, in 1909, when the duty on lumber was still \$2 per thousand feet, the product of these same mills sold at an average price of \$11.50.

"You did us grave injustice in your El Paso speech and regardless of your controversy with Senator Bailey concerning the question of free raw material, or concerning the Denver platform of 1908, you owe it to me as a private citizen and to my company as a legitimate enterprise, to investigate the matters about which you have spoken so freely, and when you have made such investigation, correct the misstatements you have made."

Mr. Bryan replied to this letter as follows: Lincoln, Neb., October 6, 1909.—Mr. John H. Kirby, Houston, Texas.—Dear Sir: Your favor of September 28 is at hand. The El Paso speech was not prepared in advance, and the only report of it which I have seen—and that a partial report—is the one given in the Dallas News. This report purports to give the part in which reference is made to the lumber tariff. If you will examine that report, you will see, first, that it differs considerably from the report from which you quote, and, second, that I explain why I refer to the Kirby Lumber company. The Dallas News quotes me as saying, "I only speak of the Kirby Lumber company because I understand it is the largest lumber company in Texas."

While I do not recall the exact words quoted by you in your letter, I may have used them. I have direct information that some of the lumber companies of Texas did ask for the retention of the tariff on lumber, and I have been informed that you are an avowed protectionist and that your company was opposed to free lumber. If you are an advocate of the policy of protection, and if you and your company favor a tariff on lumber, you ought to have so stated in your letter, or am I to infer from your letter that you are not in favor of the general policy of protection and that your company is not in favor of a tariff on lumber? Upon the information which I had, I assumed that your company was one of the lumber companies which asked for a tariff, and with the understanding that your company is the largest lumber company in Texas, I mentioned it by name. I did not mention you or any other person, but I am glad to publish your denial of the charge, and am glad to be assured by you that you regard the tariff on lumber as immaterial.

You say that your company has never been in congress or before congress directly or indirectly, solicited any form of legislation whether about the tariff or otherwise, and that "neither it nor anyone connected with it or interested in a financial way in its financial affairs

has written any letters, signed any petitions, spoken any word or made any character of communication directly or indirectly to Senator Bailey or to any other senator or representative in congress in the United States concerning the tariff or concerning any other question pending before congress." Your corporation has a capital stock, I believe, of ten millions, half preferred and half common. I do not know how widely scattered this stock is, nor do I know in what proportion the stock is held by different parties, but your statement is so explicit and so sweeping that I must take it for granted that you have consulted with all of the stockholders and know whereof you speak when you deny that anyone "connected with it or interested in a financial way in its affairs has spoken or written to any senator or congressman on the tariff question." I am glad to publish your denial that you have taken any part in asking for the tariff, and I shall give to your statement as wide publicity as I can. This is not only due to you since you have denied the statement made by me, but I am glad to have the democrats of Texas know that the largest lumber company in Texas does not regard the tariff as necessary to the industry or even as a benefit to it. Some of the Texas democrats seem to think that the advocacy of free lumber is an attack upon a Texas industry.

According to your letter your share of the tariff would be about \$375,000 a year if the tariff is added to the price of the home product. If, as I understand you to say, that it is not true in the case of Texas lumber, then the removal of the tariff can not injure the lumber interests of Texas, and the solicitude of those democrats who have been lying awake at night for fear injustice would be done to the lumber interests may feel easy. The point that I tried to make was this, that a tax on lumber, if beneficial to the lumber interests, must be paid by the consumers, and if paid by the consumers, it is a tax upon them for the benefit of the lumber interests. With the understanding that the lumber interests of Texas did favor a tariff, and knowing that when people favor a protective tariff upon something they produce, it is because they expect to profit by it, I pointed out that the rest of the people of Texas would have to contribute through an increased price on lumber.

It is immaterial to those who think as I do whether a tariff on lumber benefits the lumber interests or not. If it does not, then no argument can be made in favor of the tariff. If it does benefit the lumber interests, it is at the expense of the consumer. Your letter, while relieving your company of the charge that it favored a tariff or would be benefited by it, relieves the advocates of free lumber of the charge of doing injustice to the lumber interests of your state.

Appreciating your courtesy in bringing this matter to my attention, I am,
Very truly yours,
W. J. BRYAN.

RHODE ISLAND DEMOCRATS

The Rhode Island democrats did well in declaring for genuine tariff reform, for the election of senators by popular vote and for a federal income tax. It is becoming more and more apparent that democrats everywhere intend to put their best foot foremost and avoid the perils of a sham battle.

WHO WOULD ATTEND?

Some of the eastern papers are suggesting a national conference to outline a policy for the democratic party, but who would do the inviting? And who would attend?

How could we get a more representative body than the last democratic convention? It adopted a platform and outlined a policy which was endorsed by the democrats of the country. There were a few democrats who were not in harmony with the platform adopted, and some of them did not support the ticket. They might be in favor of a conference, but what influence would such a conference have, except to sound a note of discord?

The value of a conference depends entirely upon the representative character of those who attend it. What assurance would we have that any national conference would be sufficiently representative of the masses to speak with authority? State conferences are much more defensible than a national conference, because

state conferences can be more easily attended by the rank and file than a national conference. The people who would be most apt to attend a national conference, if it were open to all, would be the very people who could not go as delegates to a representative democratic gathering, viz: the men who are pecuniarily interested in defeating the popular will.

AN OPTIMIST

A writer in the Philadelphia North American asked for a definition for optimist. Some one sent in this:

"An Optimist is a man who can make lemonade out of the lemons that are handed to him."

The Philadelphia North American ought to appreciate this definition. Urging its readers to stand for the public welfare it blindly gave its support to a political party that derives its campaign funds from special interests, then it expresses surprise that the special interests have their way with the party's administration of public affairs. If the Philadelphia North American can find solace then, according to the definition, it is an optimist. But if, in the light of all its experience with the republican party, that newspaper continues to give its support to the party that fights the predatory interests then any of the North American's bright newsboys, speaking in the parlance of the street, will tell that great newspaper that it is something more—or less—than an optimist.

A SIMPLE OLD REPUBLICAN

The Philadelphia North American concludes a long editorial in these words:

"Despite the seeming prophecy of Lincoln and the seeming parallel of the presidency of 1859 with the presidency of 1909, our dearest hope today is that William Howard Taft in the three years to come will dispel the fears born of the past six months that after fifty years history is repeating itself at Washington."

The North American is simple, indeed, if it does not know that Mr. Taft's conduct (that is responsible for "the fears born of the past six months") is in harmony with the conditions under which he was elected to the presidency. The special interests provided the republican party with campaign funds and "to the victors belong the spoils."

SHOW THIS TO YOUR REPUBLICAN NEIGHBOR

In the making of a tariff law, one would naturally suppose that those least able to bear the burdens of taxation would not be discriminated against in favor of those best able to pay the tax involved in any tariff levy.

But what are the facts?

The man who imports \$1,000 worth of diamonds pays a tax of but \$100—10 per cent. If he imported a thousand shirts worth a dollar each he would have to leave at the customs house and tack onto his selling prices \$601.60—60.16 per cent.

If he decided that he would bring in \$1,000 worth of champagne, one of the items upon which there is a large increase, the tax levied by the tariff is \$500. If he brought in \$1,000 worth of blankets he would pay a tariff tax of \$1,645.42.

If he brought in \$1,000 worth of paintings and statuary, all he would have to pay as customs duties would be \$200, but if it were sugar he would pay \$788.70 tax on \$1,000 worth.

If he brought in \$1,000 worth of jewelry he would have to pay \$600 tariff tax, but if he brought in \$1,000 worth of wool dress goods he would pay \$1,050.92 tariff.

If he imported a \$5,000 automobile the tariff takers would relieve him of \$2,250. If it were \$5,000 worth of yarns the tariff tax would be \$6,960.

If the importation were \$5,000 worth of furs the tariff tax would be \$1,650 but if it were \$5,000 worth of clothing that tax would be \$4,330.

If some New York millionaire brings in a \$100,000 ocean-going yacht the tariff would be \$35,000, but if the importation were stockings the tariff collected would be \$87,950.

C. Q. D.