

The Commoner.

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VOL. 9, NO. 44

Lincoln, Nebraska, November 12, 1909

Whole Number 460

Confusing the Voters

The protectionist democrats are attempting to confuse the minds of the voters by asking "Why should we not have a revenue tariff on raw material if we have a revenue tariff on manufactured articles?" The question is asked as if these raw materials and manufactured products were living persons, entitled as a matter of justice to the same treatment, or as if there was a natural right to protection and that an injustice was done to anyone who did not receive protection. The revenue tariff ceases to be a revenue tariff when it is levied for protection, and it indicates a confusion of mind to insist that protection has any place in a revenue tariff system. A revenue tariff ought to be made with the object of securing the necessary revenue without regard to the question of protection, and a revenue tariff ought to be so laid as to secure the largest amount of revenue with the least amount of burden. Whenever a tax is put upon a raw material it is transferred to the consumer through the operation of a compensatory duty. The duty may not be declared to be compensatory, but it is a compensatory duty notwithstanding.

The advocates of a revenue tariff on hides and leather products, for instance, ask why not have a ten per cent tariff on hides and a ten per cent tariff on boots and shoes? They would admit that a ten per cent tariff on hides would be unfair without a duty on boots and shoes. Why? Because the tax on raw material would be a burden upon the manufacturer if he was not allowed to transfer it to the consumer, but a ten per cent tariff on boots and shoes transfers to the consumer much more than the amount paid on hides. The raw hide is but a part of the cost of the shoe. If it is half the cost of the shoe a ten per cent tariff on shoes would collect twice as much from the consumer as the manufacturer pays on the hide, and if the hide is one-quarter the cost of the shoe, then a ten per cent duty on shoes collects four times as much from the consumer as the duty on hides collects from the manufacturer.

The overshadowing fact to be remembered in all discussions of a tax on raw material is that the consumer has it to pay. The protectionist democrats try to make it appear that a tax on raw material is a burden upon the manufacturer—a burden put on him to compensate the producer of the raw material for the tax that he has to pay on the finished product. This argument is entirely fallacious. The tax on raw material is always transferred to the finished product, and not only the actual tax on raw material but many times that tax.

When the manufacturer sells abroad he is powerless to transfer the tax on raw material, and therefore he is given a rebate which en-

ables him to sell abroad more cheaply than he sells at home. The rebate not only helps him to sell abroad cheaper than at home, but it compels him to discriminate against the domestic producer of raw material inasmuch as he manufactures for export. The doctrine of free raw material is advanced in the interest of the consumer, and no answer can be made to it except from the standpoint of protection. The advocates of the tax on raw material ought to be candid enough to admit that they want a tax on raw material not for the purpose of revenue but for the purpose of protection. It can not be defended on any other ground, and it can not be defended on this ground unless one is prepared to abandon entirely the fight for a revenue tariff.

The democratic party stands for a tariff for revenue only, and those who insist upon a tax upon raw material are just as much opponents of revenue tariff—just as much the friends of protection—as the manufacturers down east. Equally fallacious is the argument that a tax taken off of raw material must be added to the manufactured product in order to secure a sufficient revenue. Our taxes on manufactured goods are in many cases prohibitory, and we can increase the revenue by lowering the tax instead of raising it. It is true that a little revenue is collected by a tariff on some of the articles that ought to be on the free list, but with free raw material we can reduce the tariff on manufactured products, and the increased importations under the lower tariff will more than make up for any loss in the revenue.

A GOOD LAW SUSPENDED

The Commoner has printed extracts from the decision of United States Federal Judges Van Deventer and Munger suspending the Nebraska guaranty deposit law. As the case will go to the supreme court the people must wait until the court of last resort acts before they will know whether the state is powerless to impose conditions upon the banking corporations which it creates. Two questions are suggested by the decision: "First, Why should inferior courts of the United States be permitted to suspend state laws before the state courts have time to act upon them?"

The second question is, Why does a United States court take the side of the corporation against the depositors? When a judge holds that the state which charters a banking corporation can not compel it to insure the safety of the deposits which the bank is permitted to invite it can be explained in one way only, namely, by the sympathy of the judge—just as the political sympathy of the judges determined their decision in the Hayes-Tilden case. A judge is human and the only safety of the people is to have judges who will look at questions from the standpoint of the whole people and not from the standpoint of the financiers.

THE YOUNG MAN'S CHANCE

The betrayal of the public on the tariff question by the republican party will mean the defeat of many congressmen and senators. Changes are likely to occur in districts strongly republican as such changes occurred in 1890 and 1894.

Now is the time for the young man to enter politics. There ought to be an out-and-out tariff reformer nominated by the democrats in every district and aspirants for the nomination should begin NOW and earn the nomination by an active canvass. Brass bands are not necessary. Let the young men who have a taste for public life and an interest in the people go out into the country precincts, call the farmers together, read the republican platform and then the Payne-Aldrich bill. Let them read the democratic platform, pointing out the necessity for an income tax and then call attention to the income tax amendment.

The people are sound at heart and honest in purpose. Let the work of education go on and success to the congressional aspirant who wins the nomination by proving his devotion to the public welfare and his ability to deal with the questions now before the country.

Protection Admitted

The Dallas (Texas) Times-Herald has exhibited more frankness and candor than those Texas democrats who favor protection, but who are unwilling to have the name protectionists applied to them. It presents an honest statement of the position taken by the protectionist democrats. The Times-Herald declares that "protection is the fixed policy of the federal government" and builds the remainder of its argument upon that assumption. It insists that the man who works in the Texas saw mills is entitled to some "protection." This is the old story of graft and privilege. "We can't stop the graft, therefore let's get our share," "we can't prevent the granting of privileges, therefore why not get some privileges for ourselves." This is the logic of the democratic protectionist. He is at the halfway station between a revenue tariff and ultra protection—more than half way toward the protectionist's camp. He is useless as a tariff reformer because he has to spend all his time getting what he calls his share, and when he has secured his share he can not conscientiously object to other people having their share. The only motto that he can permanently have is "division and silence."

Are the Texas democrats ready to endorse the position taken by the Times-Herald? Are they ready to admit that "protection is the fixed policy of the federal government?" If so, why continue the farce of pretending to favor tariff reform or tariff for revenue only? The whole contention of the democratic tariff reformer rests upon the theory that protection is not the fixed policy of the federal government, but that a tariff for revenue only can be made a fixed policy of the federal government. The democratic party has a hard task before it when it attempts to overthrow the protective system reared by the republican party, but it is not an impossible task. Those democrats who endorse the position taken by the Times-Herald are worse than useless in the tariff reform fight—they are allies of the enemy. They hang about the rear of the marching army and play the part of bushwhackers. They would do a great deal less harm if they announced themselves as protectionists, and no longer wore the uniform of the tariff reformer.

"HELPING BRYAN"

Speaker Cannon says that Cummins and LaFollette are "helping Mr. Bryan" in his attack on the Aldrich bill. He is mistaken. Senator Cummins and Senator LaFollette are helping their constituents and a number of standpat senators and members will probably have reason to regret before very long that they stood with Mr. Cannon and the trusts instead of helping their constituents.

GENUINE

Here is a genuine republican editorial from a genuine republican paper, the Fremont (Neb.) Tribune:

"Somewhere, sometime, some candidate will get up and say he doesn't care a doggone about public interests but wants the office for what's in it, and he'll win in a canter—voters could not help admiring such unique truthfulness."

WHERE THE FOUR-LEAF CLOVERS GROW

I know a place where the sun is like gold,
And the cheery blooms burst with snow;
And down underneath is the loveliest nook,
Where the four leaf clovers grow.

One leaf is for hope, and one is for faith,
And one is for love, you know;
And God puts another in for luck—
If you search you will find where they grow.

But you must have hope, and you must have faith;
You must love and be strong—and so
If you work, if you wait, you will find the place
Where the four-leaf clovers grow.

—Ella Higginson.

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