

The Commoner.

NEBRASKA STATE
HISTORICAL SOCIETY

WILLIAM J. BRYAN, EDITOR AND PROPRIETOR

VOL. 12, NO. 52

Lincoln, Nebraska, January 3, 1913

Whole Number 624

TARIFF FALLACIES ANSWERED

The following questions were submitted to Mr. Bryan by a representative of the Boston Transcript. The answers will be found following the questions.

First. The possibility of lowering the cost of living by tariff reduction.

Answer. Tariff reduction can lower the cost of living to the extent that tariff duties have increased that cost. Where the price level in this country is, through the operation of tariff duties, raised above the price level in other countries, it can be reduced by reducing the tariff.

Second. The possibility that lowered cost of commodities would be followed by lower wages.

Answer. A lowering of wages would not necessarily follow a lowering of the tariff. Wages do not depend upon the tariff but upon competition between wage earners. A reduction in the prices of the product would naturally increase the demand, and an increase in demand would increase the number of employes necessary to produce the larger quantity demanded, and thus the tendency would be to increase wages rather than to lower them. The protec-

tionists have for a generation threatened a reduction in wages if the tariff is reduced, but the threat does not rest upon an economic basis, and it is evident that it has failed this year to make the impression that it has in former campaigns.

Third. The possibility that there might then be the same discrepancy between wages and cost of living.

Answer. This question is hypothetical and it is answered in the answer to the second question.

Fourth. The possibility that tariff reduction would entail new taxation for revenue which would bear just as heavily.

Answer. This question seems to assume that a reduction in taxation would not result in greater revenue. It is not only possible, but probable that a reduction in the tariff would increase the revenue by increasing the imports and at the same time increase the demand for labor by increasing the domestic output. Where the tariff is prohibitory it may result in placing a heavy burden upon the consumer without yielding any revenue at all. It is a common mistake of protectionists to measure the burden

borne by the consumer by the amount of the taxes collected, whereas the people may pay to the protected interests many times the amount that reaches the treasury. If, for instance, we import one-tenth as much of a given article as we consume and the domestic industry collects approximately the full amount of the tariff, the burden upon the people is ten times as great as the amount received by the government in revenue. In such a case a reduction in the tariff might double the revenue and at the same time compel such a reduction in the price of the domestic article as to greatly increase the demand and thus aid the consumer and the laborer.

The fourth question permits of an additional answer, namely, that no new form of taxation would be likely to bear as heavily upon the masses as tariff taxation, for there is no other form that bears more unequally upon the public. It would be difficult, therefore, to find a new system which would not be more just to the masses than the tax on consumption which they have so long borne—a system under which the poor man pays more than his share, and the rich man less than his share.

A NEW YEAR'S RESOLVE

The custom of "turning over a new leaf" on New Year's day is a commendable one—the old one is likely to be unsightly even when we have done our best. It is helpful to take an annual inventory and see just what unsalable stock we have on hand and what we need in the way of new goods. It is well to make new resolves—even little resolves are good, but why not big ones? Why not the biggest of all? And what is the biggest of all resolves? Is it not the resolve that contemplates the greatest possible improvement? Here is a resolve for the new year—have you a better one?

Conscious of my responsibility to God for every thought and word and deed, and in duty bound to render to my fellowmen the largest possible service as the best evidence of my love for my Heavenly Father, I resolve to strive during the remainder of my life to increase my capacity for usefulness. To this end I will give up any cause of conduct that tends to weaken my body, impair the strength of my mind or lower my moral purpose, and I will not only endeavor to cultivate habits of industry in both body and mind but will seek and follow worthy ideals.

THE IDENTIFICATION COMPLETE

In his New York speech before the Southern society, Governor Wilson, speaking of panics, said: "The machinery is in existence by which the thing can be deliberately done. Frankly, I don't believe there is any man living who dares to use machinery for that purpose. If he does, I promise him, not for myself but for my fellow countrymen, a gibbet as high as Haman's." He does not mention any names, but several

prominent financiers were seen to dodge when they read it. The identification is as complete as it was in the case of the poker player, a one-eyed man, who was suspected of cheating. Another man at the table stood it as long as he could and then courteously remonstrated: "I do not mean to be personal but if the man who has been cheating cheats any more I'll shoot his other eye out."

ANARCHY, ALSO

Associated Press dispatches show that at the very moment when thirty-two representatives of labor are being sentenced to prison upon conviction of complicity in dynamite outrages federal officials are making organized search for William Rockefeller, the Standard Oil magnate. The sergeant-at-arms of the house of representatives has long held a subpoena commanding Mr. Rockefeller to appear before the house investigating committee. Rockefeller has successfully evaded service and his friends appear to regard it as a great joke. It is not a joke. It is plain defiance of law.

Several years ago John D. Rockefeller hid from the officers for a long period of time and that also was a joke, in the opinion of the Rockefeller friends. It may not be doubted that William Rockefeller will be hunted down and required to appear before the committee. To permit him to escape would be to recognize exemption from legal process on the part of trust magnates.

MILLENIUM A LONG WAY OFF

A person who has recently inherited a million and a half and has ten million more to come has spent two-thirds of the amount in six months, and as the following would indicate, is looking forward longingly to the next distribution:

"I am going to have the very best sort of a good time, for what is money for if it is not to give one access to real enjoyment? I have already started to have a good time, I'm having it and I'm going to have still more of it. I'm going to have all the good time that money can buy."

What an insipid prospect! We soon tire of dessert when we eat nothing else.

The millennium is a long way off if there are many who believe that no better use can be found for money than to "have all the good time that money can buy."

It is interesting to learn how many republican officials married into democratic families—and all the wife's relatives seem to believe in the husband's retention.

A SURPRISE COMING

That the readers of The Commoner may know what a queer view some people take, the following letter, which recently appeared in the New York Tribune, is reproduced:

"New York, Dec. 20, 1912.—To the Editor of The Tribune: Sir—At this time of tremendous agitation concerning the high priced government investigating committees, which accomplish nothing, but stir up strife, I do not believe there is a single person connected with them or with the government who would not like to be in Mr. Morgan's shoes or occupy the position held by Mr. Rockefeller. Does any one suppose for a moment that the disintegrated parts of the former so-called "oil trust" will work individually? No, a thousand times, no! They will work in harmony. Does any one suppose that the sub-divisions of the former "tobacco trust" will be run in an independent manner? Again, I say, no! They will all work for the parent company. The oil magnates have made millions by the dissolution and the holders of tobacco shares are richer thanks to these high priced investigations. I am not a financial magnate, nor in fact do I hold any high position in the world of finance; but I am heartily sick of all this business agitation, and, judging from the last election, a good many men agree with me as to this "trust busting" business. Let us hope that Mr. Wilson may see that the business of this country needs a rest. Let us have peace! F. H. E."

"F. H. E." sets forth his position on several questions. First, he is opposed to "investigations." He regards them as "high priced." Second, he slanders his fellowmen by assuming that all of them would like to be in the shoes of Morgan or Rockefeller. He can not conceive of any higher life than that lived by these men whose methods are now being investigated. Third, he knows of no way of protecting the people from private monopoly—it can not be done, he thinks. "No, a thousand times, no." Fourth, instead of blaming the government for not insisting upon a real dissolution he declares that the rise in stocks that has come to the oil trust and tobacco trust since the so-called "dissolutions" he takes the absurd position that the agitators are responsible for the rise—that is like blaming the prosecuting attorney for grand larceny committed by a criminal after a conviction for petit larceny. Conclusion: He is "heartily sick of all this business agitation." He wants President-elect Wilson to look on while the trusts continue to despoil their victims. This is "F. H. E.'s" idea of "peace."

What a surprise he has in store for him if he thinks that the incoming president shares his views.

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