

HOW THE NEW TARIFF LAW HAS BENEFITED THE FARMER

(From a speech delivered by Hon. Dan V. Stephens, of Nebraska, in the house of representatives, September 9, 1914.)

CORN

For example, the calamity howlers immediately set up a cry that we were about to destroy the farmers of this country by permitting the importation of agricultural products from foreign countries. Especially did they harp upon the importation of corn from Argentina. The truth is that corn flourishes in America as it does nowhere else in the world, and we produce 72 per cent of all the corn produced in the world of which there is any record. In other words, we produce, in round numbers 7 out of every 10 bushels of corn raised on the earth. When this cold-blooded fact is known to the farmer of this country he will understand the fraudulent claims made that corn importations are going to affect the price of his crop. If the foreigners, who produce about one-fourth of the corn in the world, want to sell a portion of that corn, it is not at all probable that they will ship it to the United States, which raises the other three-fourths, unless they are sure we can use it to advantage. It is more likely that a man in Argentina with good judgment who has corn to sell would export that corn to Europe, where there is a great demand for it, and where very little is grown. There he would meet our corn with an equal freight charge. That is the logical way to look at it, and that is the way the business is actually transacted. Some corn has been imported into the United States — a few million bushels a month. Most of it has been used by the Corn Products Co., of New York, and manufactured into cereal foods and exported. While we were importing these few million bushels from Argentina, paying a few cents a bushel less for it than the price of our own corn, we were exporting 45,000,000 bushels to Europe and selling it, in competition with Argentina corn, at a few cents higher price.

The transaction resulted as follows: We bought cheap Argentina corn and furnished American labor employment to manufacture it into food cereals; then we shipped the cereals abroad and got back European gold for it. We also shipped abroad the American corn which might have been used by this cereal-products concern, which we sold on the European market at a few cents a bushel advance over Argentine corn. We actually made money in the transaction. Instead of the tariff act destroying the price of American corn, it enabled us to use Argentine corn for a cheap purpose to our advantage and to sell our better corn to Europe at a higher price.

My colleague from Iowa, Mr. Vollmer, in a speech made before this house recently, very aptly stated that the importations of corn from Argentina during the entire six months that the Underwood tariff has been in effect would not furnish a respectable breakfast for the hogs of Iowa. The whole Argentina crop does not equal the crop grown in the state of Iowa in a poor-crop year, and, of course, they must eat some of it down there.

It is upon such silly claims as these that a few of these partisan opponents of the administration expect to win a victory at the coming election.

WHEAT

The facts are, we have been in competition with foreign corn ever since we have been exporting any corn at all. The same is true of wheat. Every bushel of corn and wheat we sell abroad we sell in competition with the corn and wheat

products of the world, and that price fixed our home price. We have for many years exported these two cereals, and the price of wheat in this country is invariably the price of wheat in the foreign market less the transportation charges. Every man who studies market reports knows that the price of wheat goes up and down according to the condition of the growing crops in other parts of the world. The present war in Europe is a splendid example of the proof of this statement. Wheat is going up constantly as a result of the European war, and it is impossible to trace any connection whatever between the price of wheat and the amount of tariff that is levied by this country. No wheat can be imported into this country from any country that has a tax on wheat without paying 10 cents a bushel tariff. The result is that no wheat is imported except for seed or experimental purposes. Under the Payne-Aldrich bill there was a tax of 25 cents a bushel on wheat and 15 cents a bushel on corn, and this tax was levied for the purpose of flimflaming the farmers of this country and making them believe that they were receiving a great benefit from a protective tariff, thus enabling eastern manufacturers to secure the farmers' votes for an exorbitant tariff upon their products, which the farmers are compelled to buy. Under the excessive tariff of 25 cents a bushel on wheat, the farmers of this country have sold their wheat crop as low as 40 cents a bushel, and under a tariff of 15 cents a bushel on corn they have sold their corn crop for as low as 10 cents a bushel, thus proving absolutely the uselessness of a tariff on an item of commerce which is produced in such large quantities that we must export our surplus to foreign countries.

CATTLE

Another basis of attack is furnished the partisan opponents of this measure in the fact that under the new tariff act cattle are reduced from 27 1/2 per cent to 10 per cent, thus permitting the country, they say to be overrun with cattle from Canada and Mexico. We are now having an example of the effect of this tariff. There is a great scarcity of cattle in this country at the present time. There are hundreds of thousands of acres of pasture land going to waste for the want of cattle to feed upon it. Cattle are not being raised in sufficient numbers to supply the enormous demand for meat. A great herd of cattle in Chihuahua, Mexico, is now being marketed and sold in this country on account of the revolution in that country. These cattle are brought to the boundary line of the United States, and the importer then pays 10 per cent tax to the United States government for bringing them into the United States. These cattle are then carried over the railroads — furnishing employment to our people — to the big stock centers, such as Omaha, Kansas City, Denver, and St. Louis. There they are purchased by farmers and ranch owners, and again transported over railroads, furnishing employment to our people, to the ranches and feed yards of the west. Here they consume the pasture, the forage, and the corn that is grown by our people. When these cattle are ready for the butcher they are again transported over the railroad to the packing centers, where they are prepared for food, giving employment to tens of thousands of other workers. This meat then is again transported over the railroads to the various centers of population, where it is needed for consumption, furnishing employment to other countless thousands of people.

It will thus be seen that the mere fact that the tariff was reduced from 27 1/2 per cent to 10 per cent has enabled the importation into this coun-

try this season of several hundred thousand head of cattle that we have handled with great advantage and profit to ourselves and have not in the least disturbed the price that the farmers received for their own stock. The truth is the farmers are the buyers of this class of stuff, and profit, along with others, in its importation. But the facts are there are not enough cattle in Mexico and Canada to in any way affect the price of our livestock in this country. If all the stock they possess was shipped into this country, it would not supply our markets for a week.

BEEF

The same argument may be made concerning the importation of beef from Argentina. Since the Underwood tariff bill went into effect we have imported from Argentina about 9,000,000 pounds of beef a month, beef being on the free list. At this rate of importation we will import

annually about 108,000,000 pounds. This sounds like a tremendous amount of beef until you stop to consider the population of this country. We have approximately 100,000,000 people in the United States. We therefore import in the course of a year about 1 pound of meat for each man, woman and child. We consume in the course of a year of all kinds of meats 172 pounds per person. So, if in the course of a year we happen to get an additional pound from Argentina it is very apparent to anyone that the price of beef is not going to be affected thereby. The claim that we are going to be injured by the importation of beef becomes absolutely ridiculous in the face of these facts. In the last four years our beef production has been decreasing rapidly and our population has been increasing very greatly. The beef packers have been so rapacious in their management of the business, and the

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