

Foreign Trade

(Abstract of speech delivered by Secretary Bryan before the national chamber of commerce, February 3, 1915.)

In speaking of the extension of American trade with foreign nations there are several factors to be considered.

First, economic questions. In order to be successful rivals of other nations we must furnish goods equal in quality and at as low a price. If we can not do this we can not hope to meet the competition which we shall find in foreign fields, but I am confident we can meet competition; we are in fact doing so. In addition to quality and price, we must consider also the methods of packing, of shipping without breakage and the various systems of credit. Complaint has been made that some of our exporters do not sufficiently consider the wishes of customers in the matter of packing.

Second: Banking facilities encourage, and lack of banking facilities discourage foreign trade. We are fortunate in the fact that the new currency law contemplates the establishment of branch banks in foreign lands. This is probably the greatest single step that has been taken toward the enlarging of our foreign trade. Advantage is already being taken of this new law, and it is probable that before many years we shall have branch banks in all of the Latin-American countries and in China. These branch banks will be of immense advantage to our exporters; they will bring the American business man into financial relationship with the foreign purchaser and make their dealings more direct.

Third: Transportation between our own and other foreign countries is an essential factor in the development of trade. The present war has shown us the disadvantages to which we are subjected when we rely upon foreign ships to carry our merchandise. The interruption of trade incident to any great war throws a heavy burden upon the neutral nations. Steps have already been taken to largely increase our merchant marine and the shipping bill is a still more important step toward independence upon the seas. Ships under government control will serve a double purpose, one permanent in its nature and the other important in an emergency such as now exists. The permanent advantage of government ships is to be found in the fact that they can establish new trade routes, acting as pioneers, and going where private ships would be afraid to venture. It takes time to establish new routes and those who lay out such routes are liable to incur a temporary financial loss. As soon as there is sufficient trade to make the routes profitable for private ships it will be easy to find ships, but in the open competition of the seas the pioneer ship has no assurance that it can reimburse itself for the money spent in the development of new trade. A government ship can do in this respect what a private ship would not do. In addition to our permanent needs we have urgent temporary demands to consider. There are numerous reasons why the government should be prepared to meet such an emergency as that which now confronts us. Our traffic is interrupted and available ships are so scarce that freight rates have risen enormously. Government competition would tend to prevent the injustice from which our commerce is now suffering.

Fourth: The government, acting for all the people, has already responded to recognized needs in establishing the branch banks and in the provision made for a merchant marine. It is now attempting to render further service through government owned ships but there is another avenue for governmental activity. The consular service works in the interest of trade, gathering statistics, furnishing information and lending a helping hand to those who buy and sell abroad. Through our diplomatic relations, also, the government is in a position to assist those of its citizens who embark in foreign enterprises. While friendship can not make up for economic disadvantages or for lack of banking or transportation facilities, still friendship is a factor that can not be overlooked. The various departments connected with foreign trade are in full sympathy with the president in his efforts to cultivate the good will of our American neighbors. These efforts have been manifested in many ways and in connection with our dealings with a number of countries, but I venture to call special attention to one matter in which the members of this body will, I am sure, feel a deep interest, namely, the Colombian treaty. For eleven years the relations between this country

and Colombia have been abnormal. Several unsuccessful efforts have been made to adjust these differences, and there is now pending before the senate a treaty which has recently been negotiated. It has been ratified by Colombia, and the influence of its ratification by the United States will be felt in all Latin-American countries. Colombia and Panama are unable to establish diplomatic relations until Colombia and the United States have reached an understanding; hence all the republics in Central and South America, feeling a sympathetic interest in these nations, will be favorably affected by the termination of this misunderstanding. The pending treaty does not re-open the questions at issue in 1903. It simply deals with the situation as it exists today, and attempts to reach an honorable settlement which will be satisfactory to both nations and thus restore the friendship which so long existed between the United States and Colombia.

Two strikers were killed and others shot down at Roosevelt, N. J., the other week in a clash with deputies who claimed to be protecting the property of the company. The strikers were Hungarians and Slavs, who had been in the country but a few months, and who rebelled at being compelled to work in a leather harness and push wheelbarrows that carried 400 pounds of molten fertilizer for 16 cents an hour. The corporation which employed them was one of those that sought the continuance of high tariff rates on the ground that only thereby could American labor be protected from the competition of foreign labor.

Some of the newspaper critics of President Wilson's Jackson day speech insist that he showed irritability when he declared that "democrats who will not play on the team should get off the team." On the contrary he showed plain common sense. A team made up of individual stars whose playing is actuated by a desire to enhance their own individual records without regard to the success of the team itself wins fewer games than one where everybody plays together, and very few will ever be won by a team whose members chose their own occasions for appearing in club uniform.

Let it not be forgotten in the debate over whether the government shall or shall not engage in the ownership of ships, that if it had not been for the legislation enacted by the republican party which dissipated the merchant marine of the United States, there would now be enough American bottoms to carry our ocean freight. That legislation was designed to foster monopoly and to help the manufacturers. It drove our vessels off the seas and put a premium on foreign registry.

Some one sought to call the attention of those republican congressmen who are trembling so hard over what they insist is the unpreparedness of the United States for war, that if we accepted their advice and build the dreadnoughts they desire, they would be obsolete before they would ever be called upon for use. The only nations that anyone has ever regarded as a menace to world peace are exhausting themselves so rapidly that they will not have strength enough to assault any other nation for at least a score of years.

Former President Taft is evidently determined to prove that those critics who pronounced him a reactionary in the 1912 campaign were correct. His latest effort was made in a speech in which he declared that the direct primary had failed of its purpose and that better men were certain to be selected by a convention than by the people. It all depends, of course, on whom a man prefers to put his trust.

Despite all of the improvements in the machinery of war, it is still a matter of men and guns, as it always has been since fighting began in this world. The best-trained men and the largest battalions are winning the infantry attacks and the longest-ranged guns, which means the biggest, are giving victory in sieges and in the battles on the sea.

President Wilson made the confident prediction in a speech the other day that "we are on the eve of a new era of enterprise and prosperity." And having taken a leading part in clearing away all of the barriers to a great business revival, the president is in a position to make a prophecy based on something better than mere hope.

Deserving Democrats

In order that the readers of The Commoner may have before them the letter which Mr. Bryan wrote Mr. Vick in regard to the appointment of "deserving democrats," the following extract is given:

"Now that you have arrived and are acquainting yourself with the situation, can you let me know what positions you have at your disposal with which to reward deserving democrats? Whenever you desire a suggestion from me in regard to a man for any place there call on me. You have had enough experience in politics to know how valuable workers are when a campaign is on, and how difficult it is to find suitable rewards for all the deserving. I do not know to what extent a knowledge of Spanish is necessary for employes. Let me know what is required, together with the salary, and when appointments are likely to be made."

The democratic administration, the state department included, is enforcing the civil service more honestly and conscientiously than it has ever been enforced by a republican administration. No republicans are being dismissed for political reasons and appointments in the civil service are being made without regard to politics. There are a few places, however — the number is relatively very small — which are not under the civil service. These offices were held by republicans who were appointed for political reasons. Such appointments as have been made by this administration have been made in the filling of these offices. The republican newspapers, and those newspapers which, nominally independent or democratic, join with republicans in opposing anything really democratic, assume that a democrat is unfit for office and that, if appointed, he is appointed purely for political reasons. The real democrats of the country, those who have after nearly a quarter of a century's struggle succeeded in wresting the government from the hands of the predatory interests, will not adopt the republican view, nor will they find fault with the administration for giving preference to democrats in filling such offices as are entirely outside of the civil service — offices which republicans did not put under the civil service even when they found that their party was going out of power. The affairs of the country will not suffer at the hands of democratic officials. Those who are willing to make political sacrifices in the interest of good government can not fairly be regarded as inferior in their intelligence or patriotism to republicans who, either actively or through indifference, have enabled the special interests to control the government for their pecuniary benefit.

W. J. BRYAN.

JEFFERSON ON PATRONAGE

While president, in 1802, Thomas Jefferson wrote to Elbridge Gerry as follows:

"The safety of the government absolutely required that its direction in its higher departments should be taken into friendly hands. Its safety did not even admit that the whole of its immense patronage should be left at the command of its enemies to be exercised secretly or openly to re-establish the tyrannical and dilapidating system of the preceding administration, and their deleterious principles of government."

Five years later, while still president, he wrote to John Page:

"No government (can) discharge its duties to the best advantage of its citizens, if its agents (are) in a regular course of thwarting instead of executing all its measures, and (are) employing patronage and influence of their office against the government and its measures."

And yet the republicans and assistant republicans take it as an offense if any democrat expresses a desire to have the carrying out of the policies of the administration entrusted to those in sympathy with those, rather than to those who desire a return of the republican party to power.

Others may criticize "Billy" Sunday if they will, but if I may be allowed to speak of him in baseball language I shall not complain of the way he "curves" the ball or "twists" the language so long as he makes the Devil "strike out."