

# PROTECTION AND RECIPROCIDITY.

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## CONTENTS.

### THE AMERICANS.

BY G. A. HOOD.

(CONTINUED.)

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facturers and the working man, not realizing that his employer's prosperity ensured his own, joined in the general cry and marched behind the banner bearing the flaming inscription: "Free Trade, or else!"

## CHAPTER V.

American Patriots. I believe in the inherent right of self preservation, both for man and government. A "Free Trade" policy for America insures only to the benefit of those abroad. All foreign nations know this and hence urge us to adopt it. Our loss would be their gain. Only by protection are we enabled to pay the highest for our labor, and sell the lowest to the workman. Our Government should be an executive from foreigners as from Americans. Make them pay duties as we pay taxes.—H. C. CHESNEY.

One evening the nation's greatest statesman, stood upon the platform, uttering burning, prophetic words to the silent, listening crowd below.

"From the close of the War of the Revolution," he said, "there came a period of depression and distress on the Atlantic coast, such as the people had hardly felt during the chaotic crisis of the war itself. Ship-owners, ship-builders, mechanics, artisans, all were destitute of bread. British ships came freely, and British iron came plentifully, while American ships and American products, there was neither protection on the one side, nor the equivalent of reciprocal free trade on the other. The cheaper labor of England supplied the inhabitants of the Atlantic shores with everything. Ready-made clothes, among the rest, from the crown of the head to the soles of the feet, were for sale by every city. All these things came free from any general system of imports."

Under this state of things, want, misery and despair settled upon the starving people from 1783 to 1789, when the tariff established that year put an end to their hardships, and prosperity reigned until 1812. The tariff was then repealed, and a new one, only moderately protective, was established.

Disaster followed disaster until the people rebelled, determined to stand it no longer, and, in 1812, Congress passed the first Tariff that gave real protection.

"I am relieved," said the great orator, "was profound and general, reaching all classes—the farmer, the manufacturer, the shipowner, the mechanic and the day laborer. The change was as great as when Hamilton spoke the rock of Gibraltar and abundant streams of revenue rushed forth."

Seven years of wonderful prosperity followed the passage of the tariff of 1812; then one Southern disunionist and torn-earred demagogue, a candidate on a free-trade platform of the compromise tariff of 1832. This tariff afforded no real protection to home industries, and again despair and ruin seized upon the people. Bankruptcies and distress increased everywhere, and the crisis was reached when the people of 1837 drowned one of the greatest financial crashes the world has ever known.

After these many bitter lessons in the hard school of adversity the people again rose in their might and demanded protection, and the beneficial tariff of '42 was enacted.

This tariff meant a secure Declaration of Independence and should have been defended and fought for as eagerly as did our forefathers defend and fight for that first Declaration in the early history of our country.

This tariff meant employment and life for the American people and extended protection to a diversity of industries and pursuits.

"And," said the great speaker, "the more that diversity is multiplied, and extended, the better. To diversify employment is to increase employment and to enhance wages. Take this great truth, place it on the lips of every book of Political Economy introduced for the use of the United States; put it in every Farmer's Almanac; let it be the heading of the columns of every Mechanic's Magazine; proclaim it everywhere, and it will prove, that where this is worked for the ends of men, there will be work for their hands. Where there is employment there will be bread. It is a great blessing to the poor to have cheap food, but greater than that, prior to that and still higher value, is the blessing of being able to buy food, by honest and respectable employment. Employment leads and clothes and instructs. Employment gives health, sobriety and morals. Employment employs and well paid labor produces, in a country like ours, general prosperity, content and cheerfulness."

At a far more words of protest and warning to the voters of Pennsylvania, he was hurried off to speak at a public ring town, and there Fletcher was asked to fill his few moments left, before the close of the meeting, who came added to speak as follows:

"Foreigners are ever here striving to destroy the home and show of our nation's life, patriot has a right to stand up to them, to show his children and his people and help to our people while E. land, ever watchful of her opportunity, is ready to crowd our markets with her over production and pauperize our people with her surplus labor."

"Men of Pennsylvania, will you submit to such outrages?"

"If you desire to submit to wear a foreign yoke and yourselves toll the death knell of American industries then may Columbia will array herself in mourning garments, drape our loved flag in blackest rags and, casting it out to sea from the capital at Washington, let it float over a dishonored country. Our Republic, after a few years of free trade must cease to be and will live only in history as a failure in free government for the future generations of the world to sneer at."

"Follow citizens, there have been great and momentous questions submitted to you tonight and, as citizens your votes, must decide them in the next few days. God grant you may answer them as patriots should."

THE OLD MAN THAT IS AT THE BOTTOM OF FREE TRADE. What's the use of you paying those dirty laborers such high wages when by knocking off your bloody Tariff you know you can buy every thing for me as cheap as dirt for I never pay high prices for labor.



Tariff. Our party supports that, you understand. "Fletcher don't seem to think so," said the man. "He holds out that Dallas is a liar."

"All to further his own ends," laughed Buckhorn. "You men are surely too intelligent to be fooled by these manufacturers, who hope, by keeping your wages at this ridiculously low figure, to become millionaires. Fletcher's object is to get all the eggs out of your nest every year than he does on one of his workmen."

"Colonel Ogilvie," said Jenkins, "you are an Englishman and a scholar, and you tell me just what is meant by this tariff talk. You Englishmen hold that it is a tax on our poor men, don't you?"

"Certainly it is a tax," responded Ogilvie, promptly. "Everything you men wear and use is taxed, for you really pay the duty at the Custom House. You do not suppose we English manufacturers are going to be fools enough to do it? We intend to get it out of our consumers every time. Your tariff protective tariff affects us very little, but it is a heavy burden on every American citizen."

"We're damned fools, then, not to keep to our own market, manufacturing all here, and leave your tariff for nothing?" said the farmer, turning to Buckhorn. "I've got to get enough articles again in this country to get on my own people, run our own roads, and make everything we want for ourselves, and don't want your foreign goods, then why we put on a good stiff tariff to keep them out, and only let them things in free as we can't raise or make ourselves, would you call that tariff a tax?"

"Why, can't you see, my good man," answered Ogilvie, "that you poor workmen have to pay just the same. Mr. Fletcher, for instance, cannot make an article in his factory, unless he can be made abroad, and if you buy of him you must pay what he asks, or in other words, you are taxed to the extent of the difference between his price and the price of the article to buy with, and it is so on all manufactured articles. You pay more for your coat, hat and shoes here than you would in any other country in the world."

"This material, like coal, iron and other things, much harder to get at here than in England," asked Jenkins.

"No, it is not," replied Ogilvie.

"Then why is the manufactured article so much dearer here?"

"Why, men like Fletcher pay more for labor and ask outrageous prices for things," said Ogilvie.

A light came into Jenkins's eyes.

"Oh, that's it, it is, it is the price he pays. Then to have things cheap here, labor must be cheap, and men would be ground down to the price of their foreign laborers. I guess I'll go to a high wage, sir, and let the farmer laugh unashamedly."

"That's it, Jenkins, and if you get good wages, it'll buy of us, and we'll buy of Fletcher, and it'll all come around in time. Then his men at Washington ain't so wrong, after all. They go to buy revenue to run that ere govt and Government of theirs, and if they do it take it out of our foreign goods in duties, why the farmers and factory men'll have to pay their hands in their pockets, and help along. We'll take it we can't help, I guess. By gosh, but I believe Fletcher's right, and, a tariff, like we can't help, it's a tax. How can it be when things is cheaper than they was ten years ago when they come in most free? Tell us to explain that."

As nobody explained, and Col. Ogilvie and Lemuel Buckhorn left the meeting at the corner store broke up without further controversy.

TO BE CONTINUED.

## Pertinent Questions Answered.

Question No. 31.—If it is the object of the tariff to protect labor, could the tariff be greatly reduced and still afford protection?

In some instances, yes. But what benefit would be derived through such reduction? Take wire nails, for instance. The duty on them is 2 cents a pound. It is obviously higher than need be at present, because the nails are actually sold for 13 cents a pound. What harm does the duty do? If abolished, probably not a cent worth would be imported. Why not abolish it? Probably because no one ever thought it worth while to ask for its abolition, Congress did not act without a reason in framing the present tariff. Every change of any importance was made at the suggestion of some person or persons, after arguments pro and con had been heard. No one asked for the removal of the duty on wire nails, for the same reason, perhaps, that no one asked for a law against swine on the sea. No good could possibly result in either case. Any one who is the privilege of appearing before the Ways and Means Committee to show cause why the duty on any article should be changed, if any one believes the duty on wire nails is excessive, while higher than need be for protective purposes, let him state the case to Congress, ask for a reduction, and the request will undoubtedly be granted.

Question No. 27.—Why is it that American shipping interests have declined during the period of a Protective Tariff?

Of course the question refers to shipping in the foreign trade. It has declined because it has been handicapped by one of our varied industries which has received no protection. This branch of our shipping which has been protected, that employed in the coasting trade, has flourished and flourishes to-day equally with our other protected industries.

Question No. 28.—Why the abandonment of Eastern factories with protected labor in the neighborhood of Western factories?

Because there is so much better and cheaper land out West, Eastern farmers prospered, and Western farmers were discovered. All that event the Eastern farmers found it to their advantage to "go West," where they could get any quantity of the best land for the asking. But, as a matter of fact, the deserted farms in New England are few. For, let it not be forgotten, that many of the rocky hills of New England are more profitable to the cultivator than the fertile fields of the West. Why? Because of those same factories with their protected army of consumers within easy reach.

Question No. 32.—Which a bounty of two cents a pound on sugar, which would be paid out of the Treasury, would be the saving to the consumer come in through free sugar?

It comes in this way: The revenue from the duty on sugar and molasses amounted to about \$35,000,000 a year, which was all paid by the consumer. The bounty would on sugar amount to \$15,000,000 a year. The difference, \$20,000,000, is the saving to the consumer.

Question No. 33.—Has the McKinley tariff caused the price of cotton to be low?

No. No more than it has caused the price of Shakspeare's autographs to be high. There are very few of the autographs of Shakspeare in existence; hence they cost a great deal. There is more cotton in the United States than there is a demand for throughout the whole world's consumption; the price of cotton is low. The McKinley law had no more to do with that than it had with the color of the moon.

Question No. 34.—What has been the direct benefit to the American farmer by the placing of the duty on eggs? What would be the result if the duty were abolished?

In 1890 we imported 11,962,752 dozen eggs, valued at \$1,544,989; in 1891 we imported 1,263,375 dozen eggs, valued at \$131,437. The difference between the amounts imported in these two years—7,699,377 dozen—measures the larger market for eggs which has been furnished to the American farmer; and the difference between the values of the eggs imported in these two years—\$1,413,552—measures roughly the value of that market to him. The direct result of the McKinley duty on eggs has thus been to put \$1,413,552 more into the pockets of the farmer than he received the preceding year. If the duty were abolished, that sum at least would be the loser.

## Abraham Lincoln's Platform.

While "providing revenue for the support of the General Government by duties upon imports, sound policy requires such an adjustment of these imports as to encourage the development of the industrial interests of the whole country; and we commend that policy of national exchange which secures to the workingman liberal wages, to the agriculturist remunerating prices, to the mechanic and manufacturer an adequate reward for his skill, labor and enterprise, and to the nation a commercial prosperity and independence.—From the Republican Platform, 1860, on which he ran for President.

## "STRANGLER" COMMERCE.

Foreign Trade and the Way It Has Been "Killed" by the Tariff.

Confusion for the Free Trader—He Said We Could Not Sell to Foreigners Under the McKinley Law, but We Do Sell More than Ever Before—Statistics of Exports and Imports for the First Year of the McKinley Tariff and Free Sugar.

Ever since the day on which the new Tariff became operative it has not ceased to convict its enemies of falsehood, and the good work wholly gloriously on. The first fiscal year wholly under it was completed on June 30, and the statistics of foreign trade for 1892 are now at hand for comparison with previous years. How do they bear out the Free Traders' awful predictions of woe and destruction to come which were made by its opponents when it became law?

They said it was a Chinese wall—a prohibitory tariff—putting duties so high that foreign goods could not get over them. It appears, from the figures, that they did get over, and a great many of them, too, which we might better have made in this country. Our imports for the year amounted to \$27,391,234. The annual average from 1882 to 1891 inclusive was only \$12,411,678. Thus we imported in 1892 foreign goods to the value of \$14,979,556, more than the average of the preceding ten years. But it is instructive to note that the increase in imports was not in kind of goods which would deprive American labor of employment, but principally in coffee, raw silk, sugar and molasses, wools of tin plates, manufactured silk, manufactured wool, tobacco and its manufactures, vegetables and other grasses declined; that is, we now produce them in America instead of importing them.

But the important point to be noticed in connection with the free trade is a prediction that the new law is prohibitory to that, so far from being so, the amount of goods admitted free of duty was never equaled nor ever approached under a tariff. Free imports amounted to \$458,091,145 in value, against \$306,241,352, in 1891, a year during which the old tariff to some extent prevailed. But the important point is the ones which supply the products of American mills, close their doors and send their employees into idleness; goods of the like of which we can produce and ought to produce ourselves—these declined from \$178,574,844 in 1891 to \$393,339,139 in 1892, a decrease of \$138,244,705. This last sum went to employ American labor; the goods in this country instead of going abroad to enrich foreign manufacturers and employ foreign labor.

The following table will suggest the great change wrought in the character of imports under the new law:

| Years.    | Free of duty. | Dutiable.    | Per Cent. of total imports. |
|-----------|---------------|--------------|-----------------------------|
| 1890..... | \$26,487,078  | \$8,614,074  | 31.42                       |
| 1891..... | 255,963,229   | \$23,511,780 | 33.68                       |
| 1892..... | 306,241,352   | \$47,874,844 | 43.35                       |
| 1892..... | 458,091,145   | \$29,339,139 | 55.26                       |

But when it comes to exports, the results under the McKinley Tariff are still more depressing for the country's prospects. They said that it would prevent us from selling to foreigners—that the farmers' products would accumulate on their hands, and not for want of a market. Well, it seems from the report, that our exports for 1892 amounted to \$1,030,355,625, a figure never before reached in our history!

In 1891 we exported to the value of \$881,480,810, and thought that pretty good, showing as it did an increase of \$26,522,126 over 1890. But 1892 was \$145,844,815 ahead of 1891! During the fiscal year 1889 the value of imports exceeded those of exports by \$2,735,276, which represented the balance of trade against the United States for that year, just before the passage of the McKinley Tariff. In 1892 under the full operation of the new law, the balance of trade in our favor, was \$2,244,342!

One other point before leaving this subject, so far from a prohibitory Tariff has the new law proved itself in actual operation, that the annual rate of duties under it was the lowest since 1861 the last year of the Free Trade Tariff. The amount of duties collected in the last fiscal year has not yet been ascertained, but comparing the twelve months ending March 31, when the first complete year under free sugar ended, with the corresponding periods immediately preceding, the report gives the following results:

| Year ending March 31. | Duty Collected. | Average ad valorem rate on dut. Free and dut. |
|-----------------------|-----------------|---|
| 1890                  | \$216,818,618   | 45.34   |
| 1891                  | 218,937,746     | 43.95   |
| 1892                  | 236,957,024     | 47.01   |
| 1892                  | 170,226,354     | 46.81   |

Where does the Chinese wall feature appear in this 20.05 per cent. average tariff rate? Why the average rate under the first tariff signed by George Washington was 22.26 per cent.

So that in every single particular the free trade predictions and assertions relative to foreign commerce have been annihilated by the very first year of the new law's existence, what will it not do in two or three years more?

Here is a British gem from *Engineering & London*, April 8: "Of course we hate the American protective policy, from higher reasons than those of trade benefit." But the main point after all is that you do hate it.

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