

In response to numerous requests for copies of this Speech, it is published in The Commoner. The principles then discussed are yet vital ones.

The Tariff Question

Speech of Mr. Bryan in the House of Representatives, Wednesday, March 16, 1892.

The house, being in committee of the whole on the state of the union, and having under consideration the bill (H. R. 6007) to place wool on the free list and to reduce the duties on woolen goods—

Mr. Bryan said:

Mr. Chairman: The gentleman from Maine (Mr. Dingley) put forward to open the debate by our friends who occupy the wedge-shaped space on what used to be called the republican side, has seen fit to criticize as sporadic the bills so far reported by the committee. He has also found fault with the method which has been adopted.

I desire to say that I am in hearty sympathy with the majority of the committee in its decision to attack the tariff in detail; and I think that the bills which have been reported and the bills to be reported will fully answer the argument of the gentleman that we are making only a slight assault upon the system.

The main reason which has led me to favor this method of attack is, that it is possible that some of the bills reported by the committee may pass the senate and receive the sanction of the president, and if we can succeed in bringing to the people of this country relief in any form, even to a small decree, we shall be accomplishing far more for our country, and, as I believe, doing better for our party, than if we simply attempt to make a record by a general bill, with no prospect of its passage.

Another reason: This will enable us to unmask some of the republicans of the north and west, who have insisted to their people that they believe in reforming the tariff in the interest of the consumers, and that they were anxious to give certain relief, but always shield themselves behind the extended provisions of a general bill. If we are thus able to put those people upon a defense before their constituents, which they are poorly prepared to make, we will have done something for our country.

The gentleman from Maine (Mr. Dingley), however, in that remarkable plea which he made against free wool when he was discharging the self-imposed task of defending the agricultural classes, a spectacle as unexpected as it was absurd, would have you believe that the only cause of his solicitude was the fear that this bill might injure the farmer.

But you who listened to him will remember that the climax was reached when he turned to this side of the house and with the most intense fear depicted upon his features exclaimed that the policy of the committee was to "divide and conquer." He had perhaps read the Home Market Bulletin, where Mr. Draper said that "protectionists must stand together or fall separately." He had perhaps read in that same Bulletin that the "wool tariff is the keystone of the protective arch." And we then understood from his manifestations of anxiety that what he feared was not so much that the farmer might be injured as that protection might lose one of its most ardent champions.

That was a confession, Mr. Chairman, that the protective system cannot stand upon its merits. It was a confession that they dare not go before the people and defend the tariff upon each article upon the ground that it is right and needed. It was a confession that this system is sustained simply by the co-operation of the beneficiaries of a tariff, and that they are held together by "the cohesive power of plunder." It was a confession that the loss of one defender might endanger the whole system.

If, Mr. Chairman, the fears of the gentleman from Maine are realized, the committee will find in that fact complete justification for its course; renewed hope and encouragement will be given to that large proportion of our people who have felt the burdens of a protective tariff, but have been unable to obtain relief because of the log-rolling of those who stand behind this bulwark.

I desire to call attention first to the bill now under consideration, and then to what is known as the binding-twine bill, which, though not regularly before the committee, has been referred to by our friends on the other side; and then, if the committee is willing to listen, I should like to go even further and accept the challenge of the gentleman from Maine (Mr. Dingley) to discuss the principle of protection. I consider myself fortunate that I am permitted to hear protective doctrine from its highest source. Out in Nebraska we are so far away from the beneficiaries of a tariff

that the arguments in justification of protection in traveling that long distance become somewhat diluted and often polluted, so that I am glad to be permitted to drink the water fresh from its fountains in Maine and Massachusetts, and I will assure the gentleman (Mr. Dingley) that those of us who believe in tariff reform are willing to meet him upon the principle involved, not only here, but everywhere.

The bill under consideration provides for admitting free of duty wool and those associated articles which we know as raw material in the woolen industry. It also takes away entirely those specific or compensatory duties which were added to the ad valorem rates to enable the manufacturer to transfer to the back of the consumer the burden which a tariff on raw material places upon the manufacturer. We have also reduced the ad valorem rates, leaving the rates ranging from 25 to 45 per cent, with an average of not quite 40 per cent, less than the Mills bill, whereas the present rates average over 90 per cent. We have left the tariff lowest upon the articles which are cheapest and of most necessary use.

The reason why I believe in putting raw material upon the free list is because any tax imposed upon raw material must at last be taken from the consumer of the manufactured article. You can impose no tax for the benefit of the producer of raw material which does not find its way, through the various forms of manufactured product, and at last press with accumulated weight upon the person who uses the finished product.

Another reason for believing that raw material should be upon the free list is because that is the only method by which one business can be favored without injury to another. We are not, in that case, imposing a tax for the benefit of the manufacturer, but we are simply saying to the manufacturer: "We will not impose any burden upon you." When we give to the manufacturer free raw material and free machinery, we give to him, I think, all the encouragement which a people acting under a free government like ours can legitimately give to an industry.

The reduction which we have made in the tariff upon manufactured articles is a great reduction in existing schedules. It is not as great a reduction as might be made. I believe that we have left far more tariff than can be shown to be necessary to provide for any difference, if there be any difference, between the cost of manufacture here and abroad. But I am led to agree to this moderate reduction of the tariff upon manufactured articles for two reasons; first, because, in going from a vicious system—and I believe that our present system is a vicious system, created by the necessities of war and continued by favoritism—because, I say, in going from a vicious to a correct system the most rapid progress can be made by degrees.

Another reason why I am willing to stop at this point at this time is because all measures of legislation must be practical rather than ideal. We are confronted by a coalition. Notwithstanding the attempt of the people to turn out of power those who in the last congress ran riot, the limitations of our constitution have prevented us from obtaining control of more than one of the three co-ordinate branches of the legislative power. Any bill to become a law must pass not only this house, but also the senate, which is hostile, and must receive the approval of a republican president. Therefore, if we expect success we must leave room for no objection that a republican can take advantage of as a justification for standing in the way of this relief. And I believe in this bill we have done that; there is no objection that the republican party can stand upon in opposition to this bill and upon which they dare to go before the country.

I desire to call attention, Mr. Chairman, to the advantage which this bill brings to the people of this country. We are not prepared to say, nobody can affirm positively, what effect the present tariff on wool has upon the wool-grower. I read in the address of Judge Lawrence, before the Ohio Wool-Growers' association, that in his opinion the man in this country who raises sheep receives for his wool the foreign price of wool plus the duty upon wool. But there are many who differ from him. Many sheep-raisers believe that the farmer does not receive the tariff duty upon wool which is imposed ostensibly for his benefit, and they point to the decline in the number of

sheep and in the price of wool under protection.

I care not, for the sake of the argument, which position is true. One of three conditions must exist at this time. We have imposed a tariff upon wool; we have given a compensatory duty, which is equivalent to that tariff, upon wool in all its manufactured forms. The manufacturer of wool must, if he buys foreign wool, pay this duty. Now, if the farmer gets no increased price for his wool because of protection, and the manufacturer deals honestly with the people and does not charge them anything extra, then the removal of the duty will still bring relief to the consumers of woolen goods by reducing the price of imported wool without affecting the price of the farmer's home-grown wool. This is the first condition which may exist.

It is also possible that the manufacturer in this country, having the advantage of the compensatory duties, does charge up to the people who buy woolen goods the amount of the tariff as if he paid it to the farmer, and yet he may not pay it to the farmer. In that case the passage of this bill will still more largely reduce the cost of goods to the consumer and not affect the farmer who raises sheep.

There may be a third condition. It may be that the manufacturer of woolen goods pays the duty upon imported wool and pays a like amount on home-grown wool and then charges to the consumer just exactly, under the compensatory duties, the amount which he has had to pay as a tariff upon foreign wool and as an additional price upon the home-grown wool. If that condition exists, then the operation of this bill will be to bring to the people of this country who consume woolen goods the reduction made by the bill and to prevent the grower of wool from collecting from the consumer of woolen goods, through his agent the manufacturer, the amount of which he has been receiving.

Now, those are the three conditions, one of which must exist. I do not care, my friends, for the sake of argument, which condition exists, I am in favor of this bill. I am in favor of it in the first place, because it makes a reduction in ad valorem rates; and in addition thereto, if the first condition supposed exists, reduces the price of woolen goods to the extent of the tariff paid on imported wool. This is only just, because such necessary articles as woolen goods should not be made so expensive as they are to the great masses of our people.

If the second condition exists, and the manufacturer is charging up against us as consumers that which he does not pay, I am still in favor of the bill, and in favor of taking away from him this unjust and unfair advantage.

If the third condition exists, and the manufacturer collects from us simply what he pays to the farmer who raises sheep, I am still in favor of this bill, because I do not believe we should make a manufacturer or any one else an agent to collect money from one man and pay it into the pocket of another man. So you can take either condition you like, and you can frame any defense you please, but I am in favor of this bill from any standpoint and on any condition.

But there is another phase of this question, Mr. Chairman. The amount of wool produced in this country is about 4½ pounds per capita; the amount of wool consumed is about 6½ pounds per capita. Therefore we consume about 50 per cent more than we produce. Hence, if whatever benefit there is from a tariff on wool is equally divided among all the people, then the abolition of this compensatory duty, not to speak of the reduction in ad valorem rates, brings to the people of the country about 50 per cent more of advantage than it can possibly take away from them.

I find that in the states east of the Mississippi river we have now about one-half the number of sheep that we had when protection took the wool industry of the country into its encouraging embrace. I find but two states, Michigan and Ohio, which have one sheep per capita. The average production is about 6 pounds per sheep. Therefore, in a state that has one sheep per capita the people of the state would get just as much relief from this bill as they could possibly lose because of the repeal of the tariff duties on wool. Maine has a little less than one sheep per capita, and therefore she would receive more advantage by a

(Continued on Page 12.)