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Already "Touched"

The Boston Transcript is greatly agitated because Jeffersonian democrats favor an income tax and its arguments (?) are noticed because they may be accepted as fairly representative of the fight which plutocracy will make against the income tax amendment. The Transcript says that "Jeffersonian democracy should touch the individual citizen as little and as seldom as possible." That is good, but it is a little inconsistent for this doctrine to be invoked by those who have been "touching" the individual citizen as much as possible and as often as possible. The individual citizen who has been touched by a tariff on every necessary of life—a tariff reaching in some cases to one or two hundred per cent—can view with complacency an income tax which will equalize taxation and make those with large incomes bear their share of the expenses of the government.

The Transcript says that democrats ought to object to having a "body of federal tax collectors whose duty and privilege it would be to pry into the private business of every one of its citizens, etc." Pry? Does not the tax collector pry now? The holders of visible property have to list it all from the sow with pigs to a setting hen. An income tax exempting incomes under three or four or five thousand dollars will only reach those who now pay less than their share and will not be as inquisitorial as the present personal property tax. And why not allow the income to be known? Except on assessment day the possessors of large incomes are not generally anxious to conceal their wealth—they often make an offensive display of it. Possibly an income tax would make them more modest and it might also be helpful in restraining some who live beyond their means.

The Transcript will have to invoke some other name than Jefferson's if it opposes the income tax, for Jefferson had a passion for justice and the income tax is just. Possibly the Transcript is afraid that the manufacturers of Massachusetts, who have been taxing everybody else for a generation will have to pay their share of taxes if the amendment is ratified.

PLATFORM DEMOCRATS

As some of the democratic senators and congressmen have questioned the binding force of platforms, every congressional platform for next year should contain the declaration: "We believe that platforms are binding and we pledge our candidate to carry out this platform in letter and in spirit."

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HOW TARIFFS ARE MADE

It is the popular impression that a tariff is the slowly worked out product of protracted congressional inquiry and matured thought. This impression is confirmed by long and apparently earnest senatorial debates over one or another schedule. The people who sat in the senate galleries a few weeks ago and listened to the elaborate discussion of the wool and woollen schedule thought they saw how tariffs are made.

That was a great mistake. The senate in adopting the schedule it did merely ratified one which had been agreed on months before by outside parties. Last October east and west met in Chicago. The manufacturers of woolen goods of one region and the wool growers of the other came together to agree on the wool and woollens duties of the tariff law which they assumed would be passed the following year. Their conclusion was that the Dingley law rates should be re-enacted. That having been settled, nothing was left but to notify congress quietly after it should have been elected and had convened.

The elaborate hearings before the ways and means committee were a farce. The wool and woollens schedule was then res judicata. The senatorial debate was a sham fight. As the president of the National Association of Wool Manufacturers, says, "This entire discussion is unnecessary and absurd." After the real tariff makers had decided what the duties were to be why spend time in talk?

If the allied eastern and western interests had seen fit they could have ordered congress to raise the duties, and presumably it would have done so. It may be that the public should be thankful for their moderation. But what a legislative mockery it is when a few men get together in private, make out tariff schedules to suit themselves, and then direct congress to make it law. Now we begin to understand how tariffs are made.—Chicago Tribune (republican).

"FALLING GODS"

Puck contains a cartoon entitled "Falling Gods." It is a splendid conception, powerfully worked out. The picture represents a scene upon the Nile. Four gods made after Egyptian models, and representing High Protection, Partisan Politics, Bossism and Plutocracy sit enthroned upon the banks of the Nile. Others have fallen into the water and "High Protection" is toppling; the foundation of "Partisan Politics" is being washed away and the waters have even reached the base of "Bossism" and "Plutocracy." The cartoonist has told a story that furnishes both warning and encouragement—warning to those who defend the wrong and encouragement to those who stand for the right. Time removes all evils and redresses all grievances; time will finally overthrow the high tariff fetish and restore justice to the consumers; time will correct the evils introduced by that blind partisanship which puts an immediate party triumph above the permanent welfare of the country; time will drive bossism out of politics and restore to the people the control of the party organization; time will at last dethrone plutocracy and make our government in fact a government of the people, by the people and for the people.

The tide of reform does not move with an even pace, but it moves, and sooner or later it overwhelms opposition. Puck is to be congratulated upon having so forcefully portrayed a great truth.

Hard to Please

The financiers are hard to please. The Financial Age criticises the action of the banking board of Oklahoma because it "dictates to the banks, both state and national, as to what interest shall be paid on deposits—not deposits made by the state, mind you, but individual and corporation deposits." The Age expresses great indignation and wonders whether the state will next fix the rate of discount to be charged by the bank, and then instruct it as to whom it may loan. If Oklahoma had not exercised the right to fix a maximum rate of interest, the Financial Age would have denounced the state vehemently for creating a guaranty system under which "unscrupulous bankers" could draw money from "conservative banks" by offering high rates of interest. When a bank receives the benefit of the guaranty system it ought not to be permitted to take advantage of that system to do injustice to other banks. The fixing of the maximum rate of interest is a necessary part of any guaranty system, but no matter what is done in behalf of the public, papers like the Financial Age will find fault.

But why should the editor imagine that "the next business for the state to look after is the rate of discount charged by the bank to its customer, etc." The law now fixes the maximum rate of interest in nearly all of the states, and has for years. Every usury law does just what the Financial Age is afraid that the state will do "next," and the Age is also afraid that "paternalism" may go on until the state will be "instructing the banks as to whom they may loan." Does not the national bank law do that now to a certain extent? The law fixes the kind of security banks may take, prohibits the loaning of more than one-tenth of the capital and surplus to any one person, etc., etc.

One would think from the Age's editorial that bankers now acted entirely without restrictions and that the world would come to an end if any law was passed regulating banking. To clinch his argument the editor says: "Then following this spirit of paternalism to its logical conclusion, why not just wipe out the officers and directors of each bank, thereby saving a lot paid in salaries, and have a clerk, appointed by the commissioner, in each bank to receive all applications for loans, and forward the same to the commissioner?"

That is just the condition that the financiers would force upon the country if left to their own folly. They are so blind in their indifference to the interest of depositors and in their hostility to necessary regulation that they are driving millions of money out of the country every year to be deposited in government banks in the old world. They are driving other millions into hoarding and hiding. The demand for a postal savings bank has at last found its way into the national platform of the republican party, and the postal savings bank, if it comes (and nothing will prevent it but the guaranty of deposits) will tend to absorb the banking business of the country. The democratic party has labored to perfect the banking laws so that banking may be done by individuals, but the dense ignorance of the high financiers, and the subserviency of the papers that live in the Wall Street atmosphere are making it more and more difficult to prevent the absorption of the banking business by the government. The Financial Age might better be assisting to make regulation intelligent and efficient than ridiculing in its clumsy way the patriotic efforts of those who are seeking to compel the banks to recognize their quasi-public character.

PART OF THE GAME?

Was it all a part of the game? The house bill raised the tariff and the country howled. Then the senate bill RAISED the rates SO MUCH MORE that the president thinks it will be a victory to get the house bill.