

crats hesitate to strike the blow? If the removal of the tax on raw materials did injustice to any particular class, an objection might be raised to the removal, but when a tax upon raw materials simply taxes all of the people for the benefit of a few of the people, it can not be contended that the removal of the tax does injustice, for no one has a natural right to tax others for his benefit. If a man is being taxed for the benefit of others, his remedy is in removing or reducing the tax that burdens him rather than in imposing a tax upon some one else for his own benefit.

The argument that is now being made by some, that while protection is wrong, their constituents must have their share of the wrong as long as the wrong exists, would be amusing if it were not proposed in all seriousness. The principle of protection is either right or wrong. If it is right it ought to be advocated, not as an incident, but as the direct part of the law.

If the protective principle is wrong, we can hardly claim that our friends should have the benefit of it. It would be like saying that while we oppose horse stealing, still if horses were to be stolen we must have our share in the distribution. Would it not be better to say that as horse stealing is wrong, we shall do our best to prevent it? If the protective principle is wrong we should do our best to eradicate it; to attempt to extend the benefits of protection is inconsistent with the declaration that the system itself is wrong.

And this brings us to the discussion of the principle of protection:

I began the study of public questions with the tariff question, and years ago reached the conclusion that the protective principle is indefensible from every standpoint. It is wrong in principle, wrong in policy, and its influence must always and everywhere be harmful. As unrestricted trade is the natural condition, the advocate of protection must be prepared to establish three propositions before he can maintain his position.

1. He must prove that the principle of protection is right.
2. That the policy is wise, and
3. That the protection asked for is necessary.

What protectionist has ever attempted to establish any one of these propositions? We contend that the principle is wrong. A protective tariff is an indirect bounty. In the case of a bounty the government collects the money and turns it over to the favored individual or corporation. In the case of a protective tariff the government imposes a duty upon the imported article, and the theory is that this duty, being added to the price of the imported article, so increases the cost of the imported article that the manufacturer can collect from the consumer an amount equal to the tariff in excess of the amount that he could collect if there were no tariff. The protective tariff and the bounty do not differ in principle, but merely in form. We contend that the government has no right to collect money from all the people for the benefit of a few of the people.

In what is known as the Topeka (Kan.) case, the United States supreme court held that the city of Topeka could not tax the people of that city to aid a manufacturing plant, located in, or near, that city, and the court in rendering the opinion, said: (I quote from memory.) "To lay with one hand the power of the government upon the property of the citizen and with the other to give it to private individuals to aid private enterprises and build up private fortunes, is none the less robbery because done under forms of law, and is called taxation."

If the city of Topeka, acting for a majority of its citizens, could not tax the people to aid an industry located in the city, upon what principle can the people of one part of a state be taxed to aid an industry located in another part of the state? Upon what principle can the people of one state be taxed to aid an industry located in another state? Upon what principle can the people of one section of the country be taxed to aid the people who live in another section?

If the doctrine laid down in the Topeka (Kan.) case is sound, then the sheep owners of western Texas have no right to tax the cotton growers of the rest of the state.

If the doctrine laid down in the Topeka (Kan.) case is sound, upon what principle can the owners of timber lands and sawmills collect a tax upon the builders of homes throughout the land?

If we concede the right of the government to tax all of the people, for the benefit of those who may secure the favor of the government, there is no ground upon which we can plant

ourselves in our fight for a tariff for revenue only; and I may add, if the protective principle is wrong, then how can we logically demand that it shall be invoked in behalf of certain sections or certain classes, merely because it has been wrongfully invoked in behalf of other sections or other classes?

But even if we could defend the right of the government to tax the many for the benefit of the few we would find difficulty in defending the policy, because of the evils to which it leads in practice. The moment we concede the right of a man to use the government as an asset in his business, we must expect him to become active in the control of the government. The protective system has been productive of more corruption in government than any other agency. The manufacturers have supplied the sinews of war for those candidates who are willing to agree in advance to reimburse the manufacturers out of the pockets of the people.

An alarming fact is that advocacy of protection as a principle and toleration toward its applied doctrine tends not only to a corruption of politics, and acts injuriously to the people who permit it, but is also a menace to public morals, in that it teaches that a man's vote should be determined by the amount of money he is likely to receive from legislation, rather than by his desire to contribute to the common good.

Years ago a prominent republican coined a phrase that has since been in common use, viz: "Frying the fat out of the manufacturers."

If the manufacturers have fat which may be fried for campaign purposes, and large lumbermen and sheep owners are to be dealt with upon the same basis, where is the system to end? How can we denounce the bribe-taker, who sells his vote for 50 cents or \$5, if we condone the conduct of the rich, whose personal profits run into the hundreds, the thousands or even into the millions?

Men have been sent to congress and kept in congress by the campaign funds furnished by the protected interests.

In the last presidential campaign our national committee collected about \$600,000, and more people contributed to it than ever contributed to a campaign fund before, and yet probably not more than 5 per cent of the democratic voters sent in contributions to the national fund. A single corporation like the steel trust could afford to contribute more than \$600,000 to any party that would promise to protect its products. Its net earnings have amounted to over \$150,000,000 in a single year. It could give ten times as much to a campaign fund as we collected from the entire democratic party last year, and yet make the money back over and over in a single year out of the favoritism which protection bestows; and it will not help matters any to add the producers of raw material to the manufacturers as a corrupting influence.

The benefits of the tariff on lumber do not go to any large percentage of the people, but mainly to the owners of timber lands and sawmills. The Weyerhaeuser company, for instance, owns immense tracts of timber lands and many sawmills.

While I can not speak in detail of the lumber interests of Texas, I am sure I am within the truth when I say that there are twenty-five voters in Texas who are injured by the tax on lumber for every voter who derives a pecuniary benefit from the lumber tariff. The profits which the large lumber owners and lumber companies derive from the tariff on lumber is so great that they could easily finance a national campaign, if by so doing they could retain a tariff on lumber.

In my tariff speech at Des Moines last year I quoted from a speech made by Senator Pettigrew and reported in the Congressional Record, in which he commented on a statement made in the Northwest Lumberman, giving the profit that would be derived on lumber by a group of men who assembled in one of the committee rooms of congress to protest against free lumber. One of the group declared that a tariff of \$1 per thousand feet on lumber would amount to six million dollars to the men in the room.

As long as men and corporations find it profitable to go into partnership with the government in the use of the taxing power we shall have corruption in politics.

Another objection to protection as a governmental policy is that the more protection you give the more the protected interests demand. When the protective principle was first applied it was upon the theory that a little protection, extended for a short time, would put the infant industry upon its feet and that thereafter no protection would be needed. But we have found that the infants have become adults, and that

they demand more protection now than they did in the beginning; the industries that supplicated for a little protection during the days of weakness now demand a continuation of the protection, and even an increase, in the days of their strength. They even threaten congressmen with defeat if they refuse to obey them. If the people, who pay the taxes, took as deep an interest in the tariff question as the people who get the benefit of the tariff tax we would have no difficulty, but a few sheep owners, or the owners of a few lumber mills, can sometimes terrify a congressman if the rest of the people are indifferent.

The democratic remedy is not to conciliate those who seek special privileges, but to awaken the people to what is going on. When the masses understand the iniquity of protection it will no longer have defenders in the south and west, and the demand for protection on raw materials will be as quickly rejected as the demand for a protective tariff on manufactured products.

The third objection to a protective tariff is that its advocates do not attempt to show that it is necessary, even from their own standpoint. The republican platform asked for a protective tariff equal to the difference in the cost of production plus a reasonable profit to the manufacturers, and if a protective tariff is to be defended at all, that is the logical basis upon which to defend it. What democrat can defend a protective tariff, even on raw material, on any other ground, or to any greater extent? And yet what protectionist has attempted to show that we need a tariff? The testimony taken before the committees at Washington last winter did not cover this point, although this was the very question presented by the republican platform. The republicans who asked protection for the manufacturing interests did not attempt to show that those interests needed the protection asked for, and those who demanded the tariff on raw material did not attempt to show that the producers of raw material needed a tariff.

When a man starts out to defend a protective tariff he abandons logic and argument, and contents himself with demands and threats; he assumes that the principle of protection is right; he presumes that the policy is wise, and he takes it for granted that the rate which he asks for is necessary. The man who contends for incidental protection soon becomes as unreasonable as the man who asks for direct protection. Incidental protection is protection that was not intended—a protection that came without planning; the moment you begin to plan for protection it ceases to be incidental and becomes direct and intended protection, and to defend it one must resort to the same arguments that are used to defend the protective system in general.

While it is true that the immediate effect of an existing tariff is the same, whether it was intended for protection or intended for revenue, yet in the construction of a tariff law it makes a great deal of difference whether those who make the law are looking for revenue or looking for protection. In making a revenue tariff you so adjust the tariff as to collect a revenue, and you stop when you get enough; in constructing a protective tariff you may so adjust the rates as to impose a heavy burden upon the people and yet collect but little revenue, and you never know when to stop.

Take the tariff on iron ore as an illustration; the steel trust wanted a tariff on iron ore. We have this upon the authority of Senator Smith of Maryland, who said on the floor of the senate that he had it from a representative of the steel trust. Some of our democrats voted for a tariff on iron ore, on the theory that it was a revenue tariff, and they estimated that a duty of 25 cents per ton would bring in a revenue of \$250,000, but if the steel trust adds the tariff to the price of the ore which it sells or to the price of the finished product which it makes from the ore which it converts into steel it will collect a tax of some \$10,000,000 from the people, because of the duty on iron ore. If this be true will any one defend the tariff on iron ore as a revenue tariff? And the same might be said of a tariff on oil. The amount of oil imported would be very small, but a tariff on oil would permit an enormous tax to be levied upon the American people.

Other illustrations might be used, but these will show how important it is that a tariff law should be made by those who oppose the principle of protection, rather than by those who favor the principle of protection. When a tariff law is made by those who oppose the principle of protection, the interests of the whole people