

tion of free raw material has been fairly raised, either before or since Cleveland's time, the democratic party has taken a position against it. Go back and read over tariff history since the beginning of the government up to the civil war. You will find but little that will throw light upon the question we are now discussing. Up to 1816 the country was so sparsely settled, the needs of revenue so small, and industries were so unimportant, the tariff was never made a political or partisan question. From 1816 to 1846 we had what is regarded as a protection period, during which time the old republican, now the democratic party, and the opposition parties were alternately in control of the government. From 1846 up to the civil war we had what is known as a free trade era. But during all this time both parties were more or less vacillating with reference to the tariff question. Neither had assumed a position with reference thereto so definite and positive as they have since the war, when the tariff has become relatively of so much more importance. For instance, the highly protective act of 1828, carrying an average of duties amounting to nearly 49 per cent, and which was called the "tariff of abominations," was prepared and passed by Jackson democrats, and Jackson himself was elected president the second time on a protective platform; while the act of 1857, a very moderate revenue measure without protective features, was supported in congress by the republicans as well as the democrats. I cite these historical facts merely to show that prior to the civil war the position of the parties with reference to the tariff was not fixed. The fact that democrats supported the protective tariff of 1828, that the democratic party declared for "adequate protection to American industry" in 1832, and that the slogan of the Polk campaign in some parts of the country was "Polk and the tariff of 1842," which was "protection run mad," does not prove that prior to the war the democratic party was a protection party. Neither does the fact that the republican party supported the free trade act of 1857 prove that party to have been an anti-protection party.

Just so the fact that the democrats in the senate voted down a motion to recommit the tariff bill of 1846 with instructions for free raw materials does not prove that the democratic party is an anti-free raw material party, because the very next tariff bill prepared and passed by the democrats, which was the bill of 1857, provided for free raw material. As the incident of 1846, to which I have just alluded, is the only instance which has ever been cited to show that prior to the civil war the democratic party was against free raw material, I have the right to assume that the question was not raised on any other occasion and decided favorably to the contention of the opponents of free raw material.

This being true, let us examine more particularly this single instance and find out just what the facts were in regard to it, and how far it goes toward proving their contention. An examination will show that a great deal more evidential effect has been given to it than the real facts justify. In leading up to the act of 1846 certain utterances of Calhoun, Sevier, Walker, and Polk on the act of 1842 are frequently quoted. These utterances denounced the features of that act which discriminated against the producers of raw material, but the act of 1842 was a protection measure, and the utterances of these men can have no application to a measure framed only for raising revenue and not for protection.

Now, as to the motion to recommit the bill of 1846. The question of free raw material does not seem to have been raised until the bill had passed both house and the senate. An examination of the Record will show that an opponent of the bill made the motion to recommit, and in doing so openly avowed on the floor of the senate his purpose to be to defeat the bill entirely. Only eight days of the session remained, and all knew, as the Record expressly shows, that any effort on the part of the committee to revise the bill in accordance with the instructions given them would necessarily extend beyond the end of the session and kill the bill. So all the friends of the measure voted against the motion to recommit.

McDuffie, one of the leading democratic senators, in discussing the motion to recommit, said that only five per cent had been levied on those raw materials which came in free under the act of 1842, and that it was a very small matter, and he said he would have been almost as willing to have it out of the bill as to put it in. But, of course, we all know that at that stage of the bill no democratic senator was willing to jeopardize its success and assume the

risk of continuing in operation the protection act of 1842.

Secretary Walker, who may be properly designated as the father of the act of 1846, himself said afterwards that that act was susceptible of great improvement in that it should have put the raw material of manufactures on the free list, as was the practice of all enlightened nations. Every student of tariff history knows that while the Walker tariff of 1846 marked the abandonment of the protective policy which had obtained for many years prior thereto, it was not entirely free itself from protection. Mr. Calhoun, who was in that day and time more or less tainted with protectionism, just as are some democratic senators in our day and time, was able to put more or less protection in the bill, to put a tax upon many raw materials, and thus prevent the measure from being a strictly revenue measure, as it became eleven years later when modified by the act of 1857 in accordance with the recommendation of a democratic secretary of the treasury.

Mr. Chairman, so unimportant as a party issue was the tariff prior to the civil war the subject was referred to in only three platforms of the democratic party, in 1832, 1840 and 1848, and then only briefly, and no mention was made of the raw material question. What the policy of other manufacturing nations may have been during that period of our history, I am not informed. It may be they had not then adopted the settled policy of free raw materials as they have now come to do, and for that reason, while our people may have recognized the advantages of free raw material, they may not have been convinced of the absolute necessity of adopting the free raw material doctrine during our earlier history. We may pass over the war period, including the years following the surrender, when the republican party controlled the government practically without democratic opposition, during which time the war duties remained on every import capable of producing revenue. This condition existed practically until 1884, and during this time whatever effort was made to modify our revenue system was directed to questions other than the lowering of protective tariff duties. Practically nothing was accomplished toward a reform of the tariff, which, most of the time, was kept in the background.

But I assert without the least fear of successful contradiction that on every occasion since the war, when opportunity offered, the democratic party has invariably stood for free raw materials as a necessary feature of its plan to reduce the tariff to a revenue basis. After obtaining control of the house of representatives in 1884, the democrats, through their chairman of the ways and means committee, Mr. Morrison, presented a bill which, though unscientific in character, because it provided for a horizontal reduction of duties, nevertheless provided for free iron ore, lumber, coal, and other raw materials. This bill was supported by an overwhelming majority of the democrats in the house, but was defeated by republicans. The democratic party, through Mr. Morrison, presented another tariff bill in 1886, which provided for free lumber, salt, wool, hemp, flax, and other raw material. In reporting the bill to the house the unanimous report of the democratic members of the committee said:

"The duties intended to be removed by the bill are chiefly those which tax articles used by our own manufacturers, which subject them to a hopeless competition at home and abroad with the manufacturing nations, none of which taxes such materials, that our own manufacturers may successfully compete, both at home and abroad, with manufacturing nations which do not tax such materials, thus securing markets for the products of hands now idle for want of work to do."

This bill also had the support of the democrats of the house and the opposition of the republicans. But as every student of tariff history knows, the first great battle for tariff reform came in this country in 1888, when the democratic members of the ways and means committee, through the Hon. Roger Q. Mills, presented to the house of representatives a tariff bill placing hemp, flax, lumber and other raw materials of manufactures on the free list and reducing manufactured products to a revenue basis. In reporting this bill to the house of representatives on April 2, 1888, Mr. Mills speaking for the democrats of the committee upon the subject of free raw materials, said:

"With the markets of the world open to us, our manufacturers may run their mills on full time, give constant employment to their laborers, with a steadily increasing rate of wages. With the markets of the world open to the sale

of their products they will create an active and constant demand for all the raw materials required in manufactures, which will stimulate, promote, and reward the wool growers and the producer of cotton, hemp, flax, hides, ores, and other materials of manufacture. We are the largest producers of cotton in the world, we are second in the production of wool, we put on the markets annually quantities of hemp and flax, and our country is full of ores and coal. What we need is manufactures enough to consume all the annual product of these materials and create an active demand for them, so that all our workmen may be constantly employed and receive high prices for their labor.

"To accomplish this our manufacturers must have markets for the sale of their wares, and these markets are to be found in foreign countries as well as at home. To take the foreign market from the foreign manufacturer we must produce our goods at a lower cost than he can. The principal elements of cost are labor and material. In many of our manufactures the labor cost is lower than in any country in the world, and if the cost of materials were as low here as in foreign countries we could produce our goods more cheaply than they and largely increase our exports to foreign markets.

"The annual product of our manufactures is now estimated at \$7,000,000,000, of which amount we export only about \$136,000,000, or less than two per cent. If we could obtain free of duty such raw materials as we do not produce and can only be procured in foreign countries, and mix with our home product in the various branches of manufacture, we could soon increase our exports several hundred millions. With untaxed raw materials we could keep our mills running on full time, our operatives in constant employment, and have an active demand for our raw materials in our own factories. If there should be no duty on any materials entering into manufactures many articles now made abroad would be made at home, which, while it would give more employment to our own labor, would give a better market to many articles which we produce and which enter into manufactures, such as cotton, wool, hemp, flax and others.

"With this end in view we have gone as far as we could and done what we could in the present condition of things to place our manufactures upon a firm and unshaken foundation, where they would have advantages over all the manufacturers of the world. Our manufacturers having the advantage of all others in the intelligence, skill, and productive capacity of their labor, need only to be placed on the same footing with their rivals in having their materials at the same cost in the open markets of the world."

A minority report was made against the Mills bill, signed by such republicans as Kelley, Browne, Reed, McKinley and Burrows, attacking mainly the free raw material features of the bill, and upon this issue the two parties aligned themselves in the great battle for tariff reform upon the floor of the house. When the vote was taken every democrat in the house except four voted for the bill and all the republicans against it.

The senate at the time was republican, and when the bill reached that body the parties aligned themselves upon it just as they did in the house. The senate committee substituted a protection bill, and in reporting it Senator Aldrich severely criticised the Mills bill for putting raw materials for manufactures on the free list. The democratic members of the committee, composed of such distinguished democrats as Isham G. Harris, Z. B. Vance, D. W. Voornees, J. R. McPherson, and James B. Beck, stood by the house bill and especially its free list. On June 7 following the democratic party met in national convention at St. Louis and indorsed the position which the democrats in congress had taken in regard to the tariff, and more specifically declared its indorsement of the "views of President Cleveland in his then last annual message to congress as the correct interpretation of that platform upon the question of tariff reduction." Now, let us look to the message of Mr. Cleveland, referred to, and see what he had to say in regard to free raw material. Here is what he said, leaving no doubt as to his position upon the question and making it clear that the national convention meant to give emphatic indorsement of the doctrine of free raw material. The message read:

"The radical reduction of the duties imposed upon raw material used in manufactures or its free importation is, of course, an important factor in any effort to reduce the price of these necessities. It would not only relieve them