

One Tariff Item to Which They Object

Republican newspapers are not high protective tariff advocates when it comes to deal with the product of the paper trust. The representative of the newspapers, John Norris, shows how these republican publishers are suffering from the liberties taken by one generous contributor to republican campaign funds. The story is told in the following press dispatch:

Washington, May 23.—Charges that the American newspaper publishers' association are compelled to pay higher prices for their news print paper, because the International Paper company is in practical control of the industry in this country, were made today at the Canadian reciprocity bill hearings before the senate finance committee by John Norris representing the American newspaper publishers' association. The paper-makers, Mr. Norris said, have made obvious efforts to restrict production and to starve the print paper market in order to maintain high prices at an agreed figure, have sold paper abroad cheaper than in this country and have arrayed themselves against open prices and against public quotations.

In an effort to prevent such secret fixing of prices, Mr. Norris said he had made offers to buy paper and to pay cash for it, but that only two mills out of fifty in this country had sold to him. The reason for this refusal, he claimed, was that the paper-makers did not want a public quotation of their prices as he would have sold the paper at auction, thus making the prices public.

"The paper-makers of this country," said Mr. Norris, "have preferred to keep their mills idle and their labor unemployed and to allow Canada to sell paper here to the advantage of Canadian labor and the disadvantage of their own labor rather than sell paper at the mill.

"A conspiracy or arrangement of some sort exists among news print paper mills the effect of which is to deprive a reasonable purchaser of the opportunity to buy news print paper at a fair market price, without restrictions as to its use or the price at which the mills are selling a similar article in similar quantities to others. These mills so doing which are under the injunction of the court, have disobeyed its orders.

"The trade disturbances and price fluctuations in news print paper due to unlawful combinations have been continuous since the passage of the Dingley bill, shortly after which the International Paper company was formed from a consolidation of many mills, including those on the verge of bankruptcy, and immediate steps were taken to mark up prices."

Mr. Norris accused the International Paper company of selling paper abroad cheaper than here, with having "launched into a gigantic woodland speculation, with having an inflated capitalization of at least \$40,000,000 and with keeping down production by maintaining a capacity of "only 35 per cent of modern equipment."

"Yet the International Paper company," he added, "is asking congress to put a premium on the antiquity of plants in mills that were verging on bankruptcy thirteen years ago."

"The Canadian provinces which control the raw material of paper manufacture," Mr. Norris said, "are trying to force American paper mills to move to the other side of the boundary line. They have prohibited the exportation of pulp wood from provincial land; they believe they can starve out the American paper-makers, whose domestic supplies are nearly exhausted.

"In 1911, the American papermakers had a chance to consummate an arrangement with Canada whereby the supply of wood from the province of Quebec would be continued indefinitely. But the American senate, at the instigation of Former Senator Hale and of the extreme 'standpatters' among the papermakers, upset that arrangement and undertook to bulldoze the Canadian provinces so that it could force them by the imposition of retaliatory duties to let their pulp wood into the United States without restriction.

"Instead of composing the situation, they provoked an ugly complication, to which the paper clause of the reciprocity treaty offers the only immediate and promising solution."

American paper-makers, said Mr. Norris, own over 12,000 square miles of timber rights in the crown lands of Quebec for which they cannot now ship wood pulp because of the prohibition of May 1, 1910.

Mr. Norris referred to Gifford Pinchot's state-

ment three years ago of the available supply of wood pulp timber in the United States, which would last as follows:

New York state, eight and one-half years.
Pennsylvania, nine years.
Minnesota, nine years.
Vermont, eleven years.
New Hampshire, twenty-five years.
Maine, twenty-eight and one-half years.
Concluding, Mr. Norris said that nearly 40 per cent of the wood and pulp which the United States now uses as the raw material of cheap paper comes from abroad.

"The paper industry," he said, "paid \$19,406,074 to foreigners in 1910 for pulp wood and pulp to keep American paper mills going. The consumers paid penalties of \$150,000 in retaliatory duty because there was an adequate supply of free wood in Canada available for the needs of this market."

Mr. Norris was questioned by various members of the committee as to the purposes of the American newspaper publishers' association. He declared that his work as chairman of the paper committee had to do with 'missionary work among senators and in other places.' The work all should be in the open, he added, no effort having been made to conceal anything.

When Senator Smoot asked him if his bureau had not sent out various pamphlets urging the adoption of the reciprocity bill, he replied by asking: "You did not think it was a crime, did you, Mr. Norris, to send out literature in favor of placing things on a free list?"

"Quite the contrary," replied Mr. Norris. When Mr. Norris declared that the American senate undertook to bulldoze the Canadian provinces Senators Bailey and Heyburn objected to the word "bulldoze," and had it stricken from the records.

Mr. Norris sought to show the International Paper company is a combination in restraint of trade. He declared that he would be unable to procure paper at market prices at any mill east of the Rocky mountains.

The American paper and pulp association, he claimed, was a so-called bureau of statistics to enable the paper-makers of the country to maintain prices at an agreed figure.

In attacking the International Paper company Mr. Norris declared it had absorbed nearly all the paper mills in the United States; that it controlled much undeveloped paper mill water power; that it started immediately after its organization on wood land speculation and that it had reduced its output so as to increase the market price.

The corporation had an excessive capitalization said Mr. Norris, which was inflated at least \$40,000,000. He declared it frequently sold paper for from \$8 to \$10 a ton cheaper abroad than in this country.

Mr. Norris declared the newspaper publishers in the same city are obliged to pay different prices for the paper they purchase from the International company.

When Mr. Norris read figures from the tariff board's report showing that five mills in this country manufacture at about \$25 a ton more news paper than the Canadian mills manufacture at \$27.50 a ton, Senator Lodge insisted on reading the entire table, showing that the average cost of production in this country is more than \$32 a ton.

Mr. Norris declared this was due to antique machinery equipment in the American mills, making the cost of production high.

OUR EXPENSIVE GOVERNMENT

Kansas City Star: The tremendous cost of maintaining the federal government is a subject for statesmen to talk about in every campaign, but none of them has had the hardihood to make the reduction of expenses his especial mission in public life. The member of congress who solves the problem will strike a popular chord in public sentiment everywhere, except, perhaps, in Washington. But there is no likelihood of revision of expenses until the established system of conducting the government's business is re-organized. An understanding of the conditions at the national capital makes it a matter of little difficulty to comprehend why the statesmen shirk this particular responsibility. The magnitude of the government is an appalling revelation that awaits every new representative or senator. His first impression is that it is a wonderfully big machine and his second is that congress is a mighty small part of the "works." Where to begin to reduce expenses is a problem that

looms up in discouraging proportions the more he studies the situation.

The first thing that occurs to him, of course, is to curtail the reckless expenditure of money in the house or in the senate. But when he discovers the hopelessness of that task, or of making so much as a beginning in the practice of economy in his branch of congress, his hope of reaching any other department—not to mention all the departments—is abandoned.

Every congressman knows that there is extravagance everywhere in the conduct of the federal government. He sees it in every place in Washington and understands that it should be corrected. Nothing is plainer than that the big concern is full of leaks through which the public funds are running to waste every day, but any one of the "leaks" that a single statesman could stop would amount to such a small saving that he grows discouraged at the result, gives up the fight, surrenders to the things that are, and goes along with the general scheme.

About the most effective way to waste time in Washington is to try to interest congressmen or the federal officials in a plan to reduce the cost of running the government.

MR. ROOSEVELT'S ATTACK ON ARBITRATION

In an article in the Outlook which purports to favor "universal arbitration" with Great Britain, Theodore Roosevelt attacks the vital point which makes the new treaty worth negotiating. "The United States," he says, "ought never specifically to bind itself to arbitrate questions respecting its honor, independence and integrity." To illustrate he adds:

"If Great Britain now started to exercise the right of search as she exercised it a hundred years ago, with its incidents of killing peaceful fishermen within the limits of New York harbor, of kidnapping sailors by violence on the high seas, of ruining merchants through no fault of their own, of firing on American men-of-war and killing men aboard them—why, if any such incident occurred at present this country would fight at the drop of the hat, and any man who proposed to arbitrate such a matter would be tossed contemptuously out of the popular path."

To conceive the British government exercising the "right to search" again Mr. Roosevelt must conceive of an England again ruled by an oligarchic caste; of a United States again too feeble to resist affront; of the press-gang and the lash; of a world bereft of the fruits of a hundred years of progress. He sees this himself; "the two nations," he says, "have achieved that point of civilization where each can be trusted not to do to the other any one of the offenses which ought to preclude any self-respecting nation from appealing to arbitration." Then why not accept that splendid fact and act upon it?

Even if by unimaginable stupidity "any such incident" as Mr. Roosevelt seems to think both possible and impossible should occur the "man who proposed to arbitrate" would not "be tossed contemptuously out of the popular path." History proves the contrary.

During the civil war an American captain "kidnapped by violence on the high seas" two men, Slidell and Mason, from a British vessel. There was no war. The British government later permitted in British shipyards the building and launching of confederate cruisers to "fire on American men-of-war and kill men aboard of them," and to "ruin merchants" and ship-owners. But there was no war. In the Japanese-Russian conflict Russian gunners fired on British trawlers on the Dogger Bank, "killing innocent fishermen." There was no war. The offended nation instead of fighting "at the drop of the hat," accepted in each case precisely such redress as the present treaty contemplates.

To provide a peaceful solution of "questions respecting honor, independence and integrity"—such questions as courts settle for individuals—is the beneficent purpose of the treaty. History proves the sensible and honorable method proposed to be quite feasible. Mr. Roosevelt's inherent jingoism again runs away with his judgment.—New York World.

©
© The American Homestead, a monthly ©
© farm journal of national scope, will be ©
© sent to all Commoner subscribers who ©
© renew their subscriptions during the ©
© month of June at regular rates, if this ©
© noticed is mentioned when writing. ©
© ©