

Senator Culberson on Tariff Revision

ever competition is impossible, government ownership is necessary. We have our choice, therefore, between the restoration of competition and preparation for government ownership.

I have faith that the people, when they understand the trust question, will prefer to rely upon competition rather than to permit private monopolies to exist and then trust to regulation. And I am glad that the Tribune is calling public attention to the importance of the trust issue, which has been made acute by the Standard Oil and Tobacco decisions.

W. J. BRYAN.

TO A WOOL TARIFF DEMOCRAT

Mr. Allen Moreland, Centerburg, O., Dear Sir: I notice in The Commoner that you claim to be a free trader, but draw the line on wool. Now don't you think that all your arguments for free trade can be just as truthfully applied to wool? Or, if you agree for a tariff on wool, that your argument can be used with like force on all other necessities of life? Your arguments don't seem to hitch up well together—they pull in opposite directions.

I take the liberty of giving a little advice, which reminds me of what I heard a man say once, that "those who have made the biggest failures are the ones generally, who are most ready to give advice."

You live in one of the best wool counties in the state, but you seem to fear free trade. It seems to me that sheep raising is the wrong industry for you. Sell out for what you can get and engage in something else. Don't ask the government to bolster up an unprofitable industry by taxing all the American people that you and your boy and a few others may reap where you have never sown. It must be plain to you that a tax on things we use falls on the consumer—that a tax that can be shifted on some one else is an unjust tax and should be abolished. A tax on wool is no exception, no matter who may profit by it. It seems to me that you are a wee bit selfish in asking the government to protect your industry while others are compelled to compete with the world.

I, too, have been a sheep raiser, but if the business was unprofitable for me I did not ask the government to continue the high tariff for my benefit. I would rather ask for a pension. In fact I think all those who can not succeed in business and don't want to work for some one else for a salary had better come out in the open and tell the people so. The people are "catching on" and will soon see that it would be more economical to pay them a pension direct from a tax levied in an equitable way than to tax the food and clothing of the people. They would then know exactly what they were paying and to whom it was paid.

I would like to see you remain in the democratic ranks if you can do so with a clear conscience, but if you can't, step down and out. Your place will be filled by others whose eyes are being gradually opened to the truth that is crowding to the front—the great truth that "all men are created equal, that special privilege has no place in a government of, for and by the people." Yours for truth, EMMETT MILLER.

Gasconade, Missouri.

A GOOD MARKSMAN

The Outlook prints an authorized interview with President Taft and the following is an extract:

"Mr. President: I suppose you have noticed Mr. Bryan's comments on your appointment of Chief Justice White?"

"All that I have to say about my judicial appointments is that I have regarded my duty in respect to them as the most sacred with which I am charged, and that I have spared no effort to secure for the supreme court and other courts the best men I could get, with the fullest appreciation of the fact that the federal courts, and especially the supreme court constitute the chief bulwark of the institutions of civil liberty created by the constitution."

It is strange that in the discharge of this sacred duty Mr. Taft selected men who united in overturning the supreme court's twenty year ruling on the Sherman anti-trust law. Having so large a number of justices to appoint it is strange that Mr. Taft could not have made one "mistake" on the side of the people. It is strange that not one man among the large number he appointed agreed with Justice Harlan who merely gave his indorsement to the oft-repeated opinion of the court.

Senator Culberson of Texas has written to one of his constituents an interesting letter on tariff revision as it was presented to the special session of congress. That letter follows:

Your recent letter, in reference to the "Farmers' Free List Bill," which I supported at the last session of congress, is received.

The purpose of this bill was to place certain articles on the free list so as to exempt them when imported from the payment of taxes at the custom houses and thus reduce their cost to the great body of consumers to the extent of the taxes which were taken off. The articles so placed on the free list comprised a group of ten commodities, as follows: (1) Plows, harrows, reapers, harvesters, farm wagons, and all other agricultural implements of every description; (2) cotton bagging and all similar fabrics used for baling cotton, and burlaps, bags and sacks composed entirely or in part of jute or burlaps or other material suitable for bagging or sacking agricultural products; (3) cotton ties for baling cotton and wire for baling hay, straw and other agricultural products; (4) leather, boots and shoes, harness, saddles, saddlery and leather cut into shoe vamps or uppers; (5) barbed fence wire, wire rods, wire strands and wire rope manufactured for fencing, and other kinds of wire used for fencing; (6) beef, veal, mutton, lamb, pork and meats of all kinds, whether fresh, salted, pickled, dried, smoked, dressed or undressed, bacon, hams, shoulders, lard, lard compounds and substitutes and sausages and sausage meats; (7) buckwheat flour, corn meal, wheat flour, rye flour, oatmeal, rolled oats, all prepared cereal foods, biscuits, wafers and similar articles not sweetened; (8) timber, hewn, sided or squared, shingles, laths, fencing, posts, sawed boards, planks, deals and other lumber, rough or dressed, except of mahogany, rosewood and the like; and (10) salt, whether in bulk or bags, sacks, barrels or other packages.

It will be observed from the summary given above that the articles placed on the free list in groups one, two, three and five were especially beneficial to the farmers, while they would have shared with the general public in the benefits which would have accrued from placing the articles in all the other groups on the free list. Broadly stated, two principal and praiseworthy objects were sought to be accomplished by the bill: First, to take from the protected list and consequently reduce the price of the implements chiefly used by the farmers in growing and harvesting their crops; and, second, to reduce the cost of living to all the people, including, of course, the farmers, by placing food products and necessities such as boots and shoes, harness and lumber on the free list.

I favored the house bill as above outlined. The vote on it in the senate resulted in a tie, however, and the bill in this form consequently failed to pass. This action was then reconsidered, and the bill passed after the adoption of two amendments by the senate. These amendments, in effect, provided: The first, that meats of all descriptions and the other articles of food listed in group six above, and flour and the other food articles listed in group seven above should be admitted free only from those countries with which we had reciprocal trade agreements, and which admitted free to their markets our cotton, wheats, oats, horses, cattle and hogs; and the second, that Roman, Portland and hydraulic cement and lime should be admitted free. The house accepted the bill as thus amended by the senate. While the scope of the provisions of the house bill covering food products was somewhat narrowed by the senate amendments, yet as finally passed the bill provided substantially the relief originally designed.

The president vetoed this bill, and thus denied to the people the relief which it would have afforded, and his action enured to the benefit of the bagging trust, the meat trust and other combinations having for their purpose the maintenance of high and often extortionate prices. The principal reason given by the president for his veto of this measure of relief to the public was that the so-called tariff board had not reported. There is in fact and in law no such thing as a tariff board, for the congress expressly refused to create one. The president is authorized to appoint persons (and has done so) to advise him in the execution of the maximum and minimum clauses of the Payne-Aldrich law, but he is not empowered to appoint a tariff board. Further still, this reason of the president for vetoing the free list bill is an after-

thought contrived in the interest of existing high protective duties, and in defiance of the express declaration in his message of January 26, 1911, on the Canadian reciprocity agreement that "action on the agreement submitted will not interfere with such revision of our own tariff on imports from all countries as congress may decide to adopt." Indicating thus in January that there would be no objection to such a tariff revision as congress might decide to adopt, the president in August, seven months afterwards, vetoed this bill upon the ground that his private advisers, with whom congress has absolutely nothing to do, and who do not report to congress, misnamed the tariff board, had not yet reported.

This free list bill was passed by the democratic house of representatives and was supported by practically all the democrats in the senate. This in itself would have strongly appealed to me, but as an original proposition I favored the measure. Among other items in the bill were free bagging and ties, for which I made a special contention in the tariff debate of 1909, though unsuccessful. Let me give you briefly, in addition to what I have already said, some further considerations which influenced me to support the bill and place the articles on the free list. Tariff duties, even for revenue only, are not sacred or inviolable with me. Such duties levy indirect taxes—that is, taxes on consumption, which entirely disregard equality of taxation and the benefits of government. Under that system of taxation the ordinary man, paying upon what he consumes, upon what he eats and wears and uses, with his comparatively small need of governmental protection, pays as much in taxes as the man of wealth, with his thousands worth of property and his multiplied needs of protection for it by the government. In the main the vast fortunes of corporations wholly escape such taxation. Of the hundreds of millions of dollars which are collected in taxes each year at the custom houses the poor and the middle classes necessarily bear the burden in what they eat and wear and use. Tariff taxation curtails or destroys the advantage of buying in the cheapest and selling in the dearest markets of the world. This indirect taxation, moreover, hoards money in the treasury and is directly responsible for much of the inexcusable and profligate expenditures on the part of the federal government, expenditures which would not be tolerated if the people were not unconscious of the tax burden they are bearing. When, therefore, it was proposed to cheapen agricultural implements, bagging and twine, wire for fencing and baling, boots and shoes, harness, saddles and saddlery, lumber for homes, meats, flour, meal and cereals, by taking off the taxes, I did not hesitate to support the measure, for to me it is the democratic doctrine of untaxed necessities of life. Nor was I deterred by the suggestion that the federal revenue and income would thereby be decreased. Federal expenditures are already excessive, and they should be promptly and materially reduced. The property and wealth of the land which is responsible for the expensive machinery of government to protect and safeguard it, not the food and clothing and homes and other necessities, should, through corporation and income taxes, meet any deficit which would result from such enactments as this. Very truly yours,

C. A. CULBERSON.

HOT RIVALRY

Funny men in the newspaper offices are being subjected to heated rivalry these days on the part of the newspaper correspondence and trust bulletins relating to John-D. Rockefeller's "retirement from power" in the Standard Oil company. According to these sources of information, Mr. Rockefeller has "terminated his career as head of the Standard Oil company." John D. Archbold becomes president of the New Jersey Oil company and will control its destiny.

It is all very funny—just about as funny as the claim that the Standard Oil and Tobacco decisions were, in effect, hostile to the trust system.

"SCRAMBLED EGGS"

Mr. Morgan says that it is impossible to "unscramble eggs," but that does not justify a man in eating more eggs than he needs. Scrambled eggs can be divided. Why not compel the Steel trust to sell off enough plants to restore competition.