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A REVENUE TARIFF VS. PROTECTION

Both Mr. Taft and Mr. Roosevelt are attempting to raise a false issue, and of the two Mr. Roosevelt, because of the intensity of his nature, is the more misleading.

Instead of discussing the real issue, namely, a revenue tariff vs. a protective tariff, they would have the voters believe that absolute free trade is the only alternative to a protective tariff.

There is no party in this country advocating free trade, and this is well known by those who profess to view any reduction of the tariff as the beginning of a free trade policy. It is worth while, therefore, to present the real issue and to challenge the republicans, both standpatters and progressives, to meet that issue.

A twenty-five per cent duty on a given article gives protection, to that extent, to those who manufacture a competing article, whether the twenty-five per cent is collected for protection or for revenue, but it makes a great deal of difference to the public whether the duty is fixed for the purpose of raising a revenue or for the purpose of giving protection, and the difference may be stated in this way:

A revenue tariff is levied for the purpose of collecting revenue; it is so laid as to raise a revenue, and those who levy the tax for revenue purposes stop when the necessary revenue is secured. A protective tariff, on the other hand, is levied primarily for protection, the revenue being incidental; it may be so levied as to lay a heavy burden upon the people without raising any revenue at all; and those who levy taxes for the purpose of protection never know when to stop.

The democratic platform demands a reduction in the tariff. It clearly sets forth the party's position when it says: "We declare it to be a fundamental principle of the democratic party that the federal government, under the constitution, has no right or power to impose or collect tariff duties except for the purpose of revenue." The party makes its "appeal to the American people to support us in our demand for a tariff for revenue only."

But this return from a false economic system to a correct one is not to be sudden or abrupt. The platform says: "We recognize that our system of tariff taxation is intimately connected with the business of the country, and we favor the ultimate attainment of the principles we advocate by legislation that will not injure or destroy legitimate industry." There is to be a RETURN, and the end in view is frankly stated, but the progress toward that end is to be gradual, because industry, relying upon the promises held out by an evil system, has tried to adjust itself to that system.

The democratic platform not only states the ultimate purpose and puts limitations upon the speed to be employed in the accomplishment of that purpose, but it specifically states the order in which reductions should be made. First, material reductions should be made speedily in the tariff on the necessities of life. Second, articles entering into competition with trust controlled articles should be put upon the free list, and to the free list also should be added the articles which are sold abroad more cheaply than at home.

Here are three propositions which candor compels our opponents to meet and yet they do not meet them. Will they deny that the first reduction should be made on the necessities of life? If so, will they meet the issue boldly and explain to an overburdened people why the present extortionate rates should be collected upon the things the masses must use?

What objection will the republicans make to the use of the free list as a means of protecting the people from the exactions of the trusts? It used to be insisted that competition at home would give the people the benefit of low prices, no matter how high the tariff might be; but suppose the manufacturers, hiding behind the tariff wall, combine to take from the people

the highest toll possible—is there to be no relief? Must the people endure it without complaint?

And what about American goods sold abroad more cheaply than at home? Is there any excuse for a tariff on such goods? If an American manufacturer can ship goods across the ocean and, after paying freight, compete with foreign goods in foreign lands, is there any excuse for a tariff, even upon the theory of the protectionist? And can the American manufacturer consistently ask for a tariff when he uses it to force a higher price from Americans than he asks from foreigners?

I have stated the democratic position; if the republicans can not meet this position, let them confess it. It is not honest for them to ignore our party's position and spend their time fighting a man of straw.

The democrats, in as plain language as can be commanded, condemn the tariff system as it now exists and outline the tariff system as it should be, while the republicans not only refuse to discuss the democratic position as it really is, but they even refuse to discuss the present tariff situation.

Both Mr. Taft and Mr. Roosevelt cling to the protective system and the language which they employ is the same that has been employed by the defenders of that system for half a generation.

When the protective system was first established, it was defended on the theory that it was a national necessity; that we should encourage infant industries until they got upon their feet, or until they had time to demonstrate their ability to maintain themselves. It was admitted in the early days by the most ardent champions of the system that protection should not be continued if, after a sufficient trial, it was found that the industry could not, when established, maintain itself in the face of open competition with the world.

This was protection when it was first introduced and when its original appeal was made to the patriotism of the country. But that was long ago, and we hear nothing more of that kind of protection or protection based upon that theory.

Before the war, the fallacy of protective arguments was shown up and the system was overthrown. The revenue tariff adopted in the '40s worked so well that the first republican national platform—the platform of 1856—never mentioned protection as a matter worthy of consideration, and the renewal of a high tariff in 1861 was advocated, not upon the theory of protection, but on the ground that more revenue was necessary to carry on the war.

Protection, as we now have it, is an entirely different sort of protection; it is a protection based upon the theory that it is profitable to tax ourselves permanently to produce at a high price that which we can purchase abroad at a lower price. The weakness of this argument, as an economic proposition, has never been better illustrated than by Bastiat, who has the manufacturers of candles petitioning for legislation against the sun, on the ground that the sun furnishes light more cheaply than man can produce it.

Of course, the advocates of protection do not dare ask more than "the difference between the cost of production here and abroad." That is, they do not dare to ASK more, and yet the insincerity of their plea is shown by the fact that they are not content with such a tariff. Investigation shows, for instance, that in the case of most of our cotton manufactures the cost of production is less in this country than abroad, and that a very low rate on cotton goods would more than cover any possible difference there may be, where there is any difference at all, in favor of the foreigner. No prominent advocate of protection for protection's sake, however, is willing to have the law made according to the theory which the protectionist advances. The

theory is advanced in terms as plausible as can be framed, but the protection asked is far more than that. If the leaders of the republican party were sincere in their desire to give the people such reductions as are possible, according to their theory, they would long ago have investigated the matter of cost and then framed their laws to meet the facts as they were found to exist; but instead of that they have shunned information; they have prevented any fair investigation, and even where a one-sided investigation has proven the possibility of large reductions, they have refused to make them.

The public knows better now than ever before that the protective system, however honestly believed in by the rank and file of the republican party, has been employed by the republican leaders as a means of collecting large campaign contributions, and that, in return for these contributions, the manufacturers have been permitted to collect enormous tribute from the public.

The protective system has been the most corrupting force in American politics; it has led to the subsidizing of newspapers and to the cultivation of a public opinion that has put a price upon suffrage. The advocates of protection have unblushingly insisted that those interested in a protected industry should use their ballots, not to advance the interests of the country, but to enlarge their incomes. If a farmer produced anything upon which a tariff was laid, he was assured that the price of his product was enhanced to the extent of the tariff, and that to secure or retain this increase he should vote the republican ticket, regardless of the effect of republican policies on the country.

The laboring man was informed that his wages were perceptibly increased by a protective tariff, and that this increase should be accurately computed by him and should be accepted as a liquidated sum given him in return for his support of the republican ticket.

Manufacturing communities were assured that they had a pecuniary interest in the election of republican presidents, congressmen and senators. In fact, the country was put upon a commercial basis and each voter was tagged with a card plainly showing the exact price for which he sold his vote to the republican party. It was not, however, a one-price store, for the price ranged all the way from millions given the larger manufacturers to the few dollars which the employe was supposed to receive as his share.

And while the farmer and laboring man were being told that they received MORE for their product because of the tariff, they were being promised that they could secure what they had to buy at a LOWER price because of the tariff. In other words, the tariff was offered to the farmer and laboring man as a system which would raise the price of what they had to sell and lower the price of what they had to buy, and the manufacturer was represented as a benevolent person who contributed large sums to secure legislation which made him pay more for what he had to buy and then reduced the price of what he had to sell.

No sleight of hand performer ever performed more mysterious tricks with his hands than protectionists have performed with words, but the reign of deception has reached an end. The juggling and the jugglers have been exposed and an indignant people are girding themselves for a great task. They are preparing to take the government out of the hands of those who have used it as a private asset in business; they are ready to restore control of the government to the people to whom the government belongs.

Our tariff laws are no longer to be written by the few who have been the beneficiaries of protection, but by the many who have been the victim of high tariff rates, and, with the driving of the exploiters and their lobbyists from the halls of congress, the country will have a new birth of political freedom. Patriotism will again