

the country, secretary of the treasury, and Cortelyou promptly dumped into Wall street \$25,000,000 of the government's money.

Morgan appeared in Wall street with his and the treasury's millions, stopped the panic and was acclaimed hysterically by Tories and fools as a savior and a benefactor.

All these truths the North American told from each dark day to day during all the deviltry of that needless distress to every honest American business man. Earnest as was our support of Roosevelt's policies and patriotic achievements, our readers must recall that our criticism of him at that time was unsparing in our declarations that with the purest purposes he was being "gold-bricked" and deluded to his own and the country's hurt by unscrupulous conspirators.

We believe that the North American was virtually alone in showing with daily persistence that it was an artificial panic and that national prosperity was being wrecked in cold blood for the exclusive gain of two Wall street groups.

We retell history today simply to cite the latest proofs of a crime that resulted in disaster to life, character and honest property—proof provided in the sworn testimony of John W. Gates, of the Tennessee Coal and Iron company; Oakleigh Thorne, president of the Trust company of America, and Justice Gerard, of the supreme court of New York, former director of the Knickerbocker trust.—Philadelphia North American (rep.)

#### A BIT OF CANADIAN HISTORY

Mr. Bryan has received in a private letter a bit of Canadian history which will be decidedly interesting to Commoner readers. Following is the letter:

"I noted with interest the strictures you had recently made upon the vetoes which President Taft had given upon several measures which had received the approval of the people's representatives in congress, and to the comparison you made between his acts and those of monarchs and other supposedly (more or less) absolute rulers.

"In this last connection, I remember a bit of history enacted in Canada, which goes to prove the correctness of your views, while at the same time I can see that there is a difference between the acts which will be tolerated by a freedom loving people, when they are the acts of an elected representative, and of similar acts done by one who is not an elected representative.

"However, when Lord Lorne was governor-general of the Dominion of Canada, the lieutenant-governor of the province of Quebec refused to recognize the ministry of his province, as he claimed they had acted in an underhanded manner towards him. For this, the dominion ministry demanded his dismissal from office (they were on the same side of politics as those whom the lieutenant-governor had refused longer to deal with) but Lord Lorne refused to concur in the dismissal of the lieutenant-governor. The matter was referred naturally, to the British government (on that part of it having to do with colonial affairs) and the British government decided that the governor general would have to act upon the advice of his 'responsible' (the people) ministry.

"This, of course, makes of the king or governor general merely a registrar of the wishes of those in power, or in other words of the popular representatives.

"The system, as you will see, differs from ours, and simply amounts to this, that the peoples having representative government other than the republican form, tolerate their kings, etc., so long as they do not interfere with the will of the people, or of the majority of those who for the time being represent them.

"Whether Lord Lorne could have forced an appeal to the electors of Canada, to find out whether the proposed act of the dominion ministry was in accordance with the people's wishes, I do not know, but all recent British governments have been rather careful to avoid the raising of questions affecting directly the power of the king or his representatives (which the governor-generals are supposed to be, although they are in fact appointed by the ministry which is for the time being in office in Britain.)

"That one man, like President Taft, should be able to defeat the wishes of the representatives of the people, unless the majority is very large in their favor, is rather an anomaly, and not warranted by the brains or character usually shown by the men in his position, but it is part of the system established by the fathers, and which perhaps naturally assumed some 'tone' of the aristocratic form from which they were separating themselves.

"The idea that a president must necessarily

## How the Tariff Increases Prices

Don't you believe it if any republican or bull moose orator tells you that the price of what you buy, of the articles that you consume, is not increased because of the tariff. In the first place, that is exactly why a tariff is levied, so that you will be compelled to pay a larger sum to the manufacturer for what he sells to you. If it did not do so there would be no reason or excuse for levying a tariff. In the second place that is exactly what it does do, and that is why the numerous gentlemen who benefit by a tariff are so very, very anxious to retain this special privilege.

The proof of this is easily furnished. Take a common article like the cotton bedspread that retails at \$2. Just as good an article was furnished before the Dingley and Payne-Aldrich tariffs were enacted for about half the price. When Mr. Dingley came to make his tariff he put a 25 per cent tariff on these spreads. This assured the American market for the American manufacturer, and he increased his price at the mills to take up the increase in tariff. Now adding to the price at the mills means that the jobber and the retailer will pass along to the buyer all of the mill increase and more. Just how much more it is easy to figure out if a bedspread of a specific value is taken. Fortunately, the tariff board created by Mr. Taft has done this for us.

A trade custom apparently immovable as any of the celebrated laws of the Medes and the Persians is that of jumping prices in retail merchandising according to a set formula. The most common retail prices for different kinds of cotton cloth are 5, 7 1-2, 8 1-3, 10, 12 1-2, 15, 19, 25, 29, 39, 65 and 75 cents a yard. Deviations from these prices occur, but only in the case of a special sale or by way of some other exception, these prices being the rule. All retail prices, of course, are based on wholesale, and while these latter follow the mill prices up and

down by cents or parts of a cent, the retail price, based thereon, does not. When it moves up or down it follows the fixed price formula, which, it will be observed, leaps as high as 20 cents a yard from one classification to another as the cost goes up.

For purposes of illustration follow the fortunes of cotton bedspread No. 7, as given in the tariff board's report. This was taxed 25 per cent under the Dingley law, and from 1899 to 1902, the mill price was 67 1-2 cents, the jobber sold it for 75 cents, and the retailer was content with \$1.00. Later the mill man boosted the price to 90 cents, partly because of the increase in raw material, but largely because there was little competition from abroad. The jobber, who paid but 22 1-2 cents more, added 35 cents to his price, making it \$1.10 to the retailer. The latter added 50 cents to his old price and charged the customer \$1.50. Then came the Payne-Aldrich tariff law and placed a 45 per cent tariff on this bedspread, instead of 25 per cent. The manufacturer then put his figure at \$1.00, the jobber advanced his to \$1.25, and the retailer to \$2.

Thus, you see, the addition of 20 per cent to the tariff, or 18 cents, led to an increase in the retail price of 50 cents. This was due to the fixed price formula, which, in the case of this bedspread, called for a retail price of \$1.00 when the wholesale price was 75 cents, to \$1.50 when the jobbing price rose to \$1.00 and to \$2.00 when the jobber asked \$1.25. Sometimes the custom of charging set retail prices results in as sharp drops in price to the consumer, following small reductions in mill and jobbing prices, but, just as wages are slow to increase as the cost of what labor buys goes up, retail prices are slow to follow downward reductions, whereas they invariably follow advances.

This same principle runs through the prices of all cotton cloths and goods. C. Q. D.

be a man of more commanding intellect and high character than, say, a member of congress, seems to be ingrained, although when we examine it with any care, it would perhaps be hard to prove."

#### MR. BRYAN IN MINNESOTA

Special to the Minneapolis Journal: "Mr. Roosevelt did not come into the progressive vineyard at the eleventh hour," said William J. Bryan from the platform of his special train crossing Minnesota. "He came in at a quarter to twelve and then made affidavit that there was nobody in the vineyard when he got there and he demanded all the pay. He entered cautiously and then called out, 'Come out, boys, it's safe here.'"

"If you don't like Mr. Taft remember Mr. Roosevelt gave him to us. He is the Santa Claus who put Taft in our stocking and I have reason to believe he knew then that his toy walked backward. He had Mr. Taft under his tutelage and for several years kept him busy studying his book of tricks. Mr. Taft was not only weighed in the balance and found wanting but he broke the scales in the operation. It is the first case in history of a man being elected to the presidency by a popular majority and retired by unanimous consent. We read in our Caesar that all Gaul is divided into three parts; that was before they heard of Mr. Roosevelt whose gall is undivided."

P. M. Ringdal spoke briefly at each stop preceding Mr. Bryan and stating his position in favor of the initiative and referendum as the means to restore power to the hands of the people and break up monopolies.

Mr. Bryan is challenging Theodore Roosevelt's claims to the support of Minnesota voters in his addresses. In nearly each speech he attacks Mr. Roosevelt for effrontery in assuming to lead the progressive cause. He pillories George W. Perkins, the Roosevelt backer, as a trust manate seeking to save his possessions.

"Colonel Roosevelt says Mr. Perkins is interested in the campaign for the sake of his children," said Mr. Bryan at Staples. "He is interested because his children will inherit watered stock. There was \$700,000,000 of this stock floated while Roosevelt was president and laid as a burden on the American people. Perkins wants Roosevelt at Washington to watch out for that watered stock. I want to give you

a watchword for this campaign. 'Not Perkins' children, but my children.'"

Before noon Mr. Bryan had spoken to fully 6,000 people, mostly voters in different towns, even though a drizzling rain fell. Many farmers' wagons lined the streets. He urged support of all democratic candidates and praised Woodrow Wilson, calling especial attention to the fact that Wilson is pledged to a single term so he will not be guided by expediency if elected to the presidency.

"We have not had an opportunity to discuss the open letter addressed to us by Patriot No. 1, alias George W. Perkins. Mr. Perkins' letter indicates that he is either an ignoramus or a knave—an ignoramus if he does not understand the democratic position, a knave if he wilfully misrepresents the party position. He says that Mr. Taft has followed the democratic policy on the trust question in the so-called dissolution of the oil trust and the tobacco trust. Surely Mr. Perkins is not stupid enough to really believe that the farcical conclusion of the suits against the oil and tobacco trusts were in line with the policies advocated by the democrats.

"Mr. Taft dissolved the trust without changing their ownership, which is not dissolution at all. There was no restoration of competition, there was no restraint upon the trust and no benefit was conferred upon the people. If we enforced the law against horse stealing in the way that Mr. Taft enforced the law against those trusts, instead of taking the horse away from the thief and putting the thief in the penitentiary, we would let him keep the horse, give him another so he would have a team, and then send him away with a certificate of character and a 'God bless you.'

"Even Mr. Roosevelt ought to know more than Mr. Perkins seems to know on this subject. The democratic position for twelve years has been to make it impossible for a private monopoly to exist.

"Mr. Perkins is scared. He knows that there is so much water in the stocks that he holds that he would be drowned if he were in the court room when the water was squeezed out. There is not a trust magnate in the country who has employed more methods than Mr. Perkins. He is experienced in every trust sin. There are two degrees of crime, the crime of the amateur, who is ashamed of it, and the crime of the veteran, who is proud of it. Mr. Perkins is a veteran!"