

The Democratic Tariff Bill

Secretary of Commerce Redfield has written for the Wichita (Kan.) Beacon the following interesting article concerning the democratic tariff bill:

The plain people—the average man—will be benefited by the Underwood tariff bill by the removal of taxation from the ordinary articles of food and use.

I have always felt that the republican party took too serious a view of the Canadian hen. I have no doubt she is a very efficient bird, but I have never been willing to admit so great a superiority for the Canadian hen over the American hen as to require that the product of the former be taxed to protect the latter.

I have never seen any tables to show that the Canadian hen laid so many more eggs a day as to make the American hen afraid of her.

Yet for some unexplained reason, we have carried a duty on eggs for many years, as though there was something portentous about the egg-laying abilities of the hen across the border. Now that duty is cut from 6 cents to 2 cents, and although that does not mean a great earthquake of prosperity all at once at least removes a tax from a very common article of food.

That does not mean that our markets will be flooded with Canadian eggs, for the simple reason that the eggs are not there to do the flooding. It will not affect the farmer at all, but it may affect favorably the retail price of eggs in the great centers of population. And so with other food products made free or reduced.

On the other hand, the farmer is particularly benefited by the putting on the free list of many articles of manufacture which he has to use. These articles are selling in large quantities abroad, so there is no longer any excuse for taxing the American consumer to protect the concerns that make them.

So far as the removal of the tax can directly reduce the price, the farmer should be benefited thereby. In fact, the feature of the bill—if one may distinguish one feature from another—is the large addition to the free list of articles of common consumption by all people.

A few of the more prominent are agricultural implements, bagging, binding twine, typewriters, sewing machines, machines for construction and maintenance of roads, coal, fertilizer, hoop iron, nails, spikes and staples, horse and ox shoes, oils, rails, barbed wire, wire fencing, and in general the articles of commonest use.

So far, therefore, as the removal of unnecessary tariff taxes can affect the retail prices of ordinary commodities, the bill is a step in the direction of reducing the cost of living.

I say a step, because there are a great many factors in the cost of living which the tariff bill does not touch and is not intended to touch.

For example, one of the gratest elements in the cost of living, and one which bears most heavily on the producers, is the cost of distribution. A barrel of potatoes may cost the consumer several times what the farmer gets for it merely because of the cost of distribution, which is often much more serious than the tariff rate. It is said to cost a quarter of a cent to transport a pound of coffee from Rio Janeiro to New York, while it costs 2 cents to take it from the retail grocer to the house nearby.

The tariff bill can not touch, and is not expected to touch, this particular excessive element of cost.

Furthermore, everybody knows that in railroad transportation the waste at terminals is several times greater than the cost of hauling the freight. We still continue to handle our package freight box by box in the old fashioned way, one at a time, so that out of every dollar we pay for freight, more than half is because of medieval handling methods and not for transportation itself.

In the same way, perhaps the most serious single element of tax on the community is that made by bad roads. It frequently costs a farmer a dollar a ton-mile to get his goods from the farm to the railroad station, because the roads are bad, but from the station to the city where they are sold it costs but three-fourths of a cent a ton-mile.

I mention these things to show that the tariff bill is no cure-all. It is a step towards removing obstacles which prevent the freer exchange of products of the farm, the mill and the mine, but no intelligent man expects it to be more than a step.

What, then, is the principal benefit arising from the tariff bill? To my thinking it is a

moral and a mental benefit. It will prevent, because it promotes competition, the taking of our people into the power of great combinations, or of great business enterprises, whether or not they are combinations. It opens the door sufficiently wide to give a man a chance to buy of somebody at a fair price, and it prohibits American industries charging an unfair price. It does away with the existence of a favored class of producers who have special privileges at the hands of the state which the rest of us do not have.

We would look with amusement—or wrath, according to our state of mind—on legislation to provide incomes for doctors or fees for lawyers! We have never got to the point where we thought it a proper subject of legislation to provide work for plumbers or carpenters, but there has been a group among us for whom it has been thought proper that the government should provide profits; we have had an arrangement whereby certain manufacturers should be taken care of so that they could do business advantageously to themselves.

This was on the theory that they would divide with their workmen, but the workmen tell another story about that division. Everybody who thinks, knows that the talk of the tariff making wages high is a joke. Perhaps it is more just to say it is a tragedy.

The fact is that the great worsted industry, for example, with its enormous protection, running up, in cases, to more than 100 per cent, has been paying very low wages (while other industries, with far less protection, have been paying higher wages).

I have seen the products of American factories—shops where wages were good and tariff duties comparatively low—sold all over the world, but the history of the wool and worsted industry has been to cry ever for more and more duty and ever to keep the wages and the workers down.

Every sensible man can see this simple thing, namely, that when we are selling many forms of manufactured goods abroad at the rate of \$5,000,000 every working day (as we are) it is a little bit hard to argue that we need protection against the people with whom we are thus competing on their own ground. It strikes me as a good deal of a sham for anyone to claim that when we are meeting competition in other lands we can't take care of ourselves at home.

When we can sell steel abroad at the rate of \$1,000,000 a day as we are doing, why do we need a duty on the products of the steel mill? When the Argentine farmer buys American wire cheaper or better than he can get it from England or Germany, why should the American farmer pay a higher price because of a duty to protect the American maker of that wire?

The core of the whole thing comes to this: We want to get back our industrial self-respect. We have been trained in a school of industrial cowardice. We have been educated to a belief—many of us—in our own inability to do things as they ought to be done; that for some reason we are weaker than the rest of the world and have to have a wall built around us, to shut us in, and the effect has been debauching morally. We have almost come to believe that the government existed in large part to see that we did well in business.

CALLING A BLUFF

E. P. Ripley, president of the Santa Fe Railroad company, is another eminent patriot who is highly incensed by the promise of the Wilson administration to investigate wage reductions in protected industries which are ascribed to tariff reductions.

"The investigation of wages is not the government's business," says Mr. Ripley. "The question of the relation of the employer to the employee is one that must be settled among themselves."

We assume that Mr. Ripley excepts all those cases in which the railroads are concerned, either in the matter of raising rates or in preventing a strike. Then the investigation of wages is decidedly the government's business, and nobody is more insistent on that point than the railroads.

In the midst of all the clamor that has been raised by protected industry and its allies over the Underwood and Redfield statements, there is one significant fact that deserves attention. No more threats are made of wage reductions in

case the Underwood bill becomes a law. The chairman of the ways and means committee is assailed, the secretary of commerce is assailed, the president is assailed, the government is pictured as a ruthless despotism about to invade the sanctity of private business, but the calamity-howling about wages has ceased.

The gentlemen who were all going out of business if the government refused longer to support them in the luxury to which they have been accustomed are no longer trying to bulldoze the senate by threatening to compel their employees to make good the subsidy that they now extort from the public as a whole. Their bluff has been called. Even the members of the national association of manufacturers seem to think that there may be some hope for the nation, provided all citizens "who believe in God, in flag and in country" rally against the industrial workers of the world.

Had Mr. Taft four years ago taken up the policy that Mr. Wilson has adopted, and refused to be bulldozed by protected industries and protected politicians, he might still be president of the United States.—New York World.

PEACE PLAN PRAISED

The New York Sun prints the following from its Berne, Switzerland, correspondent: The conference of French and German deputies for the purpose of preventing constant increase of armaments and of bringing the two countries into closer and more friendly relations opened here recently.

The conference adopted a resolution repudiating the excitement produced by the Chauvinists and the culpable speculation in armor on each side of the frontier. The conference pledged itself to incessant activity in dissipating misunderstanding between the two countries. The resolution also thanked the delegates from Alsace-Lorraine for their noble work in facilitating a rapprochement between the two countries in the common work of civilization.

This action was in reference to the vote of the Alsace-Lorraine councils that there should be no cause for war between France and Germany and that every effort should be made to reduce war expenses.

The conference also adopted a resolution to the effect that "this congress warmly supports the proposition of William Jennings Bryan, the American secretary of state, in regard to arbitration, and demands that all conflicts which may arise between France and Germany which can not be regulated by diplomatic measures shall be referred to the arbitration of The Hague tribunal." The resolution declared also that the conference considers that a rapprochement between France and Germany will facilitate an understanding between the two great European groups and will prepare the way for a durable peace.

The congress decided that the present committee shall be made a permanent one. It is to be completed by co-operation in both countries and will meet at certain regular intervals and on special occasions if circumstances require it.

A NEW MAGAZINE

The Commoner is glad to bring to the attention of its readers a new publication to be known as "Pulitzer's Magazine." It will be owned and edited by Walter Pulitzer, son of the late Joseph Pulitzer, who established the first penny newspaper in the United States.

Mr. Pulitzer's magazine is to be a "conservative" paper and, to use his own language, will devote some of its pages, at least, to "raking the muckrakers." This does not, it is true, give a very definite idea of the purpose and scope of the magazine because the phrase "muckraker" is a conclusion rather than a description. When a man is called a muckraker, the phrase is complimentary or otherwise according to the viewpoint of the man who uses the phrase. The ultra-conservative regard all criticism as partaking of the nature of muckraking and view with abhorrence any attack upon existing conditions, however indefensible, or upon those who defend them, however questionable their methods. If Mr. Pulitzer intends to answer such criticism as is unjust and to defend such institutions as are deserving of confidence and support, his magazine will accomplish a useful purpose. If, on the other hand, it is to be a thick and thin exponent of that which IS rather than that which OUGHT TO BE, he will find that the field is already crowded. We shall await the publication; only an examination of the issues of the magazine will enable us to know its trend and thus to judge of its merits.