

who wrote reciprocity in the platform, preached it on the stump, and then killed it in the Senate, well knew what they were about.

The ultra-protectionists now have possession of every branch of the government: they are inside the breastworks, and they are determined to hold the fort. Let the fate of the Kasson treaties show how futile it is to approach them with doffed cap and bending knee, humbly craving the least concession of reciprocity. Let the petition for reciprocity with Canada signed by ten thousand of the leading manufacturers and merchants of New England and recently presented to the Senate, there received with the rebuke of our senior senator and consigned to that tomb of petitions, a senatorial committee, answer still more loudly. Is it not high time to drop this timid, apologetic prayer for protection-reciprocity, and to make a manly demand to the ultimate tribunal, public opinion? But the man that seeks reciprocity must abandon protection.

But real reciprocity is not ended by any means. The industrial condition of the country makes that impossible. Stimulated by the promises of protection, but still more by the energy and brains of our people and our unrivalled natural resources, our manufactures have greatly outgrown the domestic needs, have glutted the home market, in nine months, probably much less, they supply the country for the entire year, and business stagnation and failures must follow unless the surplus products can be marketed abroad. Under the pressure of this situation our exports of manufactured goods have grown four-fold in ten years, and the conviction of the absolute necessity of gaining the world's markets is forced upon our manufacturers and merchants. Hence their growing anxiety to secure these markets, hence their fear of hostile tariffs, hence their eagerness for reciprocity, especially for protection-reciprocity.

In truth, the industrial conditions in the United States today are altogether abnormal. By high protection we are keeping prices above their normal level. By shutting out foreign competition we are aiding the trusts to raise the prices of many things still higher. By tariff taxes upon crude materials, wool, hides, iron, steel, lead, lumber, fibres, ores, coal, chemicals, etc., we are discriminating against our own manufactures in favor of their foreign rivals. Yet we must gain foreign markets for our surplus products to prevent ruinous overproduction and business depression.

Now there are two ways out of this

unnatural and self-conflicting state,—reciprocity and protection-reciprocity. The one is to repeal all restrictive laws, let prices fall to their normal level, and trade take its natural channels. This course we are now well prepared and able to take. Our exports prove that the country has outgrown protection, and no longer needs its support, granting that it ever needed it. It would remove great burdens from the people and from the factories, and would not cost the nation at large a dollar; but tariff-trust prices would fall, some ill-gotten gains would disappear, and sheaves of stock would reach the waste basket. This is free trade. This is reciprocity, if you prefer that word.

The other way is protection-reciprocity. We have already entered upon it, and the trusts and protectionists are determined to make us follow it to the bitter end. It consists in maintaining high prices at home to fill their pockets, and selling the surplus at low prices abroad, which are to be augmented and eked out by rebates, bounties, and subsidies out of the national treasury. How far we have progressed on this road to ruin is hard to measure, but that we have made considerable progress is but too clear.

Every intelligent man knows—indeed, it has become common knowledge—that, under the beneficent rule of protection and trusts, a whole host of our products are being exported and sold abroad at prices far less than those exacted at home. We are the greatest producers of copper, exporting \$40,000,000 worth last year; yet copper sold in London, at \$30 a ton less than in New York. American manufacturers have actually purchased American copper in England, and paid freight on it back across the ocean at less cost than the price exacted by the copper trust at home.

We are the greatest producers of iron and steel, yet American rails and ship plates are sold abroad to the foreign rivals of our railroads and ship-yards at less prices than to our own shops and yards. President Charles M. Schwab, of the great steel trust, boasts to Joseph Lawrence, the English Member of Parliament, that the trust could deliver steel billets in England for \$16.50 a ton; but he charges his American customers \$26.

Ex-Governor and ex-Senator Washburn of Minnesota, a lifelong Republican, one of the founders of the Republican Party, and the leading manufacturer of flour in the United States, declared in a recent interview that "steel rails can be manufactured at about \$16 a ton. Sold as they were two years and a half ago at

\$17.50 a ton, there was a profit of \$1.50 a ton, which is more than the present profit on flour of 10 cents a barrel. Yet such rails are now being sold at \$28 a ton, making it easy to understand with such enormous profits how the steel mills are enabled to pay dividends on shares three-fourths of which are water. And yet with this condition of things we now have a duty of \$7.80 a ton on steel rails. If this is not robbery, I should like to find some stronger word to characterize it."

The bounty on exported leather, in the guise of a rebate on the imported hides of which it is made, enables the foreign manufacturer to purchase American leather 5 to 10 per cent. cheaper than our own manufacturers can buy it. Hon. William B. Rice, one of the leading shoe manufacturers of New England, says of this duty: "As a revenue duty, it is a failure; for the rapidly increasing rebate, together with the costs of collection, will soon absorb the income, and the opportunities and temptations to fraud are numerous. It protects the foreign manufacturer against the American, and nobody else. It encourages the tanner of leather for export to buy foreign hides whenever they can be bought for nearly the same price as the domestic, because he can get his profit in the rebate." This is simply a specimen of the subsidies in the form of rebates and the frauds sure to attend them.

Now we have the Secretary of Agriculture, provided with an appropriation, guaranteeing the exporters of fruit against loss on their ventures, such losses to be paid by the government. He defends this remarkable policy as a means of starting our export trade in this line; but will not the beneficiaries of this form of subsidy claim the right to have it continued as long as they need it, like all the other infant industries?

The ship subsidy, so long and even now dominating the halls of Congress, will form an indirect subsidy on exports if it cheapens freights, as its advocates claim; but if it fail to do so, and the whole of the government bounty be absorbed by the ship-owners, ship-yards, and steel trusts, without any benefit to the people, as its opponents contend, then the demand will surely be made for direct subsidies on exports. Indeed, the farmers' granges of several States have already petitioned Congress for subsidy on their exported products.

The United States is the first great nation which ever signalized its rise to power by giving away a large share of its tangible wealth to foreigners. Rome, Spain, France, Bri-