The Huntingdon Journal.

VOL. 47. HUNTINGDON, PA., MARCH 27, 1872. NO. 13.

THE TARIFF.

SPEECH OF HON. JOHN SCOTT,

OF PENNSYLVANIA,

In the Senate of the U. S., March 15, 1872.

The Senate having under consideration the bill (H. R. No. 173) to repeal the duties on salt—

Mr. SCOTT said:

Mr. PRESIDENT: Having presented an amendment putting tea and coffee on the free list, which, as the honorable Senator from Ohio, the chairman of the Finance Committee states, presents the turning-point to be decided upon the bill now before the Senate, I claim indulgence while I submit the views which prompt me to offer that amendment and ask its adoption.

The exhibit of our national finances made by the Secretary of the Treasury demonstrates that unless the current of business is disturbed by some unforeseen cause we can in the next fiscal year pay $50,000,000 toward the extinction of our national debt, and reduce taxation to an amount ranging between thirty-six and fifty million dollars. To be more exact upon this subject, let me submit a few figures. In the Secretary's annual report the receipts are estimated for the fiscal year ending June 30, 1873, at $359,000,000. The extraordinary increase of imports has warranted an addition to the estimate of receipts from customs of at least $6,000,000. Let me state at this point the exact increase over the estimate of the customs to show that there is very little danger to be apprehended of the deficit of which warning has been given in the House of Representatives, and which has been so satisfactorily met by the chairman of the Committee on Finance.

The Secretary of the Treasury, in his estimates for the year ending June 30, 1872, placed the receipts from customs at $175,000,000. For the eight months that have passed of that fiscal year, the receipts, according to a table furnished by the Commissioner of Customs, are $145,453,170, making a monthly average of $18,181,000. If that average be maintained during the year, the receipts from customs, instead of $175,000,000, as estimated, will be $218,279,000, or an excess of $43,000,000 over the estimate.

The expenditures, including $50,000,000 to be paid to the sinking fund and upon the national debt, are estimated at $323,025,773.99, which would make the excess of receipts over expenditures $42,974,226 01. I have added, however, only $6,000,000 to the excess for customs. The chairman has added, if I recollect his figures aright, $12,000,000 to the estimate of the Secretary of the Treasury.

Mr. SHERMAN. Fourteen millions.

Mr. SCOTT. He has added $14,000,000, which would be $8,000,000 over the estimate I have made. These $8,000,000 added would make an excess of $50,074,000. I think the estimate of the chairman of the committee is certainly not excessive in view of the experience of the current year.

The question presented, then, is in what manner is this reduction of $50,000,000 to be made? In looking at that, the recommendations of the head of our finances are certainly first entitled to our consideration and respect. What are they? First he says:

"In the suggestions I have the honor to make in reference to the reduction of taxes, I keep in view two important facts: first, that the ability of the nation to pay at least $50,000,000 annually of the principal of the public debt shall not be impaired; and secondly, in the change of the revenue system, no violence shall be done to the business interests of the country."

He proceeds:

"It is practicable to dispense with all revenue from internal sources, except that derived from stamps, spirits, tobacco, and malt liquors. These sources should furnish for the year 1872–73 a revenue of about $110,000,000, making a reduction of taxes of $16,000,000."

Showing, then, an estimate of customs which would authorize a reduction of $20,000,000 more, making in all $36,000,000, and which, under the increased receipts from customs, will be safely placed at $50,000,000. He proceeds to "recommend to the consideration of Congress the reduction of the duties on salt to the extent of fifty per cent., the duty on bituminous coal to fifty cents a ton, the reduction of the duty on raw hides and skins, and the removal of all duties from a large class of articles produced in other countries which enter into the arts and manufactures of this country and which are not produced in the United States, and the revenue from which is inconsiderable." He further states:

"The removal of duties from a large class of articles used in manufactures, and the reduction of the duties upon coal, furnish an opportunity for a moderate decrease of the rates of duties upon those products, whose cost will be diminished by these changes While nothing as the consequence of legislation could be more disastrous to the public prosperity than a policy which should destroy or seriously disturb the manufacturing interests of the country, it is still possible, by wise and moderate changes, adapted to the condition of business and labor, to reduce the rates of duties with benefit to every class of people."

We here have the Secretary's policy, which may be summarized thus:

1. The abolition of all internal taxes but those on stamps, spirits, malt liquors, and tobacco.
2. A reduction of duties on coal, salt, raw hides and skins.
3. An enlargement of the free list to embrace raw materials not produced in the United States.
4. A moderate decrease of duties on products whose cost will be diminished by these changes.

The first three of these recommendations are specific or so nearly so as to leave little room for diversity of opinion in their application. The fourth leaves room for some difference of opinion in its application.

Let us see how much of the proposed reduction will be effected by carrying out the specific recommendations: first, internal taxes $16,000,000; second, coal reduced to fifty cents per ton would cause a reduction of $322,882; third, salt as reduced by the bill will make a reduction of $558,050 08; fourth, raw hides and skins at the rate reported would make a reduction of $671.589 09; fifth, the free list $3,137,030 87.

There have been a few changes made by the committee since I made these estimates, which perhaps vary the amount on the free list to some small extent. These estimates are based upon the imports for the year ending June 30, 1871, and they make an aggregate reduction of $20,719,552 04. Now, the bill reported by the committee proposes to reduce duties, in addition to those specifically recommended by the Secretary, on the following articles, namely: by section one, on tea, coffee, rice, potatoes, lumber, and furniture, fruit and ornamental trees, garden seeds, lead, ginger, twine, hemp-yarn, roots, cocoa, and iron-wire cloth; by section two, ten per cent. of the existing duties is taken off the articles therein named, being chiefly textile and metallic productions, aggregating a reduction of $8,274,716 51, as estimated upon the basis of the imports for the year ending June 30, 1871. The whole reduction of duties, as proposed by the bill, is $22,507,353 26. If to these you add the proposed reduction of internal taxes, amounting to $16,000,000, the total reduction will be $38,507,353 26. Take the whole proposed reduction of duties, $22,507,353 26, and deduct from it the proposed free list, $3,137,030 87, the proposed reduction on tea and coffee, $7,646,588 29, and $11,723,734 10 will be what is proposed to be taken from the present duties upon articles produced in our own country. This takes nearly one-fourth of the proposed reduction from duties on articles which come in competition with the industries of our own people, and, as will be observed by examining the articles enumerated in sections one and two, they are not largely made up of those which would come within the recommendations of the Secretary of the Treasury, namely, those whose cost of production would decrease by the reduction of duty upon coal and raw materials. These modifications affect alike the manufacturer, the agriculturist, the miner, and all dependent upon them. Coal, salt, rice, potatoes, hides, lumber, furniture, lead, iron, cotton, wool, fruit trees, garden seeds, &c., all come in for reduction.

Agreeing with the purpose of the Committee on Finances to pay $50,000,000 annually of the debt, and at the same time reduce taxes and duties to as large an amount as safety will permit, I feel constrained at this point to differ from the majority of the committee as to the mode adopted in effecting that reduction.

Presuming that the reduction of internal taxes to the amount of $16,000,000 will be added to the bill, (and it may as well go into this bill as into a separate one; we have the power to add it as well as any other amendment), the reduction stops at $38,000,000. Now, instead of reducing duties on tea and coffee, add them to the free list, and you have $12,000,000 more, ($7,000,000 having been computed as reduction, and the whole revenue from them for 1871 being $19,000,000), which, if the other features of the bill stand, would carry the reduction to $50,000,000.

But there are features of the bill which ought not to stand, and there are other internal taxes which we can repeal if we do not permit those features to remain. What are they? Strike out the reduction of duties made by the first and second sections, and, instead thereof, make tea and coffee free, reducing the revenue $19,000,000; permit the free list to stand as proposed, $3,137,030; repeal stamp duties $16,000,000 more, and you have an aggregate of $54,137,030. But in this last proposed reduction, $16,000,000 of internal revenue taxes named by the Secretary of the Treasury, are included $6,500,000 of income tax, which he estimates would remain over uncollected and be received in the fiscal year ending June 30, 1873; and as we can now entertain no hope of relief from that hated incubus, which I trust will never more be renewed, the reduction for that year would be less than $6,500,000, on the Secretary's assumption that it will not all be collected in the current fiscal year, and $6,500,000 will run over into the next. The repeal of these internal taxes it may safely be presumed will reduce the estimated expenditures in collecting them at least $1,500,000. I observe that the chairman put it at $2,500,000 or $2,000,000, and I am below his estimate. This, and the $6,500,000 of income tax, will reduce the $54,137,030 to $46,137.030. If it still be insisted that the Secretary's recommendation as to coal, salt, and hides be adhered to, they make them $1,582,521, and you still have a reduction of $47,719.551, or nearly three million dollars less than I have shown, we may with safety reduce the revenue.

Two modes are thus proposed. The one is first to reduce the duties on tea and coffee about one third of what they are at present; second, reduce the present duties on manufactures, ten per cent.; third, adopt the free list; and fourth, abolish $16,000,000 of internal revenue taxes, which, as I have already shown, would actually be a reduction of only $10,000,000, if the people pay the arrearages of $6.000,000 of income tax. The other mode is to make tea and coffee free, repeal all internal taxes except those on spirits, malt liquors, and tobacco, let the proposed free list remain, and do not otherwise change existing duties.

This substantially brings before the Senate the two views of this question which have been presented by the country; and as the people themselves have sent us their views of it, instead of endeavoring to place them in any new form, I adopt the two forms in which they come before us in the petitions from opposite sources.

In the first place, who are complaining of these duties upon manufactures? Are they our own people to any large degree? The petitions that have been presented against them are principally headed thus:

"Remonstrance of the American Free-Trade League against the repeal of the duties on tea and coffee."

I use the form of one presented by the Senator from Illinois, [Mr. Trumbull,] either at the present or the last session. What do they say?

"To the Senate and House of Representatives of Congress assembled:

"The American Free-Trade League respectfully remonstrate against the repeal of the duties on tea and coffee, and would represent to your honorable bodies that such repeal would deprive the Government of over thirteen million dollars of revenue"—

This was adapted to the previous year; it is now $19,000,000—

"and therefore render difficult the repeal of other far more burdensome duties which yield but little revenue to the Government at a very much heavier cost to the people.

"That the true object of revenue reform is not to repeal duties which are levied for revenue, and under which all the money taken from the people is received by the Government, and contributes to pay those expenses which the people must in some form bear, but to reform the tariff so as to repeal those duties which yield little revenue, and tax the people heavily to support favored monopolies.

"The League respectfully represents that the money which is taken from the people by the duties on tea and coffee is received by the Government, but that the duties on iron, lumber, blankets, coal, salt, take many millions from the people, of which only a very small portion is received by the Treasury, the larger part going as tribute to favored manufacturers."

They proceed to illustrate by examples and figures, and then close with this prayer:

"Your remonstrance would further show that if the duties on carpets, pig and refined iron, thread, common window glass, paint, lumber, blankets, clothing, leather, were repealed, the loss to the revenue would be about the same as the loss occasioned by the repeal of the duties on tea and coffee; but the saving to the people would be in the case of tea and coffee only $13,000,000; whereas the repeal of the duties on pig and refined iron alone would relieve them from a burden of over seventy-five million dollars."

Now I ask attention to this:

"The League, therefore, pray that your honorable bodies will now abolish those duties"—

not reduce them—

"which keep up grievous monopolies, that oppress the people, and violate every principle of right and justice, and leave undisturbed equitable duties, like those upon tea and coffee."

Here it is asserted that the duties upon tea and coffee, which we do not produce, are equitable, while those on carpets, pig and refined iron, thread, common window glass, paint, lumber, blankets, clothing, and leather, all of which we do produce, violate every principle of right and justice.

Thus I have given the Free-Trade League the benefit of its own statement of the case; and before proceeding to a statement of the other side of the question I wish to advert to the fact that it is well understood that this Free-Trade League, although called an American Free-Trade League, is composed principally of the representatives of the manufacturing houses of Great Britain, located in New York, is sustained by their money, and that these petitions come here at their instance.

Mr. MORRILL, of Vermont. And at their expense.

Mr. SCOTT. And at their expense, as suggested by my friend from Vermont.

I now take up a petition which comes from the working people of the country; and, sir, they have come here in large numbers. I have presented them, I believe without exception, every morning of the session since the holidays in regular course as they came by mail. They say:

"The undersigned, workers in ——, and citizens of ——, in the state of ——, respectfully remonstrate against a change of the existing tariff laws abating or abolishing duties upon such articles as are successfully produced in this country. We are advised and believe that such action will be urged upon your honorable bodies, by the English capitalists who maintain the Free-Trade League."

Showing that the workingmen of this country understand from whence the call for free trade comes:

"We respectfully pray for the repeal of all duties upon tea, coffee, and such other articles of necessity or comfort as cannot be produced in the United States; and we further pray that as Representatives of the American people, you will take care that duties shall be so adjusted as to encourage and defend every home industry, and to foster the honor and interests of the American laborer."

There are the opposite views presented by foreign capital and American labor, and it is between these two elements that the real contest exists which we are to decide. The former asks you to tax tea and coffee, now necessaries upon every man's table, and to abolish the duties upon those articles named by them, in the production and manufacture of which American labor is employed at good wages. The latter ask you to relieve them from the tax upon their daily sustenance, and to continue those duties under the operation of which our Government maintained its life in war, and is paying its debt in peace; our people find employment, good wages, and prosperity, and we see the country developing its resources, opening new farms, building new cities, gathering new treasures from the mine, stretching out its iron highways and binding the hitherto widely separated portions of the land by new ties of social and commercial intercourse.

Foreign capital sees plainly that the continuance of our present system for the half of another generation, the permanent establishment of American manufactures, with educated, intelligent labor to conduct them, demanding and receiving, as intelligent workmen will, a fair proportionate dividend of the product of capital and labor, must lead inevitable to one of two results: either that capital in Europe must concede an equal reward to labor there, or that labor will leave and come here. Either result is a triumph for and a blessing to the laborer, and hence the anxiety of European manufacturers to command our markets, to drain us of our capital, and to close our manufactories.

I do not propose to enter into any extended discussion of the theories of political economy, satisfied as I am that the true study to engage in now is that of the facts presented to us by the employer and employed, rather than the speculations of Ricardo, Malthus, Adam Smith, Stuart Mill. If we so legislate as to secure moderate but sure returns to capital, steady employment, adequate pay, a comfortable home, and healthy food to the operative and good schools for his children, to so develop our resources that our own people can enjoy the largest blessings of peace, and other peoples can see that if our rights are disregarded we are so self-reliant in our own supplies of all the essential for national defense and individual comfort that we will never be long unprepared for war; if we accomplish these results, we need not be disturbed as to whether our statutes do or do not conform to the dogmas of those philosophic dreamers, who, in the worship of their own theories, forget their toiling fellow creatures.

Attempt to disguise it as you may, sincere as those may be who advocate the contrary theory, the demand for a reduction of duties is a demand for a diminution of the wages of labor. We must meet it as such. It comes at a time when of all others those now charged with the interests of the American people should ponder well before they take any step to the prejudice of free labor. We are asked to abandon the system that carried us safely through that gigantic struggle which became at last a Titan's contest, over which a witnessing world held its breath as the destiny of millons of laboring men hung upon the result.

Slavery was simplo in its political or economic aspect, saying nothing of its moral or religious bearings, a labor question. Shall capital own or hire labor? Shall labor have a voice in settling its own wages, or shall capital take all that labor earns and give such a living to the toiler as it in its selfishness may see proper? This was really the underlying question of the rebellion. The slaveholders of the South, keeping up what could be maintained of feudal and baronial prestige and privileges in a republican country, by holding large landed estates and numerous slaves upon them, claimed not simply to preserve those privileges which the law had really guarantied to them, but to spread that system over all the Territories, and thus secure to capital the control of labor and its wages throughout the nation. That claim was buried beneath the ruins of the rebellion. It lies under the bodies of thousands of free workingmen of the North, who resisted its impious war upon our Government and sealed a new covenant for the rights of labor with their blood.

That struggle having settled that in this Republic capital should not own labor, the labor question now comes up in another form, and, let it be disguised as it may, its true form when fairly presented is this: will American people employ and send their money to Europe to pay for foreign labor at lower prices, engaged in making products which we can as well produce at home, or will they employ and pay for the labor of our own citizens at the fair compensatory prices which are fixed by the mutual agreement of the intelligent, independent workingman and his employer?

The form in which the free-traders conceal the ugly part of the proposition varies from this, but it covers the same idea. For instance, in the life of Richard Cobden, page 88, it is stated thus:

"The cardinal principles of free trade, as applied to and incorporated in financial legislation, are that taxes, where necessary, should be laid on for pure purposes of revenue alone: that in their remission, in the choice of those to be remitted, the interests of consumers are paramount and alone to be consulted; and that no tax should be levied in the supposed interest of producers, that for two reasons, each one being all sufficient to bear the conclusion common to them both: first, that no protective tax does benefit the producer, and even if it did, he—representing the minority—has no right to enjoy it at the expense of the majority, namely, the consumers."

I do not stop to discuss the announcement that "no protective tax does benefit the producer." I leave that to those revenue reformers who think its whole design is to benefit the producer, and that the result are such as to justify them in calling them hard names, and declaiming against them as "bloated monopolists." Neither do I stop to discuss the other theory that the interests of the producers are to be utterly ignored. But, in passing, I might perhaps appropriately quote the conclusions of a body of business men equal in intelligence and practical knowledge to any voluntary assembly that convenes in this country, that of the National Board of Trade, held in St. Louis, in December, 1871. They resolved, after long debate upon the question—

"That in the revision of the tariff, the cost of production in this country is a proper subject for consideration."

And this, too, notwithstanding one of the eminent advocates of free trade in that body, hailing from New England, had in the discussion seriously complained of the duty on pig iron, alleging that "somebody pays it to somebody else in this country, in order to maintain pig iron wages at two dollars a day." That gentleman had never traveled very much through the regions where pig iron is made, or if he had kept either ears or eyes open he would not have thought it much of a boon to pay those laborers two dollarsper day. They, to quote the language of another free-trade theorist, "can do better."

Having quoted a writer in old England on free trade, let me also quote one in New England. Professor Walker, editor of The Science of Wealth, written in the interest of free trade, page 93, says:

"At present iron cannot be so cheaply and extensively produced in the United States as to exclude the foreign article. Why is this? We answer negatively:

"First, not that we do not know how to make it" * * * * * * * *

"Second, not that we have not sufficient capital" * * * * * * *

"Third, not that we have not the best natural facilities for the manufacture." * * *

"Fourth, not that the manufactuer here lacks a good natural protection."

After amplifying each of these negative answers, he then proceeds:

"Why, then, with all these natural facilities, do we not produce all our iron without governmental protection? There is but one reason. We can do better. We can obtain our iron with less labor than by making it."

After stating that labor in Europe costs fifty per cent. less than in this country and capital can be had at fifty per cent. less interest, he concludes:

"Thus it is that our unequaled natural advantages arising from cheap virgin lands render it unprofitable for us to make iron or engage in many other kinds of menufactures."

The plain English of all this is, "We ought to buy all our iron and all other [illegible] they pay less there for labor than we do at home; we ought to be agriculturists exclusively, because our cheap land enables us to raise grains at a low rate, and with our wheat we ought to pay for all other products we need at the prices that cheap labor in Europe will give them to us."

Who agrees to these propositions? I deny the soundness of the position. I affirm that the true interests of our country requires that we should manufacture all articles that we have the natural facilities for producing, that the labor employed should be well paid, and that we should place such duty on foreign manufactures coming in competition with our own as will prevent them from driving our own out of the market, thereby depriving the American laborer of remunerative employment.

I do not stop here to repeat the arguments about the home markets that are furnished by domestic manufactories, the advantages of a diversified industry, the effect of competition, the national independence and security in case of war, the effect of sending abroad annually for foreign products more bullion than our mines produce, and the numerous questions that at once suggests themselves and that have become so familiar to the American people by discussion from the time of Hamilton's report in 1791, down to the present hour. All these have often been treated as if they concerned the capitalists alone, and the proprietors of mills and forges have been thrust into the fore ground as the only interested persons. There are but a few of those interested, and their interest is not so great as that of the laborer, as has been abundantly shown and testified before the Finance Committee

Let us look for a moment at the difference between American and European wages. That I may not quote entirely from sources that may be charged with protective leanings, I insert here a table compiled from the report of Hon. D. A. Wells, special Commissioner of the Revenue, for 1868:

Excess of wages paid laborers in the United States in 1867 over those paid same laborers in Great Britain in 1866.

Ship-builders	47.58
Paper-mills	93.
Silk hats	80.
Glass-works	45.
Leather	48.
Gas-works	62.
Saws	67.52
Fire-arms	56.
Edge tools	50.
Hardware	49.
Foundries	57.
Rolling mills	48.34
Sugar-refineries	65.
Worsted	58.
Woolen-mills	24.63
Cotton-mills	47.

Average on sixteen occupations, 55.56 per cent.

Thus it will be seen that there was an average of 55.56 per cent. of excess paid to the same classes of laborers in this country in 1867 over what was paid in 1866 in Great Britain to the same classes.

From the same report I take the average duties paid on imports for the years ranging from 1861 to 1868, as follows:

1862	26.70
1863	33.29
1864	37.20
1865	43.70
1866	47.09
1867	47.43
1868	47.86
	283.06

Average duty 40.43 per cent.

Thus showing that the average duties upon imports in this country from 1862 to 1868 were but 40.43 per cent. while we paid an excess of 55.56 of wages to our laborers over those of Great Britain.

Mr. MORTON. I ask the Senator if he has any estimate, in connection with that proposition, of the cost of transportation?

Mr. SCOTT. I have not an estimate of the cost of transportation, for the reason that that would vary on each separate product, depending upon bulk, weight, &c., and I suppose it would be very difficult to get.

Coming down nearer to the present time I quote on this subject from a paper edited by a most accurate and accomplished statisician, Mr. Benjamin Bannan, of the *Miners' Journal*, Pottsville, Pennsylvania, as follows:

"That the protective system is really the workingman's question, is apparent from the following comparative table of wages per day in a western mill in 1871, and in England, gold being taken at 112:

Operative.	United States. Currency.	United States. Gold.	England. American Gold.	Excess in United States Gold
Puddlers	$5 02	$4 48	$1 46	$3 02 or 207 per cent
Puddlers, (helpers)	2 51	2 24	75	1 49 or 199 per cent
Rollers	8 00	7 14	2 00	5 14 or 257 per cent
Heaters	5 99	5 35	2 08	3 27 or 159 per cent
Heaters, (helpers)	2 25	2 01	1 00	1 01 or 101 per cent
Catchers	2 75	2 45	1 00	1 45 or 145 per cent
Machinists	3 12	2 78	1 25	1 53 or 122 per cent
Blacksmiths	3 88	3 46	1 25	2 21 or 177 per cent
Boy	1 29	1 15	42	73 or 174 per cent

"Thus wages of those receiving highest, lowest, and average rates are from two to three and a half times in gold those paid in England. The few lads, less than sixteen to eighteen in American mills—and there are ten boys in British mills to one in an American—earn as much as many skilled English workmen after seven years' service. Many of the workmen in the mills of this country in 1869 paid income tax to the Government, thus showing their earnings exceeded $1,000 per annum.

"The comparison of wages is even more striking if given by the ton, than by the day. Thus puddlers received, in the western mill quoted, six dollars per ton, gold, against $2 37, the average price in England, and this gain to the foreign manufactures of $3 63 per ton on this single item, representing less than one-third the cost of wages per ton, is more than many of our manufacturers have asked as their profit on a ton of finished iron.

"The average wages, at the close of 1871, in the item of puddling, on the Atlantic coast of the United States and in England, were: United States, currency, $6 75; gold, $5 18; gold at 110; England, gold, $2 42; excess in the United States, $2 76; and this after an advance in England of twenty to twenty-five per cent. in the rate of wages during the year."

The Committee on Finance have been hearing the statements of practical men, capitalists and laborers, within the last two months, and the testimony is uniform from them all that the point of contest between the manufacturers of other countries and our own lies in the higher wages paid here; that a reduction of duty simply means a reduction of the wages of labor.

Nor is this confined to one locality or to one industry. It will no longer be said with truth that protection is a Pennsylvania interest, and that duties are asked only to put money into the pockets of Pennsylvania monopolists.

The cultivators of rice from Georgia and the Carolinas come to us and say, "We can no longer sell rice at ante-war prices, for our labor now costs us more than it did before the freedmen worked for wages; we want protection for that labor by keeping up the duties."

Virginia, too, comes, and hear what her citizens say. I read from "the petition of a committee of manufacturers of sumac of the State of Virginia," asking that instead of putting that article on the free list, as was at first proposed by the reported bill, "an additional duty of one cent per pound be imposed upon it." They proceed to give their reasons, and I ask candid consideration for the arguments presented from south of Mason and Dixson's line in favor of free labor as well as for the facts they state, which are better than reams of speculations. They say, after the introductory words of their petition:

"Before the war, the consumption of domestic sumac was inconsiderable, the impression prevailing extensively that the American was inferior to the imported article. This false impression is justly to be attributed to the then imperf ct mode of grinding and preparing the domestic article, the low price at which the foreign article could be purchased forbidding the outlay for the necessary machinery to prepare sumac at home. The war brought the necessity for our making use of our native product, and the advancing premium on gold acted as a protective tariff. The impression that American sumac was inferior to the foreign was demonstrated to be erroneous. The trade began to thrive; hundreds of thousands of dollars, before sent abroad to enrich the foreign producer, were invested in the developement of our own resources.

"With the decline of gold, however, this trade has for some time past languished, until at present there is ust apprehension that it will wholly cease to be remunerative. Many of the largest manufacturers are ready to sell out their mills, and give attention to some remunerative branch of industry. Your petitioners, therefore, respectfully urge that an additional duty of one cent per pound be placed on foreign Sumac, for the following reasons:

"1. By a fair, though moderate protection, the machinery, already much improved by the circumstances already named, may be justly expected to produce an article on our soil in every respect equal, for its various purposes in the useful arts, to any imported from Europe.

"2. The production of the raw material at home, comparatively trifling before the war, but now reaching the amount of more than fifteen thousand tons annually, or more than one-half of our whole estimated consumption, gives occupancy to a very large number of freedmen, and of the poorest class of white citizens, chiefly in Virginia."

Now comes the reason from Virginia:

"This occupancy will entirely fail them if the duty be removed, as the cheaper labor in southern Europe will secure the sending in of large quantities to this country.

"3. The consumer will not be injured, but benefited, by our protection, for the competition of the American article, under the skill we have used in its preparation, has already caused a decline in the price of the foreign. The want of the protection we ask will again raise its value."

Here are facts which those who cry "monopoly" ought to consider:

"4. The protective tariff we ask is by no means large, in consideration of its being the only possible means of our improving and developing this important and growing branch of American industry."

Brave words, these, and sound arguments, from the Old Dominion, the mother of Presidents and statesmen. She has breathed the air of freedom for seven years, and now distinctly avows that her free labor shall not be deprived of employment and fair wages by the cheaper work of the sumac-gatherers of Sicily and Italy. This is not the voice only of her manufacturers, for her Legislature has recently passed resolutions asking the same thing. That is my information.

Missouri, too, and Illinois, Utah and Colorado, cry out in tones which will hereafter give a new note to those who have heretofore played the free-trade hurdy-gurdy upon the one string and to the one note of "pig iron." "Pig iron" sounding familiarly as it does now not only in Pennsylvania, but in Maryland, Ohio, Indiana, Tennessee, Georgia, Alabama, Michigan, Wisconsin, Illinois, and Missouri, has found its twin "pig," and "pig lead" will resound around the Iron mountain and Pilot Knob in Missouri, will be heard amid the clangor of the sixty-five thousand tons of pig metal and the ninety-one thousand tons of rails last year produced in Illinois, will keep on its westward way and echo amid the Rocky mountains, in Colorado, Utah, and Nevada, where the hardy miners protest against their galena being thrown out of a home market by low duties on "pig lead."

Wisconsin and Michigan, too, are heard, and the murmur of their pine forests brings us the same petition that comes from the lowly sumac bushes of Virginia, "Protect our lumber from the low wages that prevail across the border."

But it is not only in the rough work of the forest, the forge, and the mine that labor is asking for protection. New Jersey came with ther samples of silk, and from the mouths of the laborers whose skill had woven them we learned the same truth that was urged by her other sons who are skillful in the manufacture of glass and of earthenware, that the choice presented to us was to receive and pay for the products of the cheap and ignorant labor of foreign lands or to protect the better paid and intelligent labor of our own.

We had before us, Mr. President, in that committee, a laborer who learned his trade in England, who worked at Macclesfield, and who came to Patterson, New Jersey, and is now there engaged in the manufacture of silk. I wish that the manner of his testimony could be witnessed and the whole matter of it heard before this whole Senate. I was struck with the man's intelligence, with his practical knowledge, and with his frankness, and took down a few detached sentences as he went on giving his plain, unvarnished story. What were they? He said:

"The wages at Macclesfield, where I worked, were: weavers averaged weekly in 1836 4s. 6d; girls, 2s. 8d.; my own girl got that then. In Patterson, N. J., she now receives six dollars per week. I would have then been better pleased to send her to school, but I could not. Our poorest meals here would have been sumptuous fare there. We seldom had animal food, and worked fifty-eight hours per week. Prosperous times in England make it better now. Young women get now per week five shillings: women, nine to ten shillings; men now get fifteen to sixteen shillings. My savings here are equal to what my earnings were in England, after enjoying here three times the comforts we got there."

This is the story, Mr. President; and we are asked——

Mr. EDMUNDS. Will my friend permit me on that point to read to the Senate a condensed statement of one of England's most celebrated philosophers and artists, Mr. John Ruskin, in one of the recent lectures upon the topic of English labor that he delivered there, which is perfectly opposite to what my friend is saying:

"Though England is deafened with spinning-wheels, her people have not clothes; though she is black with the digging of fuel, they die of cold; and though she has sold her soul for gain, they die of hunger."

Mr. SCOTT. I thank the Senator from Vermont for giving me the opposite quotation. It lies just in that, Mr. President. This man tells the whole story of our country—better wages, and in their train education, enjoyment of the comforts of life, self-respect, manhood, good citizenship. Here lies the secret of that vast volume of immigration constantly pouring from the Old World into the New. The payment of the weekly wages of the manufactories and workshops of this country burdens our foreign mails, and cause the ocean cable to throb with the glad news to the loved ones left behind that money can be saved to bring them here to this better land for the laborer.

This man was the representative of an industry whose history in England we might follow with interest and profit. As we are asked by the petitions from which I have quoted, and to some extent by the bill which is reported, to strike down all such industries by letting in the products of cheap labor, let me quote, at the risk of being tedious, how England acted when she was nursing the same industry. I have been struck in reading a book, not written upon political, economy, but to give the history, political social, and religious of that remarkable people, the Huguenots, with the development of various industries introduced by them into England. I refer now to this particular industry in connection with the testimony of this silk-weaver. I read from page 256 of Smiles' History of the Huguenots:

Another writer, Mr. Samuel Fortrey, describing the international trade between England and France in 1863, set forth the great disadvantages at which the English manufacturers were then placed, and how seriously the balance of trade was against England. Goods to the amount of above two and a half millions sterling were annually imported from France, whereas the value of English goods imported thither did not amount to a million." "The chief manufactures among us at this day," said he, "are only woolen clothes, woolen stuffs of various sorts, stockings, ribandings, and perhaps some few silk stuffs, and some other small things, scarce worth the naming; and those already mentioned are so decayed and adulterated that they are almost out of esteem both at home and abroad."

Of the efforts to establish the silk industry, we have this account:

"The English Government had long envied France her possession of the silk manufacture, which gave employment to a large number of her people and was a great source of wealth to the country. An attempt was made in the reign of Elizabeth to introduce the manufacture in England, and it was repeated in the reign of James I. The king issued instructions to the deputy lieutenants of counties that they should require the landholders to purchase and plant mulberry trees for the feeding of silkworms; and he granted license for twenty-one years to one William Stallenge to print a book of instructions for their guidance. It appears that M. de Verton, Sieur de la Forest, commissioned by the king, traveled all over the midland and eastern counties selling mulberry trees at a low fixed price (six shillings the hundred) and giving directions as to their cultivation. The corporation of the city of London also encouraged the first attempts at introducing the manufacture; and we find from their records that in 1609 they admitted to the freedom of the city one Robert Therie, of Thierry, on account of his skill and inventions, and as 'being the first in England who hath made stuffs of silks, the which was made by the silkworms nourished here in England.'"

In a note the manner in which England treated foreigners who came to carry on manufactures already established is thus given in contrast with that:

"The corporation were not alike liberal in other cases; for we find them, in the same year in which they admitted Thierry a freeman and citizen, expelling one John Cassell 'for using the trade of art of twisting worsted yarn, in Bartholomew Within, in the liberties of the city, he being no freeman, but a stranger born, contrary to the custom of the city. It is therefore thought fit, and so ordered by this court, that Mr. Chamberlain shall forthwith shut up the shop windows of the said John Cassell's shop, and shall remove within a month all his goods, furniture, &c., to other places, which he promised to do."

England encouraged the establishment of the manufacture which she had not, but when a foreigner came to establish one that she had, she drove him out and shut up his shop. How did she encourage hers? I read from page 260:

To protect the English manufactures, the import duties on French silks were at first trebled. In 1692, five years after the revocation, the manufactuers of lustrings and alamode silks were incorporated by charter, under the name of the Royal Lustring Company; shortly after which they obtained from Parliament an act entirely prohibiting the importation of foreign goods of like sorts. Strange to say, one of the grounds on which they claimed this degree of protection was that the manufacture of these articles in England had now reached a greater degree of perfection than attained by foreigners, a reason which ought to have rendered them independent of all legislative interference in their favor. Certain it is, however, that, by the end of the century, the French manufactures in England were not only able to supply the whole of the English demand, but to export considerable quantities of their goods to those countries which France had formerly supplied."

There is the doctrine of protection and its results, a home market supplied and a surplus for export. Thus I might proceed to enumerate the many new industries the Huguenots introduced in England, the histories of which all speak in the same language; but I forbear. Having however, introduced the subject with a quotation from Mr. Well's report, let me close it with one from an equally eminent free trader, showing not only his discernment of the truth that it is a labor question we are dealing with, but that at this peculiar juncture of our affairs we cannot with safety or justice to the industrial interests of the country reduce our tariff duties. I quote from the speech of Mr. Opdyke, of New York, in the proceedings of the National Board of Trade, held in St. Louis in December last, in which he said:

"It is not my purpose to occupy the attention of the board but a few moments in stating my general views on this subject. It is proper that I should declare, at the [illegible] of free trade as those of any other citizen of the United States. I believe, after a very thorough examination of the whole theory and practice of protection, that it is a fallacy, and injurious to the material interests of any country which adopt it. [Applause.] I believe its ultimate effect to be expressed in the aphorism, to misdirect and waste the productive energies of the country that adopts the policy.

"After having made that clear, positive and sincere declaration, I desire to add that I am, for the present, entirely opposed to any change in the tariff. There may seem to be a contradiction in that, but to my mind both positions are entirely sound. As has been said by many members of this body, including myself, the present condition of our currency is an offset to almost any tariff of duties levied by our Government, as I will explain in a very few words

"As I said before, and evinced by the enhanced cost of labor, or machinery, of raw material, and of everything in this country, the manufacturer cannot to-day produce his finished articles short of an increased cost of at least sixty per cent. over what they cost before the issue of our irredeemable paper money. The importers, a class of which I have always belonged myself until recently—the importer to-day can go abroad and buy his manufactured products for gold, at the value of gold now, and, save the slightly increased cost of production, he can buy at the same cost virtually as before we adopted our paper-money currency. He brings his imports to our custom-houses and pays an average duty of fifty per cent. on the foreign cost in gold Both the cost abroad and the duty paid here are paid in gold. He sells these commodities for currency and takes his currency and buys the gold at ten or eleven per cent. premium, to pay the foreign cost and the duty. Therefore, he can import to-day within ten per cent. as cheaply as he could import before the war. The manufacturer, as I have said, cannot produce his finished commodities short of an increased cost of about sixty per cent You will readily perceive, therefore, that the consequence is, that this tariff of duties, overaging about fifty per cent. is simply an offset to the disadvantage created by the present anomalous condition of our currency, or, rather, the anomaly which exists of forty or fifty per cent. difference between the appreciation of labor and the appreciation of gold."

Mr. Opdyke has struck the fact to which the country must give heed, and it is this: gold went up during the war; labor went up with it; commodities went up also; but from two hundred and eighty-seven which it reached, gold has fallen to ten per cent. premium; commodities have fallen also; but while gold and commodities have fallen, labor has not followed them in the fall; and, sir, it will not follow them. What Mr. Opdyke calls "the anomaly which exists of forty or fifty per cent. difference between the appreciation of labor and the appreciation of gold" will continue so long as to lose its character as an anomaly. Labor will never recede to the figure at which it could be employed in former times, even when our currency shall be again upon a specie basis, unless we yield to the clamor for free trade, deluge our market with foreign goods, and thereby close our manufactories, turn labor from its accustomed into unaccustomed channels, and compel it to accept employment at such wages as will enable capital to compete with the product of the labor of Europe. As the majority of our people are in one form or another laborers, and laborers for wages, such a calamity, if it come at all, cannot long endure where the ballot is universal. Education has accomplished too much for that. In all our northern States the free-school systems have been in operation for a generation; in some longer. Last year Pennsylvania spent over eight million dollars for educational purposes. The people in the southern States are demanding education. Property is, it is true, in many instances, rebelling against the tax necessary to give it, but it will be given, and what will be the result? Just what it is where the boys of a generation ago are active men on the theatre of life now. Their fathers may have gone to their daily toil for fifty cents a day, and retired at night to rest, passing the abodes of wealth and luxury and failing to reason out, or perhaps not starting the inquiry, whether that half dollar was a fair divide of the product of their toil as between capital and labor. But the boy who, in 1836 or 1840, was a common-school scholar and has been reading the daily newspaper ever since, is not only a worker but a thinker. If he leaves his toil at the Battery in New York with his one dollar and a half or two dollars for his day's work in his pocket, and passes up Broadway to his home, as he goes by the Astor House or the Fifth Avenue Hotel, the thought strikes him that there is, perhaps, some adjustment needed of the relations between capital and labor when he reflects that his employer lives in the hotel at an expense for himself alone of from five to ten dollars per day upon the products of that toil which maintains a family upon one dollar and a half or two dollars per day.

I do not say the disparity is in itself a wrong to be remedied by our legislation, but it exists, and intelligent labor is considering it, and we must meet it; and how? By paying such wages as will en- [illegible] live comfortably with his family, to clothe them decently, feed them plentifully, and furnish them books, and spare their labor in their younger years so that they may go to school and fit themselves for the duties of citizenship and the struggle of life. In this way only can we make labor contented and capital secure.

Mr. President, this country cannot afford cheap labor, for it implies want, privation, ignorance, and discontent. Our form of government demands, and it is our duty to pursue the policy which will secure virtuous, educated, intelligent, useful. and contented citizens. I will not proceed to draw the contrast which exists between the well-fed and comfortable laborer and his family here, and the ill-fed, and discontented laborer in European countries. The tables of wages I have given must suffice to suggest the consequences which follow from them.

It is the labor question I present. It is not the interest of capital that are involved so much as those of labor. Capital can generally take care of itself. If a manufactory stops to-day, the product of past labor in the hands of the proprietors will enable them to live through the period of depression, but the workmen have as a general rule no such dependence, and when the little store is gone, if new employment cannot be found, the alternative is distress or work at lower wages.

You are asked then to reduce duties. What for, if not that foreign products may be imported at lower prices and take the place of domestic manufactures? Look at the results. The duty on pig iron was reduced two dollars per ton in July, 1870, going into effect January 1, 1871, and we were told "that will take that much off the price; that much per ton will be saved to the consumer, and no longer go into the hands of pig iron monopolists. How was the prediction verified? The Secretary of the Treasury tells us that in the first six months of 1871 there was an increase in the importation of pig iron of one hundred and twenty per cent. as compared with the first six months of 1870. The value of pig iron entered for consumption from June 30, to December 31, 1870, was $1,211.322; from December 31, to July 1, 1871, $2,046,311. The tons imported in 1870, were 157,215, and in eight months of 1871, 158,660, or more than for the whole year of 1870.

Now, how as to price? When that duty was reduced it was selling at from $30 to $32 or $32 to $34 per ton, according to quality. To-day it is selling at from $40 to $42 and from $42 to $44 for the same qualities. Consult the markets in New York, Pittsburg, Philadelphia, and Boston—I have the quotations here, but will not take the time to read them—and you will find that the promised reduction of $2 a ton to the people has resulted in an increase of from eight to ten dollars per ton. That decrease of duty prevented competition at home. Foreign demand put up the price. We could not supply the additional demand, and there is [illegible] proach to free trade. That I put as a practical answer to the allegation in the free traders petition that the people pay the additional duty to the manufacturers instead of into the Treasury. If that be the result of free trade the people will determine for themselves which they prefer—pig iron reduced by competition, or pig iron put up to $44 per ton by a free trade theory carried into practice by a reduction of the tariff. By reducing the duty $2 a ton, they succeeded in putting up the price from eight or ten dollars.

This experience in pig iron, the scape-goat upon which free-traders pile all the sins of protection, serves as a practical refutation of their theories as to all protected interests.

So I might proceed with coal. It is urged that the duty of $1 25 per ton on bituminous coal is added to the cost, and that every ton of either bituminous or anthracite consumed in the country pays that additional $1 25. Such is the allegation of this free-trade petition. Let me state now the enormity of the proposition. Look at the statistics in regard to coal. The Coal Register for 1871 shows that the annual product of 1870 was, anthracite sent to market, 15,368,437 tons; home consumption, 3,847,876 tons, making a total of 19,211,313 tons of anthracite. Of bituminous coal there were, without giving the details, 14,968,465 tons making the whole product of coal for that year 34,179,778 tons. The free-traders argue that the people paid to the producers of coal, under the system of duties, about forty two million dollars of tribute, urging that that duty of $1 25 was paid upon every ton. If this were so, there would be reason for complaint; but let us see whether it is true or not. In the year that tariff bill went into effect—1866—fixing the duty at $1 25, the average price of bituminous coal was $8 54 per ton in Boston, and of anthracite in Philadelphia was $5 80 per ton. I have before me the price of coal in New York on the 31st of January last, as follows:

"NEW YORK *January* 31.

"One hundred and twenty thousand tons of Scranton coal were sold at auction to day. The following prices obtained show a considerable decline from last month: lump coal 8,000 tons $3 35 to $3 42½; steamboat, 9000 tons at $3 70 to $3 85; grgte; 19,000 tons at $3 55 to $3 75; egg, 18,030 at $3 45 to $3 60; stone, 50,000 tons at $4 05 to $4 17½; chestnut, 16,000 tons at $3 30 to $3 45."

The average price of bituminous coal in Boston for the year 1871 was $6 54. These figures speak for themselves as to the duty increasing prices.

But I wish now to come to the other point about the $1 25 that is put on every ton. Mr. President, I have a proposition to make on this subject. I have before me the cost of mining bituminous coal, and it is upon that the duty exists. The mining cost seventy cents per ton; it takes twenty-five cents a ton to pay the other expenses of surperintendence, cars, &c., and twenty-five cents a ton is paid for royalty, making $1 20 as the cost of the coal at the mouth of the mine. It is now alleged that $1 25 is added to that for the produce upon every ton that is taken to market. Now, sir, if this Free-Trade League be the benevolent organization which it pretends to be, if it wishes to relieve the people of this country from this oppressive taxation, I feel authorized by the statements of responsible men who are in the bituminous coal business to say that every ton of bituminous coal mined in the Cumberland region, in the Broad Top region, in the Alleghany mountain region, in the valley of the Monongahela and the Ohio, will be delivered at the mouth of the mine to the Free-Trade League, if they take the contract for the whole of it for the year 1872, at $1 50 per ton. Take the cost of $1 20 at the mouth of the mine; take the cost of transportation, fix it at the market price at Philadelphia, at New York, at Boston, or at any other point, and no room is left for this $1 25 that these petitions allege is paid by the consumers to the producers. The producers themselves will deliver the coal at the mouth of the mine at the price of $1 50 per ton, being just thirty cents over the cost of mining, royalty, and superintendence, leaving the rest for taxes, accidents, and contingencies. There is an opportunity for the Free-Trade League to give practical effect to its alleged benevolent feelings toward the tax-payers of this country.

So I might go on with every article in this bill; but I will not do so. You may take them all up; you may take up lumber, pig lead. rice, cotton, and woolens, and other articles that are in this bill, and upon which it is proposed to reduce the duties, and the history of all of them shows that the impositions of duties, not excepting those on woolens, or cotton, or iron, or steel, gives to the people to-day those products cheaper than they were in 1860, before the opening of the war. It is the competition that brings them down. What is there in this cry of "monopoly?" They want the duty off for the purpose of bringing in foreign goods. They say that our manufacturers have a monopoly, and that when they have monopoly they put up the price; but the theory which they advocate is to destroy our own manufactories, stop them, and give the foreign manufacturer a monopoly, thus making a distinction between American human nature and British human nature, casting [illegible] and paying a compliment to the British manufacturer, which neither his nature nor his history has ever deserved.

Sir, he entered into the war against free labor in this country. We fought against his Alabamas on the sea and the southern foe of free labor on the land, and having conquered on the sea and on the land, are we to surrender to him now and place the industries of our country at his mercy, rather than in the hands of our own citizens, even if that were the choice? Is it true that if American manufacturers commanded the market they would oppress and rob their fellow citizens? It is true that if the British manufacturer commanded the market he would be so benevolent as to give them goods at first cost? No, Mr. President, there is nothing in it but this one question of labor. All opinions, free trade and protective, however they may reason, reveal, if closely scrutinized, that the whole question is one of labor.

I have here a very interesting letter written to me by a venerable correspondent on this subject, a man of larger intelligence and liberal views, in which he gives his experience, from 1812 down to the present time, in regard to the various troubles and revulsions of 1837, 1847, and 1857. Without quoting him in full, but glad to add the testimony of one who has lived an active business life for more than half a century to the knowledge of those who are now willing to let well enough alone, I adopt his language to express my own opinions. He says:

"In the compromise act of 1833 we had an illustration of the working of a percentage reduction in duties on imports and of its disastrous results, and, in my judgment, we should pause for a long while before trying it over again.

"Although our present tariff is in the main highly protective, it is not in any fair sense at all prohibitory. Our importations are larger than ever before, our laboring people and artisans of all sorts have full employment at good wages; they are well clad, well housed; their children receiving the benefits of education, and within the circle of my observation which is pretty large one, I do not find any who complain of the taxation paid under the tariff. If at present it raises too much revenue, increase the free list still further by including in it tea and coffee, which are the necessaries, not the luxuries, of the poor and the laboring. The new movement for so-called revenue reformers comes chiefly from avowed free-traders and from manufacturers whose establishment have been built up by protection, but who now feel so strong that they think themselves able to bear foreign competition, and desire to shut out all others from building mills &c., where they

(Concluded on fourth page.)