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# Speech of Hon. Nelson Dingley Jr. of Maine in the House of Representatives, Tuesday, April 29, 1884

Nelson Dingley Jr.

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#### Protection to American Industries.

## SPEECH

OF

# HON. NELSON DINGLEY, JR.,

OF MAINE,

## IN THE HOUSE OF REPRESENTATIVES,

Tuesday, April 29, 1884.

The House being in Committee of the Whole House on the state of the Union, and having under consideration the bill (H. R. 5893) to reduce import duties and war-tariff taxes—

Mr. DINGLEY said:

Mr. CHAIRMAN: The tariff bill under consideration is put forward by its advocates as a first step in policy which has for its aim the overthrow of every protective element in our tariff legislation. The chairman of the Committee on Ways and Means [Mr. MORRISON], who stands as the author of the bill, announced that—

It is but an advance toward and a promise of more complete revenue reform.

The distinguished Speaker of the House [Mr. CARLISLE] explained to the New York Free Trade Club, who received his explanation with cheers, that—

This process of reformation [reduction of duties] must go on until the power of taxation is used \* \* \* only for the purpose of raising revenue.

The gentleman from Texas [Mr. Wellborn] and his colleague [Mr. Mills], a member of the Ways and Means Committee, and the gentleman from Ohio [Mr. Hurd] were still more explicit, and announced that free trade is the end aimed at and the pending bill only a temporary stage in the grand scheme of "revenue reform," by which they mean

the abolition of every tariff duty which works protectively.

Now, Mr. Chairman, I claim to be a revenue reformer. I should be pleased at any time to vote for a bill to abolish or reduce duties on certain articles which are not properly adjusted. I am in favor of such true revenue reform as will abolish duties on all products of foreign countries not grown or made here which enter into the consumption of the masses, such as coffee, tea, jute, tin, &c.; in favor of such true revenue reform as will reduce duties on all imported articles entering into common use as can not, so far as has been shown, be produced here advantageously to the extent of our consumption, like sugar, rice, &c. Such "reform" as this will reduce the revenue. The so-called "revenue reform" to which those will be committed who support the pending bill does not propose to place on the free-list articles not produced in this country, like jute. Neither does it confine its operations to arti-

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cles which can bear even greater reductions than those proposed. It does, however, apply the knife relentlessly to industries which are capable of supplying the entire consumption of our people, and whose maintenance by protective duties is a great public advantage, and gives assurance that the cutting is to be continued on the principle that the Government has no right to impose a duty in such a manner as will bridge over the difference in cost between manufacturing such articles in this country and in Europe. I opposed the consideration of this bill, and shall continue to vote in such a way as will aid in securing its defeat, because I am opposed to the anti-protection principle on which it is based and which it proposes to inaugurate, and because further I believe it will increase the revenue by encouraging importations of cottons, woolens, and iron and leather manufactures, and be injurious to the best interests of the country.

Mr. Chairman, the issue raised by this bill is whether our tariff legislation in the future shall be adjusted with a view not only of revenue but also of protecting home industries against the unequal competition of foreign industries employing cheaper labor, or whether it shall be adjusted so as to exclude protection solely with the view of

revenue.

There has been a disposition on the part of some persons who denounce protective tariffs to evade this issue by claiming that a tariff for revenue only will afford adequate protection so long as we have so much revenue to raise for imports, or that a tariff for revenue only may be so adjusted as to "incidentally protect" home industries. But the gentleman from Illinois [Mr. MORRISON], who spoke of those holding this view as "incidental allies" of protection, recognized the fact that it is impossible for a duty for revenue only, levied on imported articles which may be produced at home to the extent of our wants, to afford protection to home industries, for when a duty begins to protect it enables home manufacturers to sell their goods in our markets and thus diminishes importations and lessens the revenue.

For example, when it costs 35 per cent. more to manufacture an article here than it costs abroad, a duty of 35 per cent. or more will protect our home industries and reduce importations and the revenue from the same. Reduce the duty 10 per cent. and this reduction will enable foreign manufacturers to more than double their exportations of goods to take the place of home-made goods in our markets, and this increase of importations will largely increase the revenue. In this instance a duty of 35 per cent. or more would be a protective duty, and a duty of 25 per cent. or less a duty for revenue only. It is because of this fact that the reduction of duties proposed by the Morrison bill on

cotton, woolen, and iron goods will increase the revenue.

The key-note of all the speeches which have been made in support of the Morrison bill and in opposition to a protective tariff is the claim

that protection is a device for the sole benefit of manufacturers and a serious burden to all other citizens.

Mr. Chairman, if this charge be true, then it is not a half-way measure like the pending bill that ought to pass, but a measure which shall at once overthrow the whole protective system and substitute a tariff for revenue only, which is what England means by free trade. If, on the contrary, the protective system has given our country unexampled prosperity and benefited all classes, as protectionists claim, then this House and the country should reject the bill under consideration, and call a halt in the free-trade programme inaugurated by this measure.

#### PROLITS OF MANUFACTURERS.

To sustain the charge that protection is a system of "robbery" in the interest of manufacturers, the gentleman from New York [Mr. Cox], in his recent speech, alleged that the census of 1880 shows that the profits of our lumber manufacturers are 30 percent, and the profits of other manufacturing industries are 36 per cent. He reached this conclusion by deducting from the value of manufactured products only the amount paid in wages and for materials, and calling the balance the net profit of the manufacturer. He ignored the fact that the year 1879-'80, immediately following the resumption of specie payments, was exceptionally remunerative. The average balance remaining after deducting wages and materials from product has not exceeded 20 to 27 per cent. during the past ten years.

Not content with this, my friend from New York shut his eyes to the fact that in order to ascertain the net profit of the manufacturer there must be deducted from the census figures the cost of insurance, taxes, depreciation of plant, repairs, freight, commissions, salaries of superintendents and clerks, interest on money borrowed to carry on operations, &c., amounting, as I am informed by a practical manufacturer, to an average of 20 per cent., reaching 25 per cent. in some instances, and not falling below 15 per cent. in any manufacturing industry.

The net profit of the manufacturers of the country for the last ten years have probably not averaged 8 per cent. on the capital invested. Returns of dividends paid by a hundred manufacturing establishments in New England for this period show dividends averaging only 6.6 per cent. During the past year the majority of the mills of New England have made nothing.

Inasmuch as all manufacturing industries in this country are open to the investment of capital from the whole world, it is certain that competition will keep down the profits to the average of all other kinds of business. To talk of manufacturers as "monopolists" or "robbers," under such circumstances, is an abuse of language and an insult to the intelligence of our people.

Protection is not intended to benefit capital, except so far as capital is benefited by general prosperity. Capital as such can easily go where it will secure the largest profits. If any industry can be carried on more profitably in Europe than here, capital will go there for investment. If it can be carried on more profitably in this country it will come here. We encourage the investment of capital here rather than elsewhere, because the industries thus created promote general prosperity.

When tariffs are so reduced as to admit foreign goods at a lower price, or when any other cause leads to temporary overproduction or underconsumption, capital will protect itself here as it protects itself in other countries, by either shutting down mills or cutting down wages. Nothing can prevent that. The only check on reduction of wages is that afforded by the average rate of wages prevailing in the country, and this average rate rises or falls with the demand for labor, and the demand for labor, as I shall presently show, is increased by the diversification of industries made possible by protection. Therefore, while protective duties which prevent foreign-made goods from coming in to take the place of home productions result in a general advantage to all classes, yet the special benefit inures to labor.

#### WAGES OF WORKINGMEN.

Nothing more conclusively demonstrates that the workingman reeeives immensely larger real recompense for his labor in this country than in Europe than the fact that so many thousands of the people of every nation of Europe are annually coming to our shores to find opportunities for employment, while hardly one of our citizens seeks to improve his condition by going abroad.

The gentleman from New York [Mr. Cox] and other gentlemen opposed to protection deny this, and to sustain their denial call attention to the fact that the census statistics show that the average wages of employés in manufacturing and mechanical industries was in 1880 only \$1.16 per day, from which they desire us to infer that protective duties

do not benefit labor.

If the gentleman had informed us that this average of \$1.16 per day includes the wages of women and children as well as men employed not only in factories but in all the light industries, that the average wages of men in all the manufacturing industries was about \$1.50 per day, and that these wages are on an average 50 per cent. higher than those paid in similar industries in free-trade England, comment would have been unnecessary.

Surely on this point the gentleman will accept the testimony of his distinguished colleague [Mr. Hewitt], late chairman of the Democratic national committee, who in a speech in this Hall at the first ses-

sion of the Forty-seventh Congress, said:

As between Great Britain and the United States, the rate of wages is on the average about 50 per cent. higher here than there.

This was not a random statement by the distinguished gentleman, but was based on official tables of wages in the two countries, to whose accuracy he bore witness. As these tables were printed by Mr. Hewitt as an appendix to his speech, I suggest to my friend [Mr. Cox] that he read them in connection with the census figures on which he has dwelt

with so much pathos and eloquence.

It is often claimed, however, that the 50 per cent. higher wages in the United States is overcome by the increased cost of living here. But the statistical tables of the prices of articles entering into the consumption of a family in England and the United States, which Mr. HEWITT gives in connection with his speech, shows conclusively that the average cost of such articles is on the whole but little if any higher here Flour, meal, meat, vegetables, coffee, tea, and nearly than abroad. all food products, except sugar and rice, are cheaper here than in Europe. Common white cotton cloth is as cheap here as there. Common woolen goods, boots and shoes, iron and tin utensils, and rents are a little higher here than there. The cost of living of a laborer, who is content to subsist here as the laborer in Europe lives, is not over 10 per cent. more in this country than in England, while the wages here are on the average 50 per cent. more. The average purchasing power of wages in the United States, therefore, is 40 per cent. greater than in England.

DOES PROTECTION AFFECT WAGES?

The gentleman from New York, Mr. Chairman, concedes what can not be successfully controverted, that wages have a much higher purchasing power in this country than in Europe; but he claims that this is not in any manner due to our protective tariff, but to the fact that we have so cheap land and so abundant natural resources. In other

words, he affirms that wages would be as high in this country under

free trade as they are now under protection.

Wages, he correctly says, are determined by demand and supply. Whatever therefore encourages the establishment of new industries swells the demand for labor and increases wages. If protection builds up new manufacturing industries it enlarges the demand for labor, and in enlarging the demand increases wages. My friend must admit that.

There were in 1880 in this country 17,392,099 persons engaged in occupations. This grand roll represented our army of workers. Of this number 7,907,605 were engaged in agriculture, 4,074,238 in personal or professional services, 1,810,256 in trade and transportation, and 3,837,112 in manufacturing and mechanical pursuits. There can be no question that if our manufacturing and mechanical establishments had not been built up, or if they should now be closed, the pressure of the 3,837,000 workmen employed in these industries, seeking opportunities for labor in other pursuits, would so seriously disturb the relations of demand and supply as to greatly reduce all wages.

ALL WAGE-WORKERS PROTICTED.

The gentleman talks about wages in protected industries and wages in non-protected industries. He seems to forget that an advance or decline of wages in one industry in a state or country is sooner or later followed by an advance or decline of wages in all other industries. So far as the wages of labor are concerned all industries are protected under our present system. The protection which builds up new industries, that require 20 per cent. of the laborers in this country, draws labor from every pursuit and raises wages in every other department of industry, the wages in each industry varying with the degree of skill required.

This is only what every member of this House has seen in his own experience. The establishment of a new industry in any community creates a demand for new workmen, makes labor scarcer, and stiffens wages in every employment. The day laborer asks and receives more, the mechanic is accorded an advance, and business generally receives a

new impetus.

It may be true that many of the laborers in this country do not have any more surplus remaining after supporting their families than do laborers in Europe. But this is for the reason that they live more generously here, that they supply themselves with comforts and luxuries of life unknown to the European laborer, and that they educate their children to discharge the duties that will rest on them as citizens of a But there is a large class of laborers who save somefree country. thing from their wages to buy homes, and sooner or later become employers themselves.

I have myself visited the miserable hovels in which so large a proportion of the laborers of Europe live, and have investigated their condition, as others in this presence have, and I can bear witness to the fact that the laboring men of the United States and their families are immeasurably better housed, better fed, better clad, and better educated. I rejoice, as every good citizen should rejoice, that such is the fact, not simply from motives of humanity, but also for the reason that the perpetuity and welfare of our Government are dependent on the elevation and education of every citizen.

In a recent report on the agricultural progress of the country, Mr. J. R. Dodge, the statistician of the Department of Agriculture, presented some striking facts on the wages of farm labor in the different States of the Union, which clearly illustrate the correctness of the principle that the introduction of manufacturing industries in a State increases the wages of laborers in every other pursuit. Mr. Dodge divides the States into four groups. In the first group, composed of fifteen States, in which manufacturing pursuits are extensive and well distributed, the wages of farm laborers average \$25 per month and board; in the third group, composed of thirteen States, in which nearly 60 per cent. of the workers are on the farm and manufacturing industries rare, the wages of farm laborers average \$19.50 per month; and in the fourth group, composed of six States, destitute of manufacturing industries, and with nearly 78 per cent. of their workers on farms, the wages of farm

laborers average only \$13.20 per month.

Wages of carpenters, masons, painters, and laborers of every kind are in similar proportion in these several groups of States. These facts show conclusively that whatever encourages the establishment and enlargement of manufacturing industries in our country increases the wages not only of the mill operative but also of the blacksmith, the mason, the carpenter, the painter, the teamster—in short, of every man, women, and child who has labor to sell. Our cheap lands afford opportunities for labor and unquestionably tend to make wages higher in this country than in Europe, but the figures given by Mr. Dodge show that our manufacturing industries, protected against the direct competition of the products of foreign labor, are as important a factor in maintaining good wages as our cheap lands. Lands are as cheap, even cheaper, in the fourth group of States described by Mr. Dodge than in the first; yet the wages of farm labor in the latter group, with extensive manufacturing industries, is \$25 per month, and in the former group only \$13.20 per month.

The effect of the development of manufactures in this country on the wages of labor is also strikingly shown by a reference to the census statistics. According to Mr. Carroll D. Wright's report on the factory system of the United States, the wages of cotton-mill operatives in 1815, after the first mill was started in this country, were only \$1.50 per week. In 1836 the wages averaged \$2.75 per week for women; in 1840 the wages averaged \$3.50 for women and \$5 for men; in 1860 the wages averaged \$3.50 for women and \$5.50 for men; in 1880 the wages averaged \$4.84 for women and \$7 for men; showing that wages rose with the development of manufacturing industries, which increased the de-

mand for labor.

Comparing the wages of 1860, which ended thirteen years of tariff for revenue only, with those of 1880, after a little longer period of pro-

tection, Mr. Wright says in his census report:

In 1860 the average yearly wages in the United States for all men, women, and children in mills was \$196; in 1880 it was \$244. The average for 1880 varies for different parts of the United States, it being \$258.42 in Massachusetts (where manufacturing was most extensive), \$255.77 for Eastern States generally, \$255.19 for the Middle States, \$216.91 for the Western States, and \$168.59 for the Southern States.

The advance of 28 per cent, in wages in this country between 1860 and 1880 is the direct result of the growth of manufacturing interests, which increased the demand for labor; and this growth of manufactures is due to the fact that our protective policy made it possible for us to successfully carry on manufacturing industries.

WOULD MANUFACTURES FLOURISH WITHOUT PROTECTION?

This brings me, Mr. Chairman, to a consideration of the claim of the gentleman from New York [Mr. Cox] that manufacturing industries would be as prosperous in this country without protective duties as with them.

This is a claim which the gentleman from Ohio [Mr. HURD] and others have repeated, but which no one has attempted to prove. Remember that it has been shown that wages are in money values 50 per cent. higher and in purchasing power 40 per cent. higher in this country than in Europe. Will any one explain how manufacturing industries can be successfully carried on in this country if foreign goods are to be allowed to come in free of duty, or on the payment of less duty than the increased cost of making such goods here, on account of the fact that we pay so much more for the labor required to build mills and operate them? To be sure in the case of a few articles of which the raw material is the chief cost and labor an inconsiderable element, like coarse cottons, we might sustain ourselves; but in the case of most manufactured goods into which skilled labor largely enters, we could not compete with foreign products unless the wages of labor should be reduced to the English standard.

I have conversed with manufacturers who were inclined to favor free trade, but I have always found that they based their hopes of successful competition with England under a tariff without protection on the assumption that free trade would reduce wages in this country to the

European standard.

#### FREE RAW MATERIALS.

Mr. Chairman, I occasionally find manufacturers who seem to think that free materials are what they ought to have, although most of them, like the distinguished gentleman from New York [Mr. HEWITT], confess the necessity of protective duties on such imported fabrics or goods as they produce. Certainly, even if wool were admitted free of duty, as cotton is, and if machinery could be imported without duty, it would be impossible for a woolen manufacturer in this country to pay 50 per cent. more for the labor required to build and run his mill, and make his goods as cheaply as his English competitor. Free wool will not take away the necessity of a tariff on imported woolen manufactures in order to enable us to make such goods here.

Free ore, free scrap-iron, and free lime will not enable Mr. HEWITT to make and sell his bar-iron in free competition with his English competitor, who pays so much less for his labor, and to dispense with all

protective duties on iron.

Indeed, our cotton manufacturers have their raw material, cotton, cheaper than their European competitors, and yet they are able to sell in foreign markets only the coarsest fabrics as low as European manufacturers. Fine goods, into which labor enters as an important element of cost, we can not produce as cheaply as foreign manufacturers simply because the labor required to build and run our mills costs more. In the progress of this debate it has been suggested that if we could only import our machinery free of duty, we could then manufacture any class of cottons in free competition with English manufacturers. A prominent cotton manufacturer, noticing this statement, remarked to me that free machinery would not reduce the cost of making fabrics a thousandth part of a cent per yard.

It is true that free wool, and free scrap-iron, and free manufactured lumber, and free lime would make lower duties afford sufficient protection to enable us to manufacture woolens, iron, and other articles in competition with foreign manufacturers, but this would not take away the necessity of protective duties on the manufactured product, and simply for the reason that the labor which we employ to convert the

so-called "raw material" into a higher form of manufactures costs on

an average 50 per cent. higher here than in England.

Now, Mr. Chairman, I hold that all raw materials which are not produced here, such as jute, dye-woods, and all natural products into which labor has not entered as a material element of value, like iron ore in the mine, unmanufactured logs, limestone, &c., ought to be on the free-list, as all but jute are. But so long as a duty is to be retained on bar iron, woolens, sugars, and other articles, will any one tell me on what principle of fair dealing manufactured lumber, scrap-iron which takes the place of pig-iron, manufactured lime and wool, into which the labor of man has entered as a material element in their value, should not have a protective duty proportioned to the amount of labor required to bring these so-called "raw materials" to their existing condition?

Will the gentleman from Illinois [Mr. Morrison] inform meon what principle of fair dealing he puts manufactured lumber on the free-list, while he retains a duty of 40 per cent. on sugar? There went the round of the papers a short time ago a statement alleged to have been made by a distinguished Connecticut manufacturer, ex-Governor English, to the effect that what the manufacturers of this country desire is free raw materials, by which he meant free wool, free lime, free lumber, &c. Then he said they would be entirely satisfied with a duty of 25 per cent. on their manufactured goods. But does this gentleman suppose that the men who manufacture lumber and lime and other articles will consent to any protection that is not distributed on principles of equity? The "raw materials" of one industry is the manufactured product of some other industry, and there is no such thing as "raw" materials upon which human labor has been expended.

#### EXPORTATION OF GOODS.

Much is said, Mr. Chairman, about the necessity of having free materials and a general reduction of duties in order that we may be able to export more goods.

I wish to call the attention of gentlemen to the fact that materials advanced to any point may now be imported under a law of 1799 almost without duty for the manufacture of articles for export; and there is a bill now before the Ways and Means Committee to make such materials entirely free, to which no one on this side will object. A woolen manufacturer may now import wool practically without duty for the manufacture of woolen goods for export. What is there, then, to prevent him from doing so? There is no export duty; no tariff stands in his way. Yet our Connecticut manufacturer who talks about the immense export trade he could command if the tariff was reduced and "free raw materials" granted does not come forward to avail himself of the privilege granted for eighty-five years. Why not?

The reason and the only reason that we do not export more manufactured goods is simply because the labor we employ in making our goods costs more than the labor employed by European manufacturers. A reduction of duties, even absolute free trade, would not aid us in increasing our exports of manufactured goods unless it reduced the wages of our workingmen; and that is what it would eventually do.

It would necessarily reduce the wages of labor for the reason that it would open up our markets—the best and most desirable in the world—to the manufactures of Europe. It would cripple and eventually close our mills until labor should be reduced to the English standard, would drive a large part of the three and a half millions of workingmen now

employed in manufacturing and mechanical enterprises into other employments already filled, and by reducing the demand for labor and increasing the supply of laborers would in due time bring the wages of labor in this country down to the inadequate compensation paid in Europe.

IMMIGRATION.

It will not answer for my friend to say that the manufacturer in the United States may and does draw the cheap labor of Europe here without paying a duty on immigration, and, therefore, that we may as well have free trade in imported goods; for it is admitted that in spite of the fact that our policy has always been to welcome to our shores any virtuous and industrious immigrant who comes here as an independent man to better his situation, yet we pay here to immigrant as well as native, to all who desire to work, 50 per cent. higher wages than are paid in England. Labor contracts made in another country, which deprive an immigrant of perfect freedom when he lands here, ought to be prohibited as a rule. When the free immigrant strikes our shores he recognizes the fact that he is in a country where labor is entitled to higher wages than in Europe, and demands and receives the advance.

I met not long ago an immigrant who had come to this country from Ireland. I asked him how much he was receiving for the work he was doing. "One dollar a day," was the response. "And how much did you receive last year for similar work in Ireland," I asked. "A shilling a day (25 cents), and never in harvest time more than two shillings a

day, sir," he promptly replied.

Disturbances of business producing transient overproduction, or more usually underconsumption, and inducing severe competition among home producers, now and then compel a temporary reduction of wages; but how much greater would be the competition and reduction of wages if the free competition of foreign-made goods should be added? Indeed, as a rule, free-trade England suffers more from such disturbances than do we in this country. During the past six months the distress in England on this account has been much greater than here. Those who propose to remedy such unavoidable evils by opening up our markets to foreign producers would immensely aggravate these difficulties and make them permanent.

MR. HEWITT ON VALUE OF PROTECTION.

No one has more clearly stated the benefits of a protective tariff to the workingman and to all other citizens than did the distinguished chairman of the Democratic national committee [Mr. HEWITT] in the following letter to Jay Gould:

NEW YORK, January 27, 1870.

The only reason why we pay more for American rails is because we pay a higher rate for the labor which is required for their manufacture, but for no greater quantity of labor. Free trade will simply reduce the wages of labor to the foreign standard, which will enable us to sell our rails in competition with foreign rails. But as a matter of course, the ability of the laborer to consume will be reduced, and a serious loss will be inflicted on commerce, general industry, and the business of the railways especially. The only reason why a tariff is necessary is to supply the laborer with such wages as will enable him to travel and consume not merely the necessaries, but some of the luxuries of modern civilization. Besides, if we have free trade, we can not expect to procure our supplies from abroad by increased shipments of grain, for already the European markets take from us all that they require, and no amount of purchase of goods from them will induce them to buy more food than they need, and which they now take as a matter of necessity.

Faithfully, yours,

ABRAM S. HEWITT.

JAY GOULD, Esq.

Mr. Chairman, no one could have stated the real reason of our inability to cope in foreign markets with the products of the cheap labor of other countries more clearly than did the distinguished gentleman from New York [Mr. Hewitt], who does me the honor of listening to my argument, in the letter above quoted. And inasmuch as some persons may suppose that the gentleman from New York has changed his views since 1870, I desire to call attention to the fact that when the gentleman from Ohio [Mr. McKinley] read this same letter in the tariff discussion at the first session of the Forty-seventh Congress, only two years ago, Mr. Hewitt interrupted him to state that he had nothing in that letter to take back.

### FREE TRADE AND SHIPPING.

The gentleman from New York [Mr. Cox] and the gentleman from Ohio [Mr. HURD], who have addressed the House in favor of free trade or a tariff for revenue only, have referred to the decline of American shipping from the point of prosperity reached in 1855, as an illustration on the one hand of the claim that free trade fosters and on the other hand that "protection by act of Congress" chills our industrial prosperity.

I think, Mr. Chairman, that the condition of American shipping affords a complete demonstration of a truth exactly the reverse of what my friends from New York and Ohio have claimed. It affords a most striking illustration of the fact that protection is necessary in order to maintain American industry; and that whenever free trade has been applied to any one, foreign competitors employing cheaper labor have been enabled

to distance us.

I ask gentlemen to remember that that branch of the American merchant marine which has been "protected by act of Congress," namely, our coastwise fleet, is prosperous notwithstanding the unexampled extension of competing railroads which have inevitably seized upon much of the freight that formerly went to vessels; while, on the other hand, that part of our commercial marine employed in our foreign carrying trade which has had no protection by law since the vessels of Great Britain were admitted in 1849 to participate in this trade on equal terms, and no protection by natural conditions since the transition from wood to iron in ship-building and from sails to steam in ship propulsion, about 1855, has steadily declined from the latter date.

I call the attention of the gentleman to the official statistics. These statistics show that, computing by the accepted rule that one ton of steam is equal in efficiency to three of sail, the tonnage of our coastwise marine was in 1869 the equivalent of 4,300,892 tons of sail, and that in 1883 it had increased to the equivalent of 5,415,970 tons of sail. This is a growth of 25 per cent. in fourteen years, and shows a tonnage three times that of the home fleet of the United Kingdom and five times that of any other country. So much as the result of effective

protection by law "against foreign competition."

It is noteworthy also that the ultimate effect of this protection has been to make the freight charges of our coastwise marine lower than those of the home fleet of any other nation, thus demonstrating that

protection eventually lightens the burdens of the people.

If our coastwise carrying trade had been opened to the free competition of the world, as our foreign carrying trade has been, and as free-trade doctrinaires desired it should be, the American merchant marine in the home trade would have been to-day in the same deplorable condition as that in the foreign trade.

The complete discomfiture of our commercial marine in the foreign trade since every kind of protection was removed affords an instructive illustration of what would befall our manufacturing industries if the principle of free trade should be applied to them. In 1855, 75½ per cent. of our exports and imports were carried in American vessels; in 1860 the percentage had declined to 66½ per cent.; during the four years of civil war we lost 38 per cent.; and last year our percentage

was only 16 per cent.

The distinguished gentlemen affirmed that the protective tariff has strangled our foreign carrying trade by crippling our foreign commerce, and thus depriving our vessels of cargoes. If the gentlemen had consulted the official statistics they would have found that our exports and imports, which measure our foreign commerce, increased twice as much during the fifteen years between 1865 and 1880 under protection as they did in a similar period before the war under tariffs for revenue only. If our merchant marine in the foreign trade had grown with our foreign commerce its tonnage to day would have been more than four times what it actually is.

The gentleman from Ohio [Mr. HURD] asserted that we could make markets for our grain and other products with other nations only by breaking down our protective system, which encourages home manufactures, and buying their products in return, and he affirmed that by

so doing we should provide freights for our vessels.

This theory, like many other free-trade theories, is not sustained by the facts. We bought last year \$65,544,534 of Cuban products, but we could sell them only \$15,103,703 of our own products. We imported from Brazil in the same year products of that country valued at \$44,448,459, but we exported to the same country only \$9,252,094 of our own products. On the other hand, we exported to the United Kingdom \$425,424,174 of our own products and imported only \$188,622,619 of English products. This shows that international trade is not a system of barter, but each nation buys where it can buy cheapest. If England can buy wheat of us as cheap as in Russia or India, she purchases here, without regard to what we purchase of her.

I call the especial attention of the gentleman from Ohio to the fact that the carrying trade which has been most completely snatched from our grasp is that between Europe and America, where the cargoes each way are more than five times as large as they were before the war.

The fact is, and it is surprising any one should shut his eyes to the situation, that while our exports and imports have increased with wonderful rapidity, the transportation of 84 per cent. of this great and expanding commerce has been secured by foreign vessels under the workings of the principles of free trade.

If the gentleman from New York [Mr. Cox] and the gentleman from Ohio [Mr. HURD] had consulted the history of our merchant marine they would not have asserted that protective tariffs had caused the decadence of our shipping in the foreign trade, for the record shows that the annual decline was as great during the five years before the war, under tariffs for revenue only, as it has been since the war under pro-

tective tariffs.

The charge has been made here on various occasions that our protective tariff has imposed so heavy duties on imported materials as to make it impossible to build vessels for the foreign trade in competition with England. But gentlemen should bear in mind that the duties on the materials of a wooden vessel for this trade are less, and on the

materials of an iron vessel no more under the existing tariff than they were under the revenue-only tariff of 1846, inasmuch as all timber, hemp, manila, iron and steel rods, bars, spikes, nails, and bolts, and copper and composition metal, and wire rope needed for the construction, equipment and repairs of vessels for the foreign trade may now be imported free of duty, whereas nearly all of these articles bore a

duty under the tariff of 1846.

Indeed, there is no good reason why this list of free materials for the construction of vessels, or at least for the manufacture of articles for vessels for the foreign trade, may not be enlarged to carry out the principle of the act of 1872; and a bill to this end has been unanimously recommended by the Shipping Committee to the favorable consideration of the Committee on Ways and Means, which has the privilege of bringing its revenue measures before the House at any time. In every point of view, however, the real obstacle to building iron vessels in this country as cheaply as on the Clyde or Tyne is the fact that ourskilled labor in ship-yards commands 60 per cent. more than in England; and I rejoice that our workmen have this advantage.

#### A PROTECTIVE DUTY NOT A TAX.

Mr. Chairman, all the gentlemen who have spoken in favor of the pending bill and against a protective tariff have assumed, without even attempting to prove the assertion, that duties imposed on imported goods are always a tax in the sense of imposing so much additional burden on the people. They have claimed that this tax is measured by the aggregate sum which would have been collected on the entire consumption of the country if all the articles had been imported instead of a large part made at home. The gentleman from Illinois [Mr. SPRINGER] thinks that this burden is more than \$600,000,000. gentleman from Texas [Mr. WELLBORN], not to be outdone in assertions, put the burden at one thousand millions. In other words, the claim is that notwitstanding only \$34,000,000 of the \$250,000,000 cotton goods consumed in this country last year were imported and paid a duty into the Treasury, yet that in reality the people were obliged to bear the burden of the duty on all the cottons used, which went to those who make the goods in this country. Time and time again we have been treated to the familiar fable that the workingman rises in the morning and puts on a shirt on which he is obliged to pay 40 per cent. duty, folds his blanket and draws on his pants on which he pays 60 per cent. duty, covers his feet with boots on which he pays 30 per cent. duty, builds his fire in a stove on which he pays 40 per cent. duty, and so on.

The inquiry ought to suggest itself to gentlemen who indulge in such assertions as these how it happens that so many thousands of Englishmen, Irishmen, and Germans should annually leave Europe to make a home in this country when we meet them with such an alleged burden of taxation? And also why nobody ever thinks of abandoning this country and making his home in England, where none of these articles are taxed? Evidently either the hundreds of thousands who come here every year from Europe and the millions of our own workingmen who think that America is the best country in the world for them are grossly deceived, or else the gentlemen who talk about the enormous burdens

imposed by our protective duties are greatly mistaken.

Now, Mr. Chairman, what is the fact? It is true that cotton goods when imported pay a duty of from 20 to 40 per cent.; but it is not true

that common cottons are sold at a higher price here than in England, or that the workingman pays more in money for a shirt here than he does there. On this point I affirm what I know. When in Europe a few years ago I took pains to purchase some common cotton sheeting in London, in Paris, in Rome, in Vienna, and in Berlin. I found that the price in London was almost exactly the same as here, and on the Continent from 10 to 20 per cent. more than here. When I came to fine cotton goods, particularly muslins, laces, &c., I found the prices in England lower than here. The same was true of woolen goods, boots and shoes, and most hardware, although in no case did I find the prices here higher to the full extent of the duty. For example, the cost of a pair of five-pound blankets in Liverpool in \$4.45, and the cost of the same kind of blankets in this country is \$5.20, or only 20 per cent. more.

It may be said, "Why not, then, abolish the duty on common cottons, and reduce the duty on other goods?" For the reason, Mr. Chairman, that the abolition in the one case and the reduction in the other would give an opportunity for foreign goods to come into this country and take the place of our own, with an ultimate injury to our own people, as I shall presently endeavor to show. It must be borne in mind that English manufaturers are ready to temporarily sell their surplus below cost in order to get into our markets. If our duties should be reduced sufficiently, they would regard it as desirable to do this for a time in order to permanently cripple our industries, in the expectation that they would be able to recoup their losses by increased prices after they had made manufacturing unprofitable in this country.

Now, the fact that common cottons are as low in this country as in Europe shows that the price here is not the English price plus the duty, as our free-trade friends assume. Indeed, it is rarely ever that the prices of any articles which may be made here to the extent of our wants are the foreign cost plus the duty. In the case of common goods, such as are used by the masses, prices here are nearly as low as in Europe. It is only goods used by the well-to-do classes, in which labor is the important element of cost, that sell at prices higher to any considerable extent than abroad.

The reason for this is that the prices of articles which may be wholly made in this country to the extent of our wants are determined not by cost of importation, but by the cost of home production under the influence of competition. Where articles can not readily be made here to the extent of our wants, in other words where the protective principle does not apply, in such cases the prices here are the foreign cost plus the duty, as may be seen in the case of sugar and other articles that so far as experiments have gone seem not to be the natural products of our climate. In other words, a tariff imposed for revenue only, i. e. imposed either upon articles which can not readily be produced here to the extent of our wants, like sugar, tea, coffee, &c., or upon articles which can be so made here at such rates as to encourage importation and discourage home production, is a tax to the extent of the duties without any amelioration or return; but a tariff so far as its duties afford protection to industries favorably situated as to natural conditions is not as to these articles a tax to the extent of the duties.

#### HOME PRODUCTION CHEAPENS PRICES.

There is another consideration which should not be lost sight of in estimating the influence of any duty which encourages our home in-

dustries, and that is the effect that this additional production has on prices everywhere. Unquestionably, if this country produced very little cotton, woolen, iron, or other manufactured goods—as certainly would have been the case if we had pursued a free-trade policy—we should be obliged to pay considerable more for all these goods to-day than we actually do. Our production swells the world's supply, and thus under the law of demand and supply reduces prices everywhere.

We recently had an illustration of this fact on a small scale. The great quinine factory of Powers & Weightman, in Philadelphia, was burned a few months ago. As soon as the news reached the European manufacturers they largely advanced the price. Again, Bessemer-steel rails sold at \$75 a ton in England before their manufacture was established in this country. To-day they are sold here for \$35. In 1826, before cotton manufacturing was established to any extent in this country, sheetings were sold here and in Europe for 13 cents per yard, and calicoes for 22 cents. To-day the same quality of sheetings, and also of calicoes, can be bought here for 6 cents per yard. Even as late as 1860, under the so-called revenue tariff of 1857, such sheetings were sold

here for 8 cents, and similar prints for 9 cents per yard.

The gentleman from Ohio [Mr. HURD], in speaking for free wool a few days ago, told the House that the duty on wool increased the cost of the workingman's clothes to the extent of the duty, notwithstanding woolen cloth is 33 per cent. lower than in 1850; and then, forgetting that part of his argument, appealed to the farmers to go back to the lower duty on wool imposed by the tariffs of 1846 and 1857, because during those low duties wool was higher than it is now, thus allowing one part of his argument to nullify the other. This was an unconscious admission that the duty had actually reduced the price of wool in all parts of the world by largely increasing the production in this country, and had thus cheapened instead of increased the cost of the workingman's clothes; while at the same time the holding of the home market for the farmer had encouraged him to improve his breeds of sheep and improve the quantity and quality of his wool, and in consequence he, too, had made a larger profit than between 1846 and 1857.

These facts show that the tariff which best protects and encourages our home industries and thus adds a large amount of home products to the productions of the world, tends to reduce the prices of these products here and elsewhere to a point much lower than would have existed if we had adopted free-trade policy; and therefore that a protective tariff on such goods is not a burden on the community, but is on the other

hand a positive benefit.

#### NO TAX ON THE LABORER.

A third consideration, Mr. Chairman, entirely ignored by those who assert that a protective duty increases the burdens of the workingmen and the people, is the fact that most men really ultimately pay for what they buy in labor or service, and the practical question is not whether the money cost is more under protection than under free trade, but whether the cost in labor or service or some other product is more.

Of what avail is it, Mr. Chairman, to tell a laborer that protection compels him to pay \$10 for a coat which he can buy in England for \$8, when eight days' labor will pay for his \$10 coat here and ten days' labor are required to pay for the \$8 coat in England? It is impossible to name a single article produced here to the extent of our wants which the laborer can not buy for less labor here than in England. To speak,

therefore, of a protective duty, which makes this state of things possible, as a burden on the people, and the 20, 30, or 40 per cent. duty which aids in maintaining industries and wages as a "tax" on the workingman is a complete misrepresentation. It is a reduction of duties which would cripple or destroy our industries and reduce wages to the European standard, that would really prove to be a "tax" and "burden" on the people.

WAGES AND PRICES IN 1860 AND 1880.

A comparison of annual wages and prices in 1860, after fifteen years of a tariff for revenue only, with wages and prices in 1880 after nineteen years of protection, clearly shows that wages were higher and prices of manufactured goods lower in the protective period than in the revenue only period.

	Yearly wages.		ase.
	1860.	1880.	Increase
Woolen manufactures Cotton manufactures Iron manufactures Machine manufactures Paper-making manufactures Boot and shoe manufactures	\$234 200 355 390 252 250	\$300 246 390 450 360 370	Per ct. 28 23 10 15 40 48

These census figures show an average increase of 28 per cent. in wages in the above manufacturing industries since 1860. The average increase in the wages of all kinds of mechanics is full as great. The following tables show how the prices of manufactured goods have been affected by the protective policy, which has increased wages.

Articles.	Prices.		Reduction,
	1860.	1884.	Redu
Common sheetings, per yard Drills, per yard Prints, per yard. Pigriron, per ton Iron, refined, per pound. Fancy cassimeres, per yard. Common woolens, per yard Medium blankets, per pair. Men's pegged boots, per pair Crockery, per crate. Plate glass, per foot	23 00 0 03 0 65 1 50 5 00	\$0 07 0 06\$ 0 06 20 00 0 02\$ 0 50 1 00 3 75 2 17 57 89 0 80	Pr. ct. 20 22 34 14 25 23 33 28 15 38 45

Average reduction of prices of the above protected manufactures, 28 per cent., against an increase of 28 per cent. of wages.

Could there be a more conclusive demonstration of the fact that protective tariffs have increased the wages of workingmen over those paid under tariffs for revenue only, and at the same time reduced the cost of manufactured goods?

Modifying the familiar story of the taxes imposed on the workingman by protection to accord with the facts and it would read something like this: Under protection the workingman turns down his blanket for which he pays 30 per cent. less labor than does the workingman in Europe, puts on a shirt for which he gives 50 per cent. less labor, draws on pants for which he gives 20 per cent. less labor, covers his feet with shoes for which he gives 30 per cent. less labor, and builds a fire in a stove for which he gives 35 per cent. less labor than does the workingman in free-trade England.

If it were not for the fact that our protective tariffs have increased the prices of farm products by diversifying industries and thus withdrawing men from the farm and preventing a glut of such products, the purchasing power of wages at the present time would be more largely in excess of what they were in 1860. But even with the diminution arising from the increased prices of farm products the wages of a laborer in 1880, as estimated by their purchasing power, were at least 15 per

cent. higher than in 1860.

#### PROTECTION NOT A TAX ON THE FARMER.

Mr. Chairman, during the progress of this discussion every gentleman who has spoken in opposition to protection has assumed that not-withstanding protective duties may benefit the laborer and many other classes, yet that they impose a serious tax on every farmer without

corresponding benefit.

Whenever any one has condescended to attempt to prove this oft-repeated charge, the argument, as condensed by Professor Sumner, has run in this wise: "A farmer can buy a yard of cloth in England for a bushel of wheat; but in this country, in consequence of the duty imposed on imported cloth, he must give a bushel and a quarter. Does not this show that protection takes a quarter of a bushel of wheat from the farmer?"

Grant the implied assumptions, and the conclusion would follow. Grant first that wheat would be as high under the free-trade conditions which would take 3,000,000 men from our manufacturing industries and add them to the farmers of this country as it is now; and grant, secondly, that cloth would be as low in England with our mills stopped as it is now. Then there would be some basis for the conclusion. The trouble with all free-trade arguments is that they start with certain assumptions; for example, that all nations are on the same platform as to wages of labor, or that because one man could to-day buy more cloth with a bushel of wheat in London than in New York therefore all men could do the same if we relied upon England for all our goods, and argue their case just as though these assumptions are conceded to be true, whereas in fact the whole question in controversy between free trade and protection is right here.

It has been frequently asserted that the price of grain, pork, beef, &c., here is absolutely fixed by foreign conditions, and therefore that our farmers may as well send half of their produce abroad and sell only 50 per cent. here under free trade as to export only 8 per cent. of their crops and sell 92 per cent. of it in our home market, as we do under protection. In other words, it is affirmed by the opponents of protection that it is immaterial to the wheat, corn, pork, and beef grower whether his home market is large or small, because the whole is sold at the foreign price, and that (as it is claimed) will be the same whether we send abroad 30 or 50 per cent. of our farm products, or only 8 per cent., as

now.

As this, Mr. Chairman, is the initial fallacy of all free-trade arguments, or rather assumptions, I ask the House to look it in the face.

We have to-day 7,670,493 persons in the United States employed in agriculture—4,225,945 persons as farmers and planters and 3,323,876 as farm laborers. These agriculturists to-day sell 92 per cent. of their products at home, and send abroad a surplus of only 8 percent. Suppose that under the advice of our free-trade friends we conclude to give up manufacturing industries here (for if protective duties are to be abolished we must give up manufacturing, unless we can bring the wages of labor down to the foreign standard), and to buy our cloth and other manufactured goods in the "cheaper" markets of England. The three million or more men now employed in manufacturing industries will of course go upon farms, and immediately increase our agricultural products 50 per cent.; but as there will be no more persons to be fed in this country than before, the home consumption can be no more, and the surplus for export will be increased more than sevenfold.

I ask gentlemen who tell us that the price of our farm products is absolutely fixed in the foreign market, what will be the effect on the price of our farm products abroad and at home when our surplus for shipment shall be increased so enormously? Is there any one who doubts that such a condition of things would cause the price of farm products to decline enormously? Would Professor Sumner's farmer then be able to buy his yard of cloth in England with his bushel of wheat?

The truth is that the price of wheat, flour, corn, pork, beef, &c., abroad is dependent as much on the amount of the surplus which we have to ship as on the demand abroad. The adoption of a free-trade policy that would destroy manufacturing industries and increase our farm products and swell the surplus for shipment would bring ruin upon the farmers of this country, especially in view of the fact that India is ready to compete with us in foreign markets.

Again, a free-trade policy, which should destroy our manufacturing industries, would increase the cost of manufactured goods by diminishing the world's production, as I have already shown, so that the farmer would find that instead of being able to buy in England a yard of cloth with a bushel of wheat, it would require two bushels of wheat to make the purchase.

On the relative value of the home and the foreign markets to our farmers I call attention to the following statistics from the report of the Bureau of Statistics:

In 1882, we produced in this country 1,617,025,100 bushels of corn, of which only 41,655,653 bushels, or about 2½ per cent., was exported, while 971 per cent. was consumed at home.

In the same year we produced 504, 185, 470 bushels of wheat, of which 148,785,696 bushels, or 29½ per cent., was exported, and the exports for the present fiscal year will not exceed 20 per cent. of the crop.

In the same year we produced 290,000,000 pounds of wool, and exported only 64,474 pounds, or scarcely one-fourth of 1 per cent. of the clip. In the same year scarcely 10 per cent. of our hogs, cattle, pork, and

beef was exported, and over 90 per cent. was sold in the home market. In short, setting aside cotton and tobacco, only 8 per cent. of our home products were exported, while 92 per cent. was sold in our home market.

It is of immense importance to the farmers of the West that the home market should be developed, and developed, too, not only in this country generally, but in his own State. The nearer the consumer can be brought to the producer the better the prices the latter will realize.

To transport wheat, pork, and beef to England and bring back goods in return involves an immense loss in cost of transportation, and every cent of it must come out of the producer. The highest prosperity is assured to the farmer where manufacturing industries are brought near to him, so as to afford a market at his doors.

Mr. HEWITT forcibly stated the prime importance of the home market and the comparatively small importance of the foreign market to the

farmer, in his letter already quoted, when he said:

If we have free trade we can not expect to procure supplies from abroad by increased shipments of grain, for already the European markets take from us all that they require, and no amount of purchase of goods from them will induce them to buy more food than they need, and which they now take as a matter of necessity.

In the same letter he also set forth clearly the interest which the farmer, as well as every other class, has in a protective tariff to develop manufacturing industries, diversify pursuits, and thus increase the wages of labor, in these words:

Free trade will simply reduce the wages of labor to the foreign standard, \* \* but as a matter of course the ability of the laborer to consume will be reduced and a serious loss will be inflicted on commerce, general industries, &c.

This result has been wrought out in practice in thousands of communities. I remember that in the State which I have the honor in part to represent, before manufacturing industries were established in our midst, the farmer often found it difficult to barter his corn, potatoes, apples, hay, beef, pork, butter, cheese, and vegetables at any paying price. But now, when manufacturing towns are within a day's drive, he finds little difficulty usually in selling all his farm products for cash at fair prices. Every farmer who has lived in a country destitute of manufacturing establishments, where subsequently such establishments have sprung up under our projective policy, can bear witness to the fact that a protective tariff has greatly benefited him.

#### IMPORTANCE OF DIVERSIFYING PURSUITS.

It is essential to the success of farming in the United States that the pursuits of our people should be diversified. And it will be found that, other things being equal, farmers are most prosperous in those States where manufacturing industries are established, the pursuits of the people diversified, and home markets created.

The February report of the United States Department of Agriculture contains a report by Mr. J. R. Dodge, statistician, on the value of farms, farm products, &c., in the several States, which strikingly illus-

trates this principle.

Mr. Dodge divides the States of the Union into four groups. In the first group, consisting of Massachusetts and eight other States having the most extensive manufacturing industries, the average value of farm land is about \$47 per acre, and the average value of farm products per man is \$467 per annum.

In the second group, consisting of Maine and seven other States with less manufacturing establishments than the first group, the value of farm lands is about \$34 per acre, and the average value of farm products

per man is \$394.

In the third group, consisting of Wisconsin and four other Western States with still less manufacturing industries, the value of farm lands is about \$20 per acre, and the average value of farm products per man is \$261.

In the fourth group, consisting of Virginia and eighteen other States in all parts of the Union, with almost no manufacturing industries, the value of farm lands is only \$9 per acre, and the average value of farm products per man is only \$161.

VALUE OF PROTECTION TO THE FARMER.

Every farmer can buy more sheeting, prints, woolens, iron goods, shoes, &c., for a bushel of wheat, or corn, or potatoes, or a ton of hay or any other farm product under our protective policy, than he could obtain if free trade had compelled us to rely on England for these goods or if a tariff for revenue only had encouraged large importations of foreign goods to cripple our industries.

I have already presented tables showing the reduction of prices of manufactured goods under the influence of the home competition, encouraged by protection. I now ask attention to the following tables from the New York Herald, giving the prices of farm products in the interior of that State in 1816, before our protective tariffs had diversified the industries of the people of that State by encouraging manu-

factures, and in 1882:

	1816.	1882,
Wheat, per bushel Corn, per bushel Oats, per bushel Eggs, per dozen Barley, per bushel Butter, per pound Cheese, per pound Cows, per head Cattle, per yoko Hay, per ton Carriage horses, per span Sheep, per head	15	\$1 00 60 60 50 155 80 30 155 80 100 00 to 75 00 10 00 to 18 00 30 00 to 1,000 00 1 50 to 25 0 50 15 50 to 2 5 50 15 60 1

That is, the average increase in the prices of farm produce since 1816 has been more than 100 per cent., while the average decrease in prices of manufactured goods has been from 20 to 90 per cent.

The same general results appear from a comparison of the average prices of farm products during the period of a tariff-for-revenue only before the war and average prices since resumption of specie payments

under protection.

The gentleman from Rhode Island [Mr. CHACE], recognized by the House as a painstaking and reliable authority in economic facts, presented to the Forty-seventh Congress a very valuable table of statistics

on this point, to which I invite attention.

The tables submitted by that gentleman show that during five years of the revenue-only tariff one bushel of wheat would buy on the average 81 yards of sheeting, 12 yards of prints, 107 pounds of pig-iron, 353 pounds of bar-iron, or I sack of salt. But during the five years of protection from 1877 to 1882 1 bushel of wheat would buy on the average 11 yards of sheeting, 16 yards of prints, 134 pounds of pig-iron, 57 pounds of bar-iron, or 13 sacks of salt.

These tables further show that under the five years of tariff for revenue only ten pounds of butter would buy 101 yards of sheeting, 15 yards of prints, 131 pounds of pig-iron, 433 pounds of bar-iron, or 11 sacks of salt. But under five years of protection the same butter would buy 21 yards of sheeting, 31 yards of prints, 254 pounds of pig-iron, 109 pounds of bar-iron, or 31 sacks of salt.

In 1840, before manufacturing industries had diversified the employments of the people of this country, each farmer had of neighbors who

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were non-agriculturists  $5\frac{2}{3}$  persons to purchase his product; but in 1880 each farmer had  $6\frac{4}{3}$  persons who were consumers of his products. It is this increase of 50 per cent. in the number of non-agricultural consumers—an increase mainly due to the introduction of manufacturing industries—which has so much improved the situation of the farmers of this country. The protective policy which has brought this improvement is not a burden, but a benefit to every farmer in the land.

#### DIRECT PROTECTION TO FARMERS.

I have spoken of the indirect benefit of our protective system to the farmer; but to these should be added the direct protection accorded to agricultural products, against the competition of Canada. Hay, grain, potatoes, butter, cheese, horses, cattle, wool, sheep, and hogs would be brought into the United States from Canada to compete with American farm products, if it were not for the duty imposed on them when imported. The advantage to our farmers of the duties imposed on imported Canadian farm products plainly appears in Maine, New Hampshire, Vermont, New York, Ohio, Michigan, and other States bordering on the northern frontier, where the farmers on this side of the line obtain 15 to 20 per cent. more for their products in our markets than the Canadian farmers obtain on the other side. Without our tariff it would be impossible for our farmers to raise wool in competition with South America and Australia.

The prosperity of the farmer is closely connected with the development of manufacturing industries: and protection, therefore, is as beneficial to him as to the laborer, the blacksmith, the shoemaker, the carpenter, the mason, the truckman, the trader, the professional man—in short, every member of the community in which manufacturing indus-

tries are established.

#### THE FINAL TEST.

The final and conclusive test of any public policy, Mr. Chairman, is its fruits. It is the practical results of the two policies of protection and of free trade, of which a tariff for revenue only is only a forerunner, which must control our action. If our protective policy is "taxation," "monopoly," "robbery," and "oppression," as many gentlemen charge, then twenty-two years' trial of that policy must have produced ruin from one end of the country to the other. No national advantages could have warded off the blight of protection if it be what its opponents charge. The fact that under this policy the United States has for four years successfully waged the most gigantic and destructive war for national existence recorded in modern history; has paid more than two-thirds of the enormous cost of that war; has grown in population more than 50 per cent., and in wealth more rapidly than any other nation; has increased the number, value, and productions of her farms threefold; has raised the value of her manufactured products from \$1,885,861,676 in 1860 to \$5,369,579,191 in 1880; has developed our foreign commerce from an aggregate of six hundred and eighty-seven millions in 1860 to an aggregate of over fifteen hundred millions in 1883, and has drawn to our shores millions of immigrants from all parts of the world to better their condition, while comparatively none have left our shores for this purpose—such an array of facts as these is a demonstration more conclusive than the assumptions and theories of our free-trade friends that the policy of protection is wise and beneficent.