

A TARIFF TRICK.

AN IMPORTANT DECISION ON THE NEW TARIFF LAW.

The Enormous Increase of Duty on Knit Goods, and How It Was Secured—The Board of Appraisers Completes the Job—A Good Chance to Pay High Prices.

The longer the McKinley tariff law gets in its work the more clearly the tricks in it come to be seen and understood. One of these tricks has recently been uncovered by a decision of the Board of Appraisers.

The effect of this trick is to impose a still higher duty on knitted wool underwear and hose than the bill seemed to its face to demand. It will be remembered that under the old law these goods came under the paragraph which fixed duties on "flannels, blankets, hats of wool, knit goods, and all goods made on knitting frames, balmorals, etc." The duty imposed in this paragraph on all knit underwear and hose, if "valued at above 40 cents per pound," is fixed at figures ranging from 18 cents a pound and 35 per cent ad valorem to 35 cents a pound and 40 per cent ad valorem.

In the McKinley law, however, the word "fabrics" is substituted for "goods" in the old law, the law now reading "knit fabrics, and all fabrics made on knitting machines or frames." McKinley fixes the duty on such "fabrics" valued at above 40 cents per pound at 44 cents a pound and 50 per cent ad valorem.

The old duty was itself so oppressive that imported goods costing \$30 a dozen had to be sold in New York at \$72 a dozen. This, however, did not appear to be enough protection for the domestic manufacturers. But these men were not satisfied, and so they struck for higher protection. The hey-day of protection then came in with McKinley and Reed, and was taken by the manufacturers as an invitation to make more extravagant demands than they had ever made before.

These demands were made and were promptly and fully honored by the high tariff party; but, in honoring those demands, much more was given to the manufacturers than at first appeared. There was a trick in that word "fabrics" which has never been laid open to public view, and which, it is said, was carefully planned beforehand. It seems now that the manufacturers never intended to be satisfied with the largely increased duty of 44 cents per pound and 50 per cent ad valorem. It was intended from the first that the word "fabrics" in this paragraph should not apply to knitted underwear and hose, although these had been dutiable under this paragraph in the old law.

There is another paragraph in the bill which covers "wearing apparel." In the old law this read "wearing apparel, except knit goods" in the new law these words, "except knit goods," were quietly left out, and the way was thus prepared for the decision of the appraisers that knitted underwear and hose should be taxed under this paragraph.

The effect of this decision is to place an enormously higher duty on the kind of goods here referred to. The duty is raised to 49 1/2 cents a pound and 60 per cent ad valorem. A high tariff paper, the Boston *Commercial Bulletin*, just calls this "a terrific increase in rate."

The steps by which this increase in duty was reached may be seen by the following:

Under the old law, three grades.....	18 and 35
.....24 and 35	
.....35 and 40	
Apparent duty under new law.....	44 and 50
Real duty by new decision.....	49 1/2 and 60

This decision was reached after some of the domestic manufacturers had directed the attention of the appraisers to the language of the two paragraphs. A letter from Senator Aldrich, the leader of the high tariff party in the Senate, was produced, in which the Senator said that it was the intention of the makers of the tariff to tax knit goods as wearing apparel under the higher rate of duty. This was of course done; and the people will now have to pay an enormous duty on all knitted underwear and hose made of wool.

Is this one of the provisions of the tariff law which, as the protectionists assure us, the people will like the longer they pay it and the better they come to know it? They are taking consolation to themselves for their crushing defeat on Nov. 4 by saying that the new law had not been in effect long enough for the people to understand what a good good law it is, and that by 1892 the people will see the good features in it which they failed to appreciate in 1890. The blindness and folly of these tariff makers passes belief. They do not see that the longer the people pay these duties the less they will like them. The people said on Nov. 4 with unexampled emphasis that they prefer cheapness rather than dearth; and there is not the slightest probability that they will change their minds on that subject by 1892—not for that matter, by 1902. "McKinley prices" are doomed.

Wasting the People's Money.

For years a system of taxes, originally imposed for the purpose of defraying the extraordinary expenses of a great war, and which in the first instance would never have been tolerated for any other purpose, has been continued. The result has been that a large amount of money, desirable for the wants of trade, has been withdrawn from circulation and locked up in the United States Treasury; and for some years past there has been no way of releasing it for public uses, except by buying bonds and so reducing our public debt. On its face this seems all right, although there is no good reason why the present generation should have the whole burden of our national debt imposed upon its shoulders, and future generations, who will, in point of numbers and wealth, be better able to pay it, should be totally exempted. It does not, moreover, seem a good business policy to take money by taxation from the people worth, say, eight or ten per cent, to them to keep, for the sake of paying off bonds, drawing only four per cent interest. But be this as it may, there have not been for some years any bonds that the Secretary of the Treasury could call, to pay or redeem, at his pleasure, because there have been none due.

And so the only way he has been able to obtain any bonds for redemption has been by offering to their owners a premium or bounty in addition to their lawful principal and accrued interest to come forward and surrender them. Plain people, who do not keep the run of financial affairs, and who do not note how large the premium is getting to be, may be somewhat surprised to learn, that in September, 1890, the Secretary of the Treasury paid a bounty of over 26 per cent on more than \$4,000,000 for the privilege of paying \$16,000,000 of 4 per cent bonds, not due

until well into the next century. And the community approved of this procedure, because it believed that by so doing a disastrous money panic was averted. And the same plain people may be more surprised to further learn that, as the result of this same policy, namely, of taxing the people to take from them high-priced money, and then paying a high price to get rid of it to the bondholders, the amount of money which the United States Treasury within the last three years has presented to the bondholders, whom public opinion has been accustomed to regard as having been already sufficiently favored by exemptions from taxation and otherwise, has been in excess of fifty-one millions of dollars, necessitating fifty millions of unnecessary days' work, which the present generation of American people have had to perform during the same period. Does it not become these same people to seriously ask themselves how such a policy of taxation harmonizes with the idea of intelligent government—of government for the protection of industry and promotion of the interests of the whole people? How does such a policy promote the interests of the American farmers, whose farms are reported to be shingled all over with mortgages, and who, by a policy of high and unnecessary taxation, have to sell in the cheapest market and buy in the dearest?

DAVID A. WELLS

TARIFF LETTERS TO FARMER BROWN.

NO. 8.

The Election and the Outlook for Tariff Reform.

DEAR FARMER BROWN.—Since my last letter was written the people of the United States have rejected McKinley and "McKinley prices" with an emphasis that leaves no doubt as to what they think of either. Never have the people of this country visited so swift and unmistakable a condemnation upon any measure on which they were asked to pass judgment. The Republican leaders fancied that they received in 1888 a commission from the American people to impose higher tariff taxes than the country has ever had, and they went forward to this work of raising duties with a confidence by no means justified by their slender majority. Confident that they had passed a tariff bill that would receive the applause of the people they put it into effect with unparalleled haste, fancying that the people would see what McKinley calls its "benefit" and approve the bill by their votes. Their mistake must now be evident to the blindest among them.

In the numerous explanations that the Republicans are now making of their defeat, there is abundance of confessions that it was the McKinley tariff bill that brought disaster upon their party. This is openly acknowledged by leading Republicans in Massachusetts, where the tariff was practically the only issue before the people. The *St. Louis Globe-Democrat*, which is one of the foremost Republican organs of the country, makes this confession: "It was through the tariff law that most of the damage was inflicted on the Republicans. There was no excuse for any increase in duties on any article. Every advance of this sort which was made weakened the party, hampered the labors of its advocates and champions, and placed the organization on the defensive from the beginning of the canvass."

What, then, is the outcome of the election as bearing on tariff reform? It can be predicted with confidence that on March 4, 1893, a Democratic President will be placed in the White House, and a Democratic Senate and House of Representatives in the Capitol. President and Congress will be distinctly and unequivocally pledged to a reform of the tariff in the interests of the great army of consumers. President and Congress alike will be thoroughly committed to the broad principle that the people should be compelled to pay no taxes except such as go into the treasury. They will hold to the doctrine that to tax the many for the benefit of the few is simply robbery, and is an outrageous abuse of the powers of government. As the political field looks to-day nothing can prevent the election of a President who holds such views. It is almost equally certain that at the same time the Senate of the United States will pass under the control of the Democrats, and that the Democratic Senators will thoroughly support the Democratic House of Representatives in a radical reduction of the tariff.

But you may ask, Are we to have the McKinley bill and McKinley prices till 1893? The Congress just elected will meet on the first Monday in December next year. That Congress cannot make a thorough revision of the tariff, as the Senate and President will still be Republican. But there will be tariff legislation—of that you may be sure. The policy of the Democratic House will most probably be that outlined by Senator Vest, of Missouri. He says:

"The Democratic party should proceed deliberately and cautiously to attack the outrageous taxation of the McKinley bill by the enactment by the next House of special bills. These bills should be sent to the Senate, and let the Republicans take the responsibility of defeating them if they dare. Let the House put salt, lumber, and other articles on the free list by special bills, and then let the Republican Senate wrestle with them."

There will doubtless be a series of these bills in the direction of free raw materials and lower duties on the necessities of life. These can without doubt pass the Senate, as Senators Plumb, Paddock and Pettigrew will certainly be strengthened in their low-tariff views by the result of the elections. Other Republican Senators who voted for the McKinley bill under pressure will perhaps fall in line and vote to please their constituents. Republican journals themselves pointed out before the elections that the elections might make tariff reformers out of some of the Republican Senators. The *Cleveland Leader*, one of the most uncompromising high tariff organs in the country, said during the recent campaign:

"United States Senators are not indifferent to what they deem changes of national sentiment. They do not wait to be voted out of office before yielding to the desires of their constituents. What if the elections this fall should seem to show that the McKinley law is not what the country wants? How long would the Senate stand its ground, especially when some of the Republican members were very weak-kneed on the tariff question before the last session ended?"

There will be some bills, then, for tariff reduction. If the President should be so bold as to veto those his course would only anger the taxpayers and intensify their demand for tariff reform, and their demand would find emphatic expression in 1893.

The outcome of the elections confirms these words and makes them read now almost like a prophecy.

The artist always loses in the world. Society is a crucible in which gold melts—From "Ariadne."

Furthermore when the Democrats have taken full control of the Government and have carried out their ideas of tariff reform, we shall have a tariff far lower than the Mills bill offered us in 1888. Mr. Mills himself has just said, in view of the great tariff reform victory: "We must not dally with half-way measures; we must open every market for all our products."

Meanwhile the work for tariff reform will go on without interruption. The forces which were influential in bringing about the victory of Nov. 4 will be kept in activity without ceasing for one day.

The most energetic organization engaged in the tariff fight is the Reform Club of New York. This club has attracted to it many of the tariff reform leaders all over the country. Organized in January, 1888, it took an active part in the election of that year. It has kept up the fight continuously since then; in the campaign just closed its efforts were redoubled, and its blows were delivered with telling effect. It has conducted joint debates on the tariff throughout New York State, and it has sowed tariff-reform documents all over the West. It has supplied hundreds of newspapers with tariff-reform matter, and this work will go right on just as during the campaign. In fact, the club is now fighting already the great Presidential battle of 1892. The work of educating public opinion to intelligent views on the tariff question will be pushed in every possible way. The ground gained on November 4 is to be held. There is to be no retreat. The victories of the past are to be an inspiration to greater ones in the future.

So there, there is hope for a relief from tariff burdens. The horizon is bright with the promise of dawn. The work will go forward more easily now. On November 4 we reached the top of the long, long hill; now we start down on the other side. When we reach the bottom all unjust burdens of taxation shall be removed. Yours truly,

NEWS OF OUR OWN STATE

WHAT HAS HAPPENED IN INDIANA THE PAST WEEK.

Killed While Hunting—Muncie to Have a New Opera House—Fired Buckshot Into a Toll-House—A New Bank—Scarlet Fever Epidemic at Bedford.

—Marion is to have a new iron-mill.

—Muncie is to have a new opera-house to cost \$40,000.

—Mason N. Haile died of heart disease at Brookville.

—Chas. Love, of Osgood, fell from a fence and broke his leg.

—Two toughs had a prize fight at Fort Wayne, and one had a finger broken.

—Five persons died suddenly of heart disease in Orange County in one week.

—The growing wheat is said to be looking better this season than ever before.

—Charles Flack, of Shawntown, Ill., was killed at Evansville by falling down stairs.

—William Harris, a brakeman on the Lake Shore Road, was killed by the cars at Goshen,

—George Evers, a pioneer of Elkhart County, aged 75 years, died at his home near Bristol.

—George Taylor, while hunting near Tipton, was seriously injured by the explosion of a gun.

—Several children were injured in a panic in a school house at Muncie, due to an alarm of fire.

—E. B. Ramsey, of Burkett, section foreman of the Nickle Plate, was badly mangled by a train.

—Samuel M. Archer, a banker widely known throughout the State, died at his home in Evansville.

—Henry Lovely was caught by falling slate in the Buckeye mine, at Cannelburg, and crippled for life.

—Daniel Romberger has sued Dr. L. J. Willen, of Terre Haute, for \$10,000 damages, for alleged malpractice.

—Will Currie, an Osgood barber, accidentally shot himself in the side while hunting. His injuries are not fatal.

—A new M. E. Church will be dedicated at Fairmount on December 1. The building is under course of construction now.

—Miss Kate Yunker, of Mount Vernon, took a snap shot at a burglar entering the house, and got the end of his nose.

—Near Fort Wayne Miss Ida Snyder was shot and killed by Albert Shurt, a discarded suitor, who then committed suicide.

—Frank Shunk died of lockjaw at New Albany. He ran a nail into his foot some weeks ago, but the wound had healed up.

—At the home of Lafayette Elliot, six miles east of Columbus, John M. Gould, aged 24 years, died of heart disease while asleep.

—Messrs Lockridge, of Greencastle, sold to a New York firm for export, a bunch of cattle weighing an average of 1,700 pounds.

—H. H. Alfrey & Co., of Terre Haute, will establish a heading factory at Greencastle, that will give employment to seventy-five hands.

—James Bryce, the little son of Sheriff Alexander Bryce, of Owen County, injured by a train at Spencer, died of his wounds.

—John Rorck, blacksmith at Jeffersonville, has fallen heir to \$50,000, left by an uncle in Germany, of whose existence he was unaware.

—A freight train on the Panhandle was wrecked four miles east of Richmond. Fifteen cars were smashed and the track was torn up for 100 feet.

—The heirs of Horace M. Wright, of Fort Wayne, were awarded a judgment for \$4,000 against Allen County. Wright was killed by the breaking of a bridge in that county.

—Indiana's quails are in small danger of being annihilated, but at the rate the reports of hunting accidents are coming in the race of Nimrods is likely to be extinguished.

—Two fire-engines collided at a street corner in Evansville. Fireman Conners was injured, the horses were badly crippled, and the engines considerably smashed up.

—William Mauchamer, a farmer living south of Anderson, was kicked in the forehead by a vicious horse and death ensued in a short time. His skull was horribly crushed.

—Mrs. Miller, of Moore's Hill, who last summer charged the management of the Central Insane Asylum with cruelty, has been again arrested and will be returned to the institution.

—Congressman Brookshire announces that there will be a competitive examination for appointment to West Point some time in December, to be held either at Terre Haute or Crawfordsville.

—In Union Township, Adams County, John G. Sheets was stricken with paralysis while shingling a barn. His fellow-workman nailed his clothing to the roof while he went for assistance.

—Suit has been entered in the Montgomery Circuit Court against the I. S. L. & K. C. Railroad to recover the value of the hide of a cow that was killed by the cars, and whose hide was secured by the station agent.

—At Mitchell, Miss Mary Eubanks died from the effects of blows administered by a drunken brother.

—Frank Robertson, aged 19, committed suicide by shooting himself, at his home, near Westville. Dissipation had caused despondency.

—A child of Rev. H. P. Corey, the Presbyterian minister of Greencastle, was playing around some burning leaves, when his dress caught fire, burning one side of his body to a blister. The injury is regarded as serious, though not fatal.

—A new bank was organized at Elizabethtown, Bartholomew County. It is to be known as the Farmers' and Merchants' Bank. Edward Springer will be president.

—Burglars, made a raid on the grocery establishment of A. H. Benham, of Wabash. Smoked meats, number of small articles and money of an aggregate value of \$30 were taken. No clew.

—The Advent Christian Church at Jeffersonville, was imposed upon by a clerical fraud from Topeka, advertising himself as Elder J. J. Austin, who obtained the pulpit of the church by means of forged credentials.

—The Bedford Board of Health has ordered the School Board to close the public schools indefinitely on account of the scarlet fever. Two deaths have occurred and several other cases are reported.

—Henry Hooten, aged 85 years, and one of the early settlers of Morgan County, was almost totally paralyzed, at the home of his daughter, Mrs. Alexander Stewart. Owing to his extreme age he cannot recover.

—John Lobeck, a brakeman on the Lake Shore Road, was killed by the cars at Goshen,

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