

THE FARMER AND THE TARIFF

SPEECH

OF

HON. DICK T. MORGAN

OF OKLAHOMA

IN THE

HOUSE OF REPRESENTATIVES

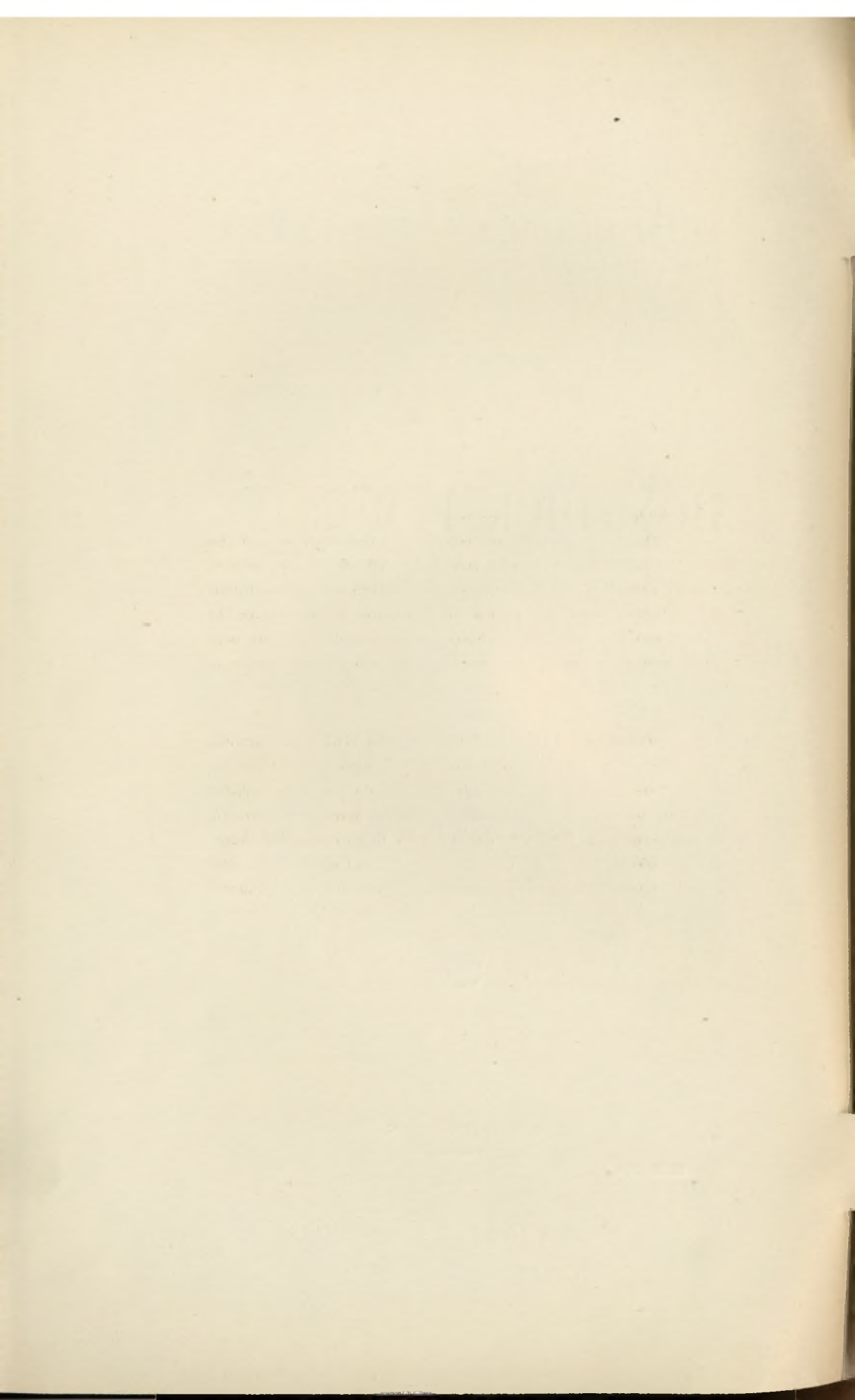
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On the bill (H. R. 1438) to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes.

Mr. MORGAN of Oklahoma said:

Mr. CHAIRMAN: Much has been said in the discussion of the pending tariff measure about how the tariff affects the farmer. Every effort has been made to make the farmers of the United States believe that the policy of protection is detrimental to their interests. However sincere the gentlemen may be who utter such statements, I am confident the policy of protection is beneficial to the farmer, and I shall try to show this fact.

NUMBER OF FARMERS.

In 1900 there were in the United States 10,381,765 persons, 10 years of age and upward, engaged in agriculture. At the same time and of the same age, there were 7,085,309 persons engaged in manufacturing and mechanical pursuits; 5,580,657 persons engaged in personal service, including unclassified laborers; 4,766,964 engaged in trade and transportation; and 1,258,538 persons engaged in professional service. In the aggregate, there were in the United States in 1900, 29,073,233 persons, 10 years of age and upward, engaged in gainful pursuits. Those engaged in agriculture constitute more than one-third of our great industrial army. Agriculture is the cornerstone of our strength and greatness. Any policy that does not give the farmer, as compared with others, a fair and just reward for his labor, industry, energy, and intelligence must inevitably result in disaster to the whole Nation.

I want to discuss the question, Is a protective tariff beneficial to the farmer?

THE FARMER SHOULD BE A PROTECTIONIST.

If I did not believe this question should be answered in the affirmative, I would cease to be a protectionist. I could not favor, advocate, or aid in perpetuating a policy or system that was inimical to the interests of the ten millions of intelligent, progressive, and patriotic farmers of the United States.

In my judgment every farmer should be a protectionist. The farmers above all others should stand by the policy of protection. In the future, more important than in the past, the farmer will be interested in maintaining the policy of protection. To my mind there is no possible way the farmer can be benefited by tearing down the tariff walls and placing our agricultural products and our manufactured products in free competition with the products of the world.

The lowering of all our tariff schedules to a revenue basis could have but one effect—the increase of importations. Indeed, that is the object of a revenue tariff—to get revenue. The Democratic idea is to abandon the principle of protection—to have a tariff solely for revenue. You can not increase the revenue by reduction of duties unless there is an increase in the importations of foreign goods, wares, and merchandise. Suppose that by reducing our tariff to a revenue basis, as advocated by the Democratic party, we double the amount of goods imported from foreign countries.

The reduction of the tariff could not increase the capacity of the American people to consume. The result would be that we must manufacture so much less goods at home. If we are to manufacture less goods, we must employ less men. The men whose services would be needed no longer in the manufacturing business must seek employment in some other line. Where will they go? There is but one place—to the farm. They then become competitors of the farmer. Before they were his customers. They were employed at good wages, they had money to buy, they had to live, and they were able to live well and pay the farmer fancy prices for his products. So the process would go on, ever increasing competitors and decreasing the customers of the farmer.

The lowering of duties to a tariff-for-revenue basis means larger importations and consumption of foreign-made goods, wares, and merchandise, and a corresponding reduction in the amount of such products manufactured at home. This means the employment of a less number of men in our mills, factories, and manufacturing establishments. The natural and inevitable result is to decrease the number of men employed in nonagricultural pursuits and increase proportionately the number of men employed in agriculture. This process can not possibly benefit the farmer. The farmer, from a selfish standpoint, is interested in increasing as rapidly as possible the number of men in this country who are not engaged in agriculture. They are his customers. They consume his products. The farmers, like men engaged in other lines of business, are interested in having as many customers as possible. The more customers, the greater the demand.

The farmer now constitutes about one-third of our population. The reduction of the number of farmers from one-third to one-fourth of our population would unquestionably decrease the supply, increase the demand, and advance the prices of farm products. This is what the farmer wants—from a selfish standpoint. In other words, the farmer is interested in increasing the number of his customers and decreasing the number of his competitors. This is what the policy of protection to American industries has been doing. Through great industrial development we have built up great cities. The millions in our great cities are the customers of the farmers. As a result of this wonderful development of our manufacturing trade, transportation, and commercial interests, the farmers have been called upon to give their sons and daughters to the non-agricultural classes. Their own children have become their customers instead of their competitors. This has been favorable to the farmers in this, that it has decreased the number of farmers and increased the number of non-farmers.

Many have tried to determine why people were leaving the farms and going to the cities. This is easy. The policy of protection has done it. Men would not leave the farm to go to

cities unless employment was offered; they would not go without favorable inducements in trade, in commerce, in business, in manufacturing, and in the professions. Back of all this great movement toward our cities has been our policy of protection to American industries and to American labor.

Free public land in the West has been the one thing that has enabled the farming interests to keep pace with our manufacturing interests. Free homestead land has drawn and held to the farms millions that otherwise would not have become or remained farmers. But the free lands, suitable for general farming, are no more. Henceforth the growth of agriculture and the increase of agricultural products must come largely through better methods, improvement in machinery, enrichment of soil, economical management, and greater knowledge of the science of agriculture.

The farmers above all others should stand by the policy of protection, because under this policy in the future, more than in the past, proportionately there will be fewer farmers and more of the non-farming class. In other words, the continuation of the policy of protection means to the farmer from year to year more customers and fewer competitors. This means a general and continual advance in the prices of farm products. This means greater profits for the farmer.

FARMER WANTS BEST CUSTOMERS.

The protective tariff not only gives the farmer more customers, but it gives him better customers. Better customers, because they have more purchasing power and are nearer to the farmer.

The farmers of the United States have at home the best customers in the world—customers with the highest purchasing power and with the greatest capacity as consumers. They eat more and better food; they wear finer clothes; they live in more comfortable houses; they have better furniture in their dwellings; they have more of the comforts as well as the luxuries of life; and live upon a higher plane than the customers and consumers of the farmers of any other nation in the world. This is demonstrated clearly by the indisputable

fact that the scale of wages in the United States, on an average, is from two to three times higher than the scale of wages of Great Britain, Germany, and France, the three greatest nations of Europe. I submit herewith a table, taken from official sources, giving the scale of wages per hour in the United States and in Great Britain, Germany, and France. The table is as follows:

Wages per hour, 1903.

	United States.	Great Britain.	Germany.	France.
Blacksmiths.....	\$0.2951	\$0.1740	\$0.1237	\$0.1629
Boiler makers.....	.2848	.1719	.1123	.1455
Bricklayers.....	.5472	.2062	.1328	.1325
Carpenters.....	.3594	.2028	.1301	.1544
Compositors.....	.4467	.1795	.1411	.1303
Hod carriers.....	.2863	.1250	.0849	.0965
Iron molders.....	.3036	.1787	°.1140	.1310
Laborers.....	.1675	.1019	.0797	.0965
Machinists.....	.2707	.1677	.1310	.1326

^a In 1900.

PLANT FACTORIES BESIDE THE FARM.

No intelligent American farmer will voluntarily exchange customers with the farmers of other nations. The sensible American farmer will continue to vote for a policy that guarantees to him as customers wage-earners who receive from 100 to 200 per cent higher wages than do the wage-earners of any other country of the globe.

It is a great advantage to the farmer to have his customers at home. They should be as near his farm as possible. Every farmer knows the importance of having a farm within a reasonable distance of our great cities. This gives the farmer a market at his door. This not only saves large expense in transportation charges but it enables the farmer to market products which are of a perishable nature.

OKLAHOMA'S INTERESTS.

The importance of this principle may be illustrated by the condition in my own State of Oklahoma, which I am naturally very proud in part to represent. We have a new State, but a State that is rich not only in agricultural possibilities but possesses vast mineral resources. Oklahoma is therefore capable of

becoming a great manufacturing State. We have an unlimited supply of coal, of petroleum, of natural gas, of asphalt, of limestone, of marble, of gypsum, of glass sand, of lead and zinc and other minerals, which will in time and under proper encouragement build within our State many great cities, centers of great manufacturing industries.

If the United States continues its policy of protection, there is destined to be a remarkable growth and development in the manufacturing interests of Oklahoma. The largest city in the State, Oklahoma City, which I am proud to say is within my district, has a population of about 50,000. Considering its age, this city has no equal in the United States. However, we are not so much interested in the size of our cities at the present time as we are in what they shall be in ten, fifteen, and twenty years from now. If the United States continues the policy of protection, in a remarkable short space of time Oklahoma will have cities of 250,000 population.

The farmers of Oklahoma can readily see the importance of building up great centers of trade, transportation, commerce, and manufacturing. The inhabitants of these great cities and innumerable smaller ones would give our farmers a splendid market in close proximity to their farms. The farmers of my State, I believe, can see the importance of the continuation of our policy of protection, to the end that the non-farming population in the State, who are the customers of the farmers and the consumers of their products, may be increased to the largest extent possible.

BEST MARKET IN THE WORLD.

The policy of protection gives our farmers the best market in the world. It is a protected market. The Dingley law and the provisions in the Payne bill now under consideration give ample protection to virtually every farm product. The free traders and low-tariff advocates sneer at the provisions in this bill that place a duty upon the imported products produced by the farmers. This, however, is not argument. The fact is that the farmers of the United States are greatly benefited and will be greatly benefited by the tariff placed upon imported farm

products. To take the duty off of farm products and open our ports to the free importations from the countries surrounding us, would unquestionably work to the injury of the farmers of the United States.

North of us is the Dominion of Canada, with probably 2,000,000 farmers. Within 500 miles of the border of Canada are situated most of the great cities of this Nation—New York, Boston, Philadelphia, Pittsburg, Buffalo, Cleveland, Cincinnati, Indianapolis, Chicago, Milwaukee, St. Paul, and Minneapolis. In this same belt are many other cities with 100,000 or more population. The duty taken off of farm products would invite the farmers of Canada into these great markets, now preserved for the exclusive use of the farmers of the United States. These great markets would be tempting to the farmers of Canada. Being so close to these great cities, the farmers of Canada would have an advantage over the farmers of the great Southwest. A better market for the Canadian farmer would give a great impetus to Canadian agriculture. The farmers of Canada would increase their products to a large extent. These great cities, constituting the main market of the farmers of the United States, would be flooded with products of the farms of Canada. The farmers of the United States will certainly rue the day when they vote for a policy that gives special encouragement to the farmers of Canada to extend their farms and increase their products for consumption in the American market.

What is said of Canada may be said of Mexico, all the South American States, Australia, and Russia.

FARMERS' SURPLUS SOLD ABROAD.

The advocates of a tariff for revenue only repeat the charges that the duty upon farm products is not advantageous to the American farmer because the surplus products of the farmer are sold abroad in competition with the farm products of all other countries. They declare that the price abroad fixes the price at home. The farmers of the United States should not be deceived by this oft-repeated statement.

It must be remembered that the farmers of the United States in 1907 exported only 14.5 per cent of their products. They have
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a home market for 85.5 per cent for all the products they produce. The export of farm products consists almost entirely of cotton, wheat, corn, and meat products. It is true that these are staple products, but, nevertheless, these products are but a small per cent of the total products of the farmers of this country. Farmers must bear in mind, however, that they can not secure any advantage by a policy that will increase the amount of their surplus products which they must export, and will decrease the amount of their products consumed at home.

INCREASE OF IMPORTATIONS CAN NOT BENEFIT THE FARMER.

The farmers of the United States could not be benefited by a change of policy that would compel them to seek a market abroad for 50 per cent of their products, instead of 15 per cent of their products. The larger importations of manufactured goods, wares, and merchandise into the United States, brought about by the reduction of the tariff to a revenue basis, could not benefit the American farmers. To increase the importations of manufactured goods means to increase exportations of farm products. More and more this would place the American farmer in competition with the farmers of Canada, Mexico, Australia, Russia, and other foreign countries.

WE PROSPER TOGETHER.

The farmer can not prosper unless there is general prosperity. There can not be general prosperity without the farmers share therein. The farmer is interested in the prosperity of the 7,000,000 men engaged in manufacturing and mechanical pursuits. He is vitally concerned in the welfare of the 5,000,000 engaged in personal service, including the unclassified laborers of our land. His interests demand that the 5,000,000 men engaged in trade and transportation shall be amply rewarded for the capital invested and the labor performed. Finally, the farmer wants to see the million and a quarter of men engaged in professional service fairly recompensed for time and talent expended. All these men are the farmer's customers. Their misfortunes are his misfortunes, their poverty is his poverty, their want is his want. The farmer can not grow rich unless his

customers are prosperous and able to buy his products at good prices. And when the 20,000,000 persons engaged in other gainful pursuits than farming are getting ahead in the world the farmer will reap his share of the rewards of life. Temporarily those engaged in one occupation may reap an undue share of profits and earnings; nevertheless, the general rule is that the prosperity of one class of our citizenship depends upon the prosperity of all.

I want to submit statistics showing:

First. The general prosperity of our Nation since the repeal of the Wilson-Gorman tariff act and the enactment of the Dingley Act, July 24, 1897.

Second. Special statistics showing the prosperity of those engaged in agriculture since the enactment of the Dingley Act.

Third. Statistics showing our advancement along educational lines.

GENERAL PROSPERITY.

The Dingley Act became a law July 24, 1897, twelve years ago. Let us see the wonderful story told by the official statistics of our country covering the twelve years since the Dingley Act became a law.

Our national wealth in 1900, only nine years ago, was \$88,517,306,775. In 1908 it was \$107,104,211,917. In the last eight years our national wealth has increased nearly \$19,000,000,000. In 1860—the year prior to the time the Republican party came in power and inaugurated its first President, Abraham Lincoln—the total wealth of this Nation was but \$16,000,000,000. In eight years, with Theodore Roosevelt President, with a Republican administration and a Republican Congress and a protective tariff law in force, we have added more to our wealth than all the wealth we had in 1860.

In 1896 the total money in circulation was \$1,506,434,966. In 1908 the total amount of money in circulation was \$3,045,457,289. The increase in the circulation medium has been over 100 per cent. In these twelve years, under a protective tariff, the increase in circulation medium has been more than all the money we had at the time of the repeal of the Wilson-Gorman Act.

During the same time the per capita circulation has increased from \$21.41 to \$34.81.

The bank clearings are regarded as an index to the amount of business transacted. In 1896 the bank clearings of the United States were \$51,935,651,733. In 1907 the bank clearings were \$154,662,515,258, an increase of over \$100,000,000,000—over 200 per cent. During the same twelve years our national banks have nearly doubled, increasing from 3,689 to 6,824. The deposits in our national banks have increased from \$1,668,413,508, in 1896, to \$3,495,410,087. Deposits in state banks have increased from \$695,659,914 to \$3,068,649,860. The total deposits in all our banks in 1896 were \$4,945,124,424. After twelve years under the Dingley Act, the people had in our banks in 1908 \$13,099,635,348, an increase of \$8,000,000,000 in surplus money of the people. The savings-bank accounts are especially interesting and helpful in this discussion, because their accounts represent the working classes. In 1896 the deposits in the savings banks of the United States were \$1,935,466,468. Twelve years later, in 1908, the savings-bank accounts amounted to \$3,495,410,087, an increase in twelve years of the savings of the working people of over one thousand millions of dollars. Does this indicate that the protective tariff benefits the few and not the many?

At the close of the period of the Wilson-Gorman tariff act, in 1896, there were 5,201,132 depositors in our savings banks. In 1908 there were 8,588,811 such depositors. Think what it means to add three millions to the number of wage-earners who have bank deposits. Does this support the charge that the Republican party by its protective-tariff policy legislates for the benefit of the few and not for all?

The exports of our merchandise reveal the amount of business we are doing with other nations. In 1896 the value of our exports were \$882,606,938. Twelve years later the value of our exports were \$1,860,773,346, an increase of more than 100 per cent. It is claimed that the protective tariff restricts our trade with foreign nations. Yet after twelve years, working under the Dingley Act, we sell to foreign nations in a single year

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one thousand million dollars' worth more of merchandise than we did the last year of the Wilson-Gorman Act.

Our imports show our ability to buy and consume. Here we see the same wonderful growth. In 1896 our imports were \$779,724,674. In 1908 our imports were \$1,194,341,792.

In all this unparalleled prosperity the farmer has shared. Farmers should not "weary in well-doing." "Let well enough alone" is a good policy. Be not in too great haste to try experiments. Stand by a policy that means general prosperity for all.

GROWTH IN VALUE OF FARM PRODUCTS.

Let us read the history of farming in the United States from 1896 to 1908 as revealed in the official statistics of our Government. This will show how the farmers have gotten along since the repeal of the Wilson-Gorman tariff act and the enactment of the Dingley Act. These figures tell their own story.

In 1896 the value of our corn crop was \$491,006,967. In 1907 the value of our corn crop was \$1,336,901,000. Under the last year that the Wilson-Gorman tariff act was in force the farmers received for their corn \$845,894,033 less than they did in one year eleven years later under the Dingley Act.

According to the official records, corn in December, 1896, was 21.5 cents per bushel. In December, 1907, corn was worth 51.6 cents per bushel. In 1896 the value of a crop of corn per acre was \$6.06. In 1907 the value of a crop of corn per acre, average yield, was \$13.38.

The farmers in 1896 did the same amount of work to plant, cultivate, and harvest an acre of land that it required ten years later, but under the Dingley Act the acre of corn brings the farmer more than double what it did in 1896 while the Wilson-Gorman Act was in force.

The wheat crop of 1896 was worth \$310,602,539. The value of the wheat crop in 1907 was \$554,437,000. In ten years there is an increase of the farmer's wheat crop of \$243,834,461. The price of wheat on the farm December 1, 1896, was 72.6 cents per bushel. Eleven years later wheat was 87.4 cents per bushel. An acre of wheat was worth \$8.97 in 1896. In 1907 an acre of wheat was worth \$12.26.

The oat crop in 1896 was worth \$163,655,068. Eleven years later the oat crop was worth \$334,568,000. The value of the crop had doubled. The farm value of a bushel of oats December 1, 1896, was 19.9 cents per bushel. In December, 1907, the farm value of a bushel of oats was 44.3 cents. An acre of oats in 1896 was worth \$5.87; in 1907 an acre of oats was worth \$10.51. Will the farmer who raises oats say he is willing to go back under the times of the Willson-Gorman tariff bill?

Barley is an important crop to the farmers of a number of the Northwestern States. The value of the barley crop in 1896 was \$22,491,241. In 1907 the value of the barley crop of the United States was \$102,290,000. In the eleven years under the Dingley Act it had increased in value \$80,000,000; the value of a bushel had increased from 32.3 cents to 66.6 cents, and the value of an acre of barley had increased from \$7.62 to \$15.86. Does the farmer who raises barley want to go back to low-tariff times?

From 1896 to 1908 the value of the farmer's horses have increased from \$500,140,186 to \$1,867,530,000; his mules from \$103,204,457 to \$416,939,000; milch cows from \$363,955,545 to \$650,057,000; his sheep from \$65,167,735 to \$211,736,000; swine from \$186,529,745 to \$339,030,000; and the total value of farm animals has increased in value from \$1,729,926,084 to \$4,331,230,000. So that the farmer for his farm animals alone in twelve years has an increased value in his animals of \$2,603,303,916.

PROGRESS IN EDUCATION.

Our progress has not been in material development only. In education, in art, science, and literature, our progress has kept pace with our material growth. Statistics demonstrate this fact. In 1896 the total amount expended in support of our public schools was \$183,498,965. In 1906, only ten years later, we expended for the support and maintenance of our public schools \$307,765,659. We have added \$124,266,694 to our annual expenditures for the education of the common people in our public schools. This is an increase of 70 per cent. The number of students in our colleges, universities and schools of technology increased from 86,864 in 1896 to 129,181 in 1906. In

other words, in 1906 there were 42,317 more students in our colleges than there were in 1896. On an average, every State in the Union had 900 more of her sons and daughters in the colleges, universities, and higher institutions of learning than it had in 1896.

While we have been growing in wealth we have been advancing in wisdom. While we have been developing our natural resources we have been improving our moral and intellectual forces. In brief, there has been life and progress, growth and development, and a wonderful uplift to higher and better things all along the line.

CONCLUSION.

There are many other arguments that might be presented in this connection. Volumes might be written on the subject. I have said but little that might be said to show that farmers should stand by the principle and policy of protection. I am sincere in my views as to the benefit of a protective tariff policy to the agricultural interests, and I believe that the continuation of this policy means to our farmers increased prosperity, larger profits, greater independence, and more happiness.

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