

warned that a protective tariff would be followed by trusts:

He had no doubt whatever that a protective tariff would be injurious (cheers). But consider what the introduction of that system would mean to our political life. With the tariff came the trusts. He was reading in the "Times"—a newspaper which was not always favorable to them (laughter)—that in the United States two million people had banded themselves together to eat no meat for thirty days in order to break the Meat Trust. The moment they got a tariff and foreign competition was shut out the producers in this country would put their heads together and say: "We will not cut our own throats. We will charge the public what we will." They knew perfectly what tremendous powers a great trust could use and exert. They had only one great trust to fight at present, and that was the liquor trust. It was at present the only great organized industry which took part in the politics of this country; but they knew how hard it was to fight against (cheers), and they knew how it held the Tory party in the hollow of its hand. What he asked them was to consider what their position would be if instead of having one great trust they had twenty-five—if every industry had to organize to secure favors from the government by tariffs, favors which would be at the people's expense. If they ever had a great network of trusts set up in this country then they would find that the freedom of their democratic system of government would be destroyed. Elections would turn upon tariffs, and members would go to Parliament, not to defend the interests of the people, but to push the line of goods which their own local interests demanded and their local organizations dictated (hear! hear!).

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#### The President Defends His Tariff.

Mr. Taft, speaking at the annual Lincoln day dinner of the New York Republican Club on the 12th, asserted that his administration would enforce the law against illegal business, but that it could be "counted on to enforce the law in the way best calculated to prevent a destruction of public confidence in business." In regard to the tariff (vol. xii, p. 778) he said in part:

We did revise the tariff. It is impossible to revise the tariff without awakening the active participation in the formation of the schedules of those producers whose business will be affected by a change. This is the inherent difficulty in the adoption or revision of a tariff by our representative system.

Nothing was expressly said in the platform that this revision was to be a downward revision. The implication that it was to be generally downward, however, was fairly given by the fact that those who uphold a protective tariff system defend it by the claim that after an industry has been established by shutting out foreign competition the domestic competition will lead to the reduction in price so as to make the original high tariff unnecessary.

In the new tariff there were 654 decreases, 220 increases, and 1,150 items of the dutiable list unchanged, but this did not represent the fair proportion in most of the reductions and the increases, be-

cause the duties were decreased on those articles which had a consumption value of nearly \$5,000,000,000, while they were increased on those articles which had a consumption value of less than \$1,000,000,000. Of the increases the consumption value of those affected which are of luxuries—to wit, silks, wines, liquors, perfumeries, pomades, and like articles—amounted to nearly \$600,000,000, while the increase on articles not of luxury affected but about \$800,000,000, as against decreases on about \$5,000,000,000 of consumption.

I repeat, therefore, that this was a downward revision. It was not downward with reference to silks or liquors or high priced cottons in the nature of luxuries. It was downward in respect to nearly all other articles except woolens, which were not affected at all.

Certainly it was not promised that the rates of luxuries should be reduced. The revenues were falling off, there was a deficit promised, and it was essential that the revenues should be increased. It was no violation of the promise to increase the revenues by increasing the tax on luxuries, provided there was downward revision on all other articles. . . .

I therefore venture to repeat the remark I have had occasion to make before, that the present customs law is the best customs law that ever has been passed, and it is most significant in this that it indicates on the part of the Republican party the adoption of a policy to change from an increase in duties to a reduction of them, and to effect an increase of revenues at the same time.

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#### The Increased Cost of Living.

A measure providing for an investigation into the increased cost of living (p. 108) was passed in the United States Senate on the 9th. The measure authorizes an inquiry by a special committee of seven Senators into the general enhancement of values, covering not only food and clothing, but many other articles used in everyday life. The investigation also will cover the questions of salaries, earnings and the tariff. Not only will prices in the markets be included, but also those at the farm and the factory. John Callan O'Laughlin, writing to the Chicago Record-Herald, says that the slate of the Republican membership on the committee of investigation, as arranged by Senator Aldrich and other leaders, is as follows: Senator Lodge of Massachusetts, chairman; Senator Elkins of West Virginia, Senator McCumber of North Dakota, Senator Smoot of Utah. If any of these should decline service on the committee then Senator Crawford of South Dakota will fill the vacancy. And Mr. O'Laughlin asserts that the composition of the committee, as slated by Mr. Aldrich, assures the vindication of the tariff.

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All over the country the question of the increased cost of living is the most prominent subject of discussion in meetings and in the columns