THE TARIFF.

SPEECH

OF

REPRESENTATIVE J. L. McLAURIN,

OF SOUTH CAROLINA,

IN THE

HOUSE OF REPRESENTATIVES,

Tuesday, March 23, 1897.

WASHINGTON, D. C.
HARTMAN & CABICK, PRINTERS,
1897.
Mr. McLAURIN said:

Mr. CHAIRMAN: The tariff is not a new economic proposition, nor is its discussion of recent date. Ever since the establishment of organized government, the idea of a tariff in some form or other has obtained. In fact the first and one of the most important duties of every government is to provide a revenue to meet public expenses.

With us the question of tariff has been a fruitful source of discussion since the formation of our Government. It was begun in the First Congress, and, I venture, the last will find it undetermined. At the precise hour that the Senate of the United States was counting the electoral votes which made George Washington first President, James Madison, then a Representative, was offering a resolution which declared "That the following duties ought to be levied on goods, wares and merchandise imported into the United States," etc. In accordance with this resolution Congress did pass among its first measures a tariff bill.

The magnificent report of Alexander Hamilton on "The Manufactures," followed in 1792, which laid the foundation of all subsequent discussion of this subject.

Since then, argument, experience, theory and deduction have all been called upon to contribute to a final settlement, and yet more than a century later Congress is convened in extraordinary session to still further debate this apparently interminable question.

SUB-DIVISIONS OF THE TARIFF.

During the past one hundred years our wise legislators and political economists have succeeded in subdividing this intricate proposition as follows:

(1) A tariff for protection to home industry; (2) a tariff for revenue; (3) a tariff for revenue only; (4) free trade; and (5) reciprocity.

A tariff for protection places all custom duties upon imported products, either raw or manufactured, which can be produced in this country, and admits free of duty all products which can not be produced in this country.

A tariff for revenue places customs duties upon imported products for the single purpose of raising revenue without regard to the incidental protection which in some cases follow.

A tariff for revenue only is the opposite of a tariff for protection, and places customs duties upon such imported products as can not be produced in this country, and admits duty free all products that this country can produce.

Free trade means unrestricted commerce, with no duties levied upon imports.

Reciprocity is an agreement between two nations, where each admits certain products of the other free of duties.

The interpretations I have given to these several divisions of this question are those generally accepted, and disclose very distinctly the vast field for debate which this question presents.
RECIPIROCITY BETWEEN THE SECTIONS.

I shall discuss neither protection nor free trade, a tariff for revenue or a tariff for revenue only, but will confine my remarks to the doctrines of reciprocity. In doing so I shall not undertake to present the benefits of this proposition among nations, but shall seek to apply it to the sections and people of our own country.

Mr. Chairman, I believe the time has come when the representatives of the people of my section should govern their actions by business sense and business facts and not by sentiment or tradition. The money question is the paramount issue. The tariff is no longer entirely a party question; the debates and votes and the Wilson bill itself is ample proof of this fact.

The bill before us is not framed entirely on protective lines, and is therefore to a certain extent a compromise. In view of this fact, the discussion of this question will doubtless take a very wide range and many new ideas be presented for the consideration of this body.

As Democrat we have contended for a revenue tariff; we have combated the doctrines of a protective tariff at every point and voted our sentiments at every opportunity, and what is the result? Accumulated wealth in the East, with aggravating poverty in the South.

In fact, when I reflect upon the positions of the two old parties regarding tariff and finance, I am at once led into a series of seeming contradictions that I am unable to reconcile.

I find the Republican party demanding a single gold standard and a protective tariff on the one hand, while the Democratic party is contending for free coinage of silver, an increase of the paper currency, and free trade, on the other. The proposition, that an increase in the volume of domestic currency will increase the price of labor and its products, while a decrease in the volume of currency will decrease the price of labor and its products, is at this date uncontested. To increase the value of labor and its products is also the declared object of a protective tariff. The Republican party is, therefore, demanding higher prices, through a protective tariff and forcing lower prices through the operation of a single gold standard. In other words the Republican party seeks to pay higher wages to laborers and higher prices to manufacturers, with less money among the people. I believe all such efforts will be as futile in the future as they have been in the past.

Since 1861 we have been living under the operation of a protective tariff, and during that entire period the people of the South have been laboring against unfair discrimination. It is this unfair discrimination of which I complain in this bill and would see removed, and in its place established a just and fair reciprocity between the sections.

A JUST RECIPROCITY OF PROTECTION DEMANDED.

We must admit the fact that for the next four years at least the doctrine of protection will control our revenue system, and for one I propose to demand a reciprocity of protection between the sections for all the industries of this country, South as well as North.

Such action may bring criticism; but having considered the matter thoroughly, I am fully convinced that my duty lies in that direction. One solid fact, in my opinion, is more convincing than any amount of theory or sentiment, and I will refer to one which I deem of great importance in connection with the discussion now pending. Not long since I heard honorable members of this body from the North, especially from New England, demand the single gold standard on the ground that free coinage would cheapen the dollar and bring a loss to the laboring people of that section whose money was deposited in savings banks.

That statement struck me with great force, and I determined to investigate the cause which made such deposit possible. I was well aware that no such condition existed in my State; that instead of the laboring people of my section having bank accounts, they had store accounts, which a majority of them were unable to pay when due.

BANK ACCOUNTS VS. STORE ACCOUNTS.

This statement—and I have no reason to doubt its truthfulness—that the laboring people of one section of this country could have bank accounts, while a similar
class in another section could not, forced the conclusion upon me that something, somewhere, was radically wrong. In looking into the matter I discovered enough to convince me, at least, that the interests of the laboring and producing classes of the South had to a certain extent been sacrificed to the doctrines of free raw material. I imagined I detected the fact that the enthusiasm and heat of debate, together with an intense opposition to the policy and principles of protection, had caused us to forget or neglect to demand a just reciprocity for our own people when at the beginning, as now, we fully realize that any and all opposition will fail. Under such circumstances, whatever consideration is given to Southern interests comes almost without a demand and is always of such a character as to interfere as little as possible with interests in the North and East. In other words, men who advocate the theory of free raw material and denounce a tariff as robbery are not in a position to ask reciprocity for their own people who produce this free raw material and then buy it back in the manufactured article with a heavy duty added.

By reason of this unfortunate situation the people of the South have been compelled to stand the expense of a practical test of the doctrine of free raw material. It is the only section that has not filled the corridors of this Capitol with lobbyists and besieged the Ways and Means Committee for protection to their industries.

Mr. Chairman, I am opposed to any further experiments in that direction. If we are to have protection for the finished product in New England, I demand a similar right for the raw product in South Carolina and the balance of the South. If we are to have a protective duty for cotton cloth, let us have protection also for the cotton out of which the cloth is manufactured. No one should deny the fairness of this proposition.

Are those who manufacture cotton cloths more entitled to governmental favor than those who sow in the hot sun to produce the raw cotton? If those who spin and weave in New England can have bank accounts, are those who plant and make the cotton less worthy of a similar privilege? I undertake to say that one is as worthy as the other, and that under a truly popular government there should be no specially favored class, section, or individual, but that all sections, all classes, and all industries should be placed upon the same footing. "with equal rights to all and special privileges to none," under the law.

This is my contention and the purpose I would seek to accomplish. We know that the people of the North and East, during the past thirty years, have been piling up wealth almost beyond measure. We know that the people of the South are comparatively poor. Whence this difference?

**LET THE SOUTH CEASE TO BE THE ONLY VICTIM OF PROTECTION.**

As Democrats we have denounced the doctrines of protection and declared that the protected industries of the North and East were robbing the balance of the nation. Believing this to be true, and knowing that in spite of all our efforts for thirty years this doctrine still continues in operation, is it wise, is it just to our people not to demand fair play for our section? Must our own people suffer because of our obstinacy or pride? Let us demand equal privileges for all the products of the South to the end that if the tariff is robbery our own section will cease to be its only victim. If protection really brings higher prices, as we claim, let the people of the South realize that fact when they market their cotton, sugar, tobacco, rice, lumber, etc.

I am sure not one of them would object, but on the contrary would make excellent use of this additional remuneration for their labor.

That the surplus money of the country finds its way to New England and the manufacturing centers, where all the profits of production finally lodge, can be demonstrated beyond a doubt. And just so long as our people in the South continue to produce raw material at a loss and buy the manufactured article back with a protective duty added, just so long will they remain poor and dependent on the North and East.

The South needs factories and other business enterprises to develop her resources and manufacture her raw material. It requires money to do this, and money she has not, neither will she ever have until she stops selling her raw mate la at a loss and buying it back from New England at a high price.

If the raw products of the South could be protected equally with the manufac-
tured products of New England, the South would soon be independent and her laboring people in far more comfortable circumstances than they are now.

I am not discussing this question from a theoretic or philanthropic standpoint, but simply demanding equal rights and a full share for my own section of the benefits which may accrue from legislation, whether such legislation accords with my political creed or not. That I do not stand alone in this demand I quote from the News and Courier, of Charleston, S. C., one of the ablest journals in the South. In answer to a correspondent, who demanded a duty on cotton, this journal, under date of December 31, 1896, says:

"We urged the imposition of such a duty long before Mr. McLaurin became a Congressman, and continued to urge it whenever the tariff was under consideration. The cotton producers and their proper representatives in Congress have manifested a persistent indifference to the subject, however, and we have not felt called on to press it under such conditions. We have only to repeat, what we have often said before, that in our opinion, it is an outrage that the cotton planters should be taxed for the profit of the cotton manufacturers, and all other manufacturers, and yet denied the protection of a duty on foreign cotton, and that this flagrant discrimination against them would not be tolerated for a day if their cotton was grown in any other section of the country. That Egyptian cotton would be subjected to a prohibitory duty if the competing product were cultivated in the northeastern States, and the fine cotton mills of that section were operated in the South, is a statement that carries conviction in the stating. That the same foreign cotton should be subject to a stiff, if not prohibitory, duty in the existing conditions is not a question for argument. The imperative demands, both of bare justice and of a short national revenue, call for the duty. It has not been imposed heretofore, and probably will not be imposed by the next Republican and Protection Congress, simply because it would work the wrong way—would 'protect' an agricultural industry of the South at the expense of a manufacturing industry of a more favored section.

"The representatives of the manufacturing industries have guarded their interest in this matter watchfully and effectively, as the cotton tariff schedules and the rapidly growing imports of Egyptian cotton show. The representatives of the agricultural industry have been negligent and indifferent when they have not actually opposed the duty. The relative attitudes of the two classes of representatives were well exhibited in the report, published yesterday, of the tariff hearing before the Committee on Ways and Means on Tuesday. Mr. W. R. Craig, of Mississippi, on behalf of the producers of long staple cotton, asked for protection against Egyptian cotton, and presented their claim clearly and strongly. That their cotton growers appear to have had no representative except Mr. Craig. The report adds:

"'C. P. Baker, treasurer of the Lawrence Manufacturing Company, said that the Egyptian cotton was used in preference to the American product, as there was less waste in working it. The two cottons could not always be used for the same purposes. The American article could not entirely take the place of the Egyptian cotton and can get it cheaper. That is reason enough for admitting it duty free—"

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"Mr. Wheeler asked if the South would not be selling its birthright for a mess of pottage to ask for this.'

"Mr. Baker said that he would not like to say.'

"Mr. Wheeler was asked what this birthright was.'

"He replied : 'Free trade and free institutions.'"

"'It is enough for Mr. Baker and those whom he represents, it is seen, that they prefer' the Egyptian cotton to the American cotton and can get it cheaper. That is reason enough for admitting it duty free——"

Mr. CARMACK. Will the gentleman kindly give the extent of the importations of Egyptian cotton?

Mr. McLAURIN. I will cover that in a few minutes, if the gentleman will permit me to reach that point in my speech:

"The American cotton producer prefers European cotton goods to New England goods, and can get them cheaper, and European goods must be taxed to prevent him from exercising his preference, and to compel him to buy New England goods.
That is to say, the policy of the Government should be free trade. As it is not, however, the South should concede free trade wherever that policy will profit any interest in the North and reject he accepted policy wherever its application would profit any interest in the South. We have no patience with such folly.

Mr. Chairman, what this article demands for cotton should be demanded for every industry, agricultural or manufacturing, in the South.

NOT A PROTECTIONIST.

I say this not as a protectionist (since I believe in the practical application of a revenue tariff) but as a matter of justice and fair play among all the people, of all the sections of our common country. At this point I propose to give some facts and statistics concerning the different sections of the country with reference to the increase of wealth, the accumulation of wealth, and the distribution of capital and wealth. I expect to disclose such an unequal distribution in favor of New England and the North as to force inquiry as to its cause and its remedy from all who love equity and despise favoritism.

During the early months of 1895 the Atlanta Constitution, another leading Southern journal, succeeded in collecting data from the auditors and comptrollers of forty-three States regarding the increase and decrease of property valuation in their respective States for the years 1893 and 1894. The following table is a summary of the facts gathered:

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The official record of the value of property returned for taxation in 1893 and 1894: Five hundred millions missing from the South and the West.
This table is given to prove that whatever financial disasters may overtake the balance of the country, New England and its allies remain undisturbed and continue their work of accumulation.

**NEW ENGLAND AND ITS ALLIES.**

Out of these forty-three States and Territories only twelve show an increase of property valuation, while the remaining thirty-one show almost uniform decreases. The total increase for the twelve States is $337,800,703. Of this amount $235,883,482 comes from New York alone. Seventy per cent. of this is from New York and 70 per cent. of the balance comes from Massachusetts and Pennsylvania. The total increase in the remaining nine States is $90,922,602.

The thirty-one States and Territories show a falling off. This decrease in property valuation amounts to the enormous sum of $500,185,795. It is widespread, there being no such radical decrease as New York shows in opposition. New Hampshire and Vermont show a decrease, but taken as a whole the entire New England and Middle Atlantic States show a net increase in property valuation for taxation of $312,110,555. Only two of the Western and Middle States show an increase, and the net decrease from that vast territory foots up $391,824,785.

In the twelve Southern States given, four, North and South Carolina, Florida and Louisiana, show a small increase. I am at a loss to account for such an increase, unless it be from the same cause as in South Carolina, where a reassessment of railroad and bank properties was effected which materially increased the taxable valuation of the State.

But with this increase the net loss for that section is $90,281,580. Bear in mind that the year 1891 is compared with the panic year of 1893. These figures are starting. It is a story of stupendous losses the people have sustained and of the extraordinary gains that have been made by the money and manufacturing centers of the East at the expense of the other sections.

It is a story of increasing poverty and disaster on the one hand and increasing power and wealth on the other. As I understand it this immense sum refers to the loss in property values usually listed for taxation. It does not refer to or include the depreciation of the products of labor, the depression in business and its losses, or the enforced idleness or waste of labor efforts. Such losses can not be approximated much less be given in detail. Such a statement as this ought to reveal quite clearly that a vast difference of conditions and degrees of prosperity exists among the people of this country.

Mr. MILLIKEN. If the gentleman will allow me to interrupt him, I should like to suggest to him that the figures which he has given and the statements which he has just made show two things. First, that the whole country, including New England, has been suffering under the low tariff of the last four years: and second, that the West and South, under this low tariff, have suffered even more than New England has suffered.

Mr. MC LAURIN. The facts which I have stated only show that New England has plundered the West and the South, as I shall demonstrate before I get through. [Applause on the Democratic side.]

Mr. MILLIKEN. If some of the New England gentlemen who have loaned their money in the West and South could get back the principal, or even 50 per cent. of it, they would be exceedingly glad.

Mr. MC LAURIN. Well, sir, if you will give us the free coinage of silver, our people will be able to pay you those debts. [Applause on the Democratic side.]

Mr. CARMACK. Fifty-cent dollars are better than no dollars.

Mr. MILLIKEN. I should be glad to get 10 per cent. of what I have invested there.

Mr. MC LAURIN. If you will vote for a bill for the free coinage of silver, and if your party will pass it, and if Mr. McKinley will sign it, you will get 100 cents on a dollar, and I doubt very much of your ever getting anything if you do not. [Laughter.]
Mr. MILLIKEN. Well, I think you are correct in the latter part of your statement.

Mr. McLAURIN. In order to sustain my contention that the East has been piling up vast accumulations of wealth while the great producing sections of the nation can barely hold their own, I will give a comparison between the census of 1880 and the census of 1890.

If the figures which I have just given surprise the gentleman from Maine those which I am about to give will be utterly startling. In fact to analyze them carefully is to discover the most monstrous system of exchange brigandage of this or any other country. It is enough to convince any right-minded man that this system must be changed, and that at once, if we would preserve our free institutions or national integrity.

I shall quote, to some extent, from a synopsis of the census bulletins by Mr. S. S. King, found in his book entitled "Bondholders and Bread Winners." I will begin with the States of Indiana, Illinois, Iowa, Nebraska, Louisiana, Mississippi, Alabama, Georgia and North Carolina. These nine great States are those upon which the country depends for the production of wheat, corn and other cereals, meat, dairy products, sugar, cotton, tobacco, rice and almost everything that the agricultural portion of our country produces.

With these I will compare the States of Maine, New Hampshire, Vermont, Massachusetts, Connecticut, Rhode Island, New York, New Jersey and Pennsylvania. In these nine States is found the great manufacturing and money centers of the nation. The relative condition of these two groups of States should give a fair interpretation of the truth or falsity of my position. The first group of States has 486,040 square miles of land while the second group of States has but 168,655 square miles, about 3 to 1. The population of the first group is 13,409,167 people, while the second is 14,507,407. During the ten years between 1880 and 1890 the first group, or producing States, gained in wealth $559,441,974. While the second group, or manufacturing and money loaning States, gained in wealth $3,054,762,722. In other words the nine manufacturing States, with but one-third as much land, and less than two million more people, gained in wealth five times as much as the producing States. The producing States gained 22 per cent. in people and 20 per cent. in wealth, while the manufacturing States gained 20 per cent. in people and 40 per cent. in wealth.

Again, let us compare these nine producing States with the single State of Massachusetts. As I stated before, these nine States contain 486,040 square miles. Massachusetts has only 8,315 square miles. These nine States contain 13,409,167 people, while Massachusetts has but 1,783,085. These nine States in 1880 had an assessed valuation of $2,792,919,155. The assessed valuation of Massachusetts was $1,584,756,802. The relative position which these nine States held to Massachusetts regarding land, labor and capital was: Land 58 to 1, labor 7 to 1, and capital 2 to 1. The nine producing States had 58 times as much land, 7 times as much labor and double the amount of capital that Massachusetts had. Under such conditions it would seem that with all these advantages the increase of wealth would be largely in favor of the nine producing States, but such is not the case; while these nine producing States increased in wealth during the ten years between 1880 and 1890, $559,441,974, the little State of Massachusetts increased in wealth $569,377,824. This one little manufacturing State increased in wealth nearly ten millions of dollars more than these nine great producing States. Striking as these figures are, they will be surpassed as the comparison is continued. To these nine great producing States I will add Florida, Kentucky and Kansas, and compare these 12 States with the State of Pennsylvania. These 12 States contain 667,100 square miles. Pennsylvania has but 45,215. In 1880 these 12 States contained 16,323,441 people. Pennsylvania only 4,282,891. The assessed valuation of these 12 States in 1880 was $3,335,513,121, that of Pennsylvania $1,683,459,016. The gain of these 12 States in wealth in ten years was $897,184,160, while the gain of Pennsylvania for the same period was $909,382,016. With 14 times as much land, 4 times as much labor and twice as much capital, these 12 great States were led by the single State of Pennsylvania more than twelve million dollars.

To these 12 States I will add Tennessee, Virginia and West Virginia, making 15 States, and compare them with New York. These 15 States have an area of 776,480 square miles, New York has but 49,176. These 16 States had a popula-
tion of 19,996,827 in 1880, while New York had 5,082,871. The assessed valuation of the 15 States at that date was $3,995,169,502, while that of New York was $2,651,940,006. The gain of these 15 States in wealth, during the ten years named, was $1,117,188,213, that of New York was $1,123,385,932.

With one-sixteenth as much land, one-fourth as many people and but two-thirds as much capital, this one State of New York increased its wealth about six millions more than these 15 great producing States. It seems impossible, but such are the figures.

I will make but one more comparison.

Mr. MILLIKEN. Will my friend allow me one further question?

Mr. McLAURIN. I much prefer not to be interrupted.

Mr. MILLIKEN. I would like to ask my friend what he calls “a producing State,” for it occurs to me that New York should be called a producing State, as it produces not only the products of the farm, but many others. One more question, and I will not trouble the gentleman further. If your statements are correct, and of course I am not here to deny them, do you not think it would be better to adopt the policy that has been followed in New England and New York, and grow rich by the same policy that we have, rather than get us to adopt your policy and make us poor?

Mr. McLAURIN. I do not think it is ever right to adopt a policy of robbery. That is the result, and we have been robbed.

Mr. MILLIKEN. We would be very glad to get back some of the money that has been placed by our people in those States.

Mr. McLAURIN. My friend must have been hit somewhere in a boom town.

[Laughter.] I see he is a little sore.

Mr. MILLIKEN. Oh, no.

Mr. McLAURIN. To the 15 States named I will add Missouri, Arkansas, South Carolina, Maryland, Delaware and the great State of Ohio, making twenty-one States in all. Here is an empire in extent, and in the diversity of its productions. The resources of this vast territory are almost beyond comprehension, while the industry and intelligence of its people are unsurpassed.

These 21 States, with all their possibilities, I will compare with the nine States first mentioned, the six New England States with New York, New Jersey and Pennsylvania added. The area of the 21 States is 985,635 square miles, that of the nine States 189,685 square miles. In 1880 the population of the 21 States was 28,242,922, while that of the nine States was 14,507,407.

The assessed valuation of the 21 States in 1880 was $6,839,554,628. That of the nine States was $7,559,928,915. The 21 States gained in wealth during the ten years named $1,698,195,657. The 9 States during that period gained $3,054,762,722. These 9 States gained nearly twice as much as the 21 States in the face of all this disadvantage. Surely this showing makes good the declaration of the poet—

“The seed ye sow another reaps:
The wealth ye find another keeps.”

[Applause.]

Again, the capital invested in the manufacturing industries increased 121 per cent. from 1880 to 1890, while during that same period farm values shrunk from 30 per cent. of the total wealth of the country to 20 per cent. of the same.

I will print a table showing the losses in farm values from 1850 to 1890:

<table>
<thead>
<tr>
<th>Year</th>
<th>Total values.</th>
<th>Farm values.</th>
<th>Other values.</th>
</tr>
</thead>
<tbody>
<tr>
<td>1850</td>
<td>$7,185,180,228</td>
<td>$3,271,575,426</td>
<td>$3,884,204,802</td>
</tr>
<tr>
<td>1860</td>
<td>16,159,616,068</td>
<td>6,645,045,007</td>
<td>9,514,571,061</td>
</tr>
<tr>
<td>1870</td>
<td>30,968,518,507</td>
<td>9,262,803,861</td>
<td>20,705,714,646</td>
</tr>
<tr>
<td>1880</td>
<td>43,642,000,000</td>
<td>10,197,096,776</td>
<td>33,444,903,224</td>
</tr>
<tr>
<td>1890</td>
<td>65,037,091,197</td>
<td>13,279,252,649</td>
<td>51,757,838,548</td>
</tr>
</tbody>
</table>

These figures show a steady increase in manufacturing wealth and a steady decrease in farm values.
FACTORY AND FARM LABOR COMPARED.

The census reports contain the following complete statement regarding the entire manufacturing interests of the country:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Entire capital invested</td>
<td>$6,524,475,305</td>
</tr>
<tr>
<td>Value of all manufactured products</td>
<td>$9,370,107,624</td>
</tr>
<tr>
<td>Miscellaneous expenses</td>
<td>$630,944,058</td>
</tr>
<tr>
<td>Wages paid</td>
<td>2,282,823,265</td>
</tr>
<tr>
<td>Cost of raw material</td>
<td>6,188,865,558</td>
</tr>
<tr>
<td>Net profits</td>
<td>1,297,471,948</td>
</tr>
</tbody>
</table>

This table shows a net profit of 20 per cent. on the capital stock of all manufacturing concerns for the year 1890.

The census also gives a corresponding but not so complete a statement regarding agriculture:

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Number farms in the United States</td>
<td>4,564,641</td>
</tr>
<tr>
<td>Number of acres in farms</td>
<td>623,218,619</td>
</tr>
<tr>
<td>Number of acres in average farm</td>
<td>137</td>
</tr>
<tr>
<td>Total value of farms and stock</td>
<td>$15,982,267,689</td>
</tr>
<tr>
<td>Value of farm products sold, consumed on the farm and on hand...</td>
<td>$2,460,107,454</td>
</tr>
<tr>
<td>Value of farm products per average farm</td>
<td>538</td>
</tr>
</tbody>
</table>

A careful comparison of these statements will furnish material for much serious consideration. The manufacturing interest, with capital of six and one-half billions, made a net profit of $1,297,471,948, and paid for labor over two billions of dollars. During the same year agriculture, with nearly sixteen billions capital, made a gross profit of $2,460,107,455, and is credited with paying nothing for labor.

The census shows more laborers on the farm than in the factories, but if we call the number equal and give them like wages we find the net profits of agriculture to be only $177,279,189, or but 1 per cent. of the capital invested.

A difference in remuneration of 19 per cent. per annum between agriculture and manufacture is unfair and can not be defended.

I will print the following statement, sent Senator Mills, of Texas, in response to an inquiry, which bears upon the question under discussion:

DEPARTMENT OF LABOR,
WASHINGTON, D. C., February 6, 1894.

MY DEAR SIR: In response to yours of January 18 and January 26, I have the honor to state that from the very best sources which I have been able to consult I estimate the average annual earnings in all manufacturing industries in the countries named by you to be as follows:

<table>
<thead>
<tr>
<th>Countries</th>
<th>Total value of products</th>
<th>Number of employees</th>
<th>Product per hand</th>
<th>Annual wages paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>United States</td>
<td>7,215,000,000</td>
<td>3,837,000</td>
<td>1,880</td>
<td>347</td>
</tr>
<tr>
<td>Switzerland</td>
<td>760,000,000</td>
<td>370,000</td>
<td>433</td>
<td>150</td>
</tr>
<tr>
<td>Belgium</td>
<td>510,000,000</td>
<td>953,000</td>
<td>545</td>
<td>165</td>
</tr>
<tr>
<td>Spain</td>
<td>425,000,000</td>
<td>1,167,000</td>
<td>364</td>
<td>120</td>
</tr>
<tr>
<td>Austria</td>
<td>1,265,000,000</td>
<td>3,090,000</td>
<td>409</td>
<td>150</td>
</tr>
<tr>
<td>Germany</td>
<td>2,915,000,000</td>
<td>5,350,000</td>
<td>545</td>
<td>155</td>
</tr>
<tr>
<td>Russia</td>
<td>1,815,000,000</td>
<td>4,760,000</td>
<td>381</td>
<td>120</td>
</tr>
<tr>
<td>France</td>
<td>2,245,000,000</td>
<td>4,443,000</td>
<td>545</td>
<td>175</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>$4,100,000,000</td>
<td>5,189,000</td>
<td>790</td>
<td>204</td>
</tr>
</tbody>
</table>

The above estimate has been made, so far as the United States is concerned, from the actual number of persons employed and the total wages paid to them, as shown by the census of 1880; for Great Britain they have been made largely from British figures, and for the other countries the estimates have been made from statements originating with foreign authorities and verified by facts collected by agents of this department. While the actual figures given in the above estimates may not be more than approximately correct, the proportions, I feel sure, are fair.

I am, very respectfully,

CARROLL D. WRIGHT,
Commissioner.

This letter gives authentic information regarding the average wages received by operatives in our manufactories, which I will compare with the average wages paid farmers.

In the statement just given regarding agriculture we find that the total income from an average farm of 137 acres is $538.94. If five persons are allowed for each family, and we divide by that number, it will show a gross income for each of $107.78.

Mr. FOWLER of New Jersey. Will the gentleman allow me to ask him a question? Ought you not to remember that in this the agriculturist has a living besides?

Mr. McLAURIN. Wait a minute, and I will answer that.

The gross income of the factory operative is placed, in the letter to Senator Mills, at $347, or more than three times as much as that of the farm laborer. If we again divide this amount by the number of days in the year (365) we obtain for those who have to depend on the farm for a living an average per capita income of 29 cents per day.

It must be remembered that this $538.94 per farm, or 29 cents per day per capita, is not the profit made from the average farm or day's labor, but constitutes the value of the entire crops; it includes that portion consumed on the farm as well as that portion sold.

Mr. WILLIAMS. The gross proceeds.

Mr. McLAURIN. Yes; it takes in the gross proceeds; and out of this amount the farmer must pay his tax, insurance, interest, seed, hired help, wear and tear of farm implements, repairing of fences and buildings, and feed for his teams for one year while cultivating the crops. All these items must be paid out of this $538.94 before the farmer can have anything for himself and family. The question then is, how much will the average farmer and his family have for their own support after paying all these items? Will they have 15 cents per day per capita? No. Will they have 10? Possibly yes; yet I doubt it; but for argument's sake we will admit that our agricultural population received a per capita income of 10 cents per day, out of which they must secure food and clothing, educate the children, and pay incidental expenses.

Mr. Chairman, the facts and figures I have given prove beyond a doubt the great advantages which the people of one section of this country hold over the remaining portions. These statements are not manufactured for the occasion, but are taken from government reports. That the evils which they disclose have not been remedied is one of the marvels which attach to our people and government. They reveal a want of investigation among the masses, and a neglect on the part of national legislators that is truly alarming.

Mr. MILLIKEN. Do you not think, if your statement is correct, that you would injure the farmer very much if you were to close the manufactories and get those people to work on the farms? Do you not think if you increased the number of producers that you will lessen the number of consumers.

Mr. McLAURIN. Well, sir, the farmer is a consumer as well as a producer, and I am not proposing to close the factories, but that there should be a fair division of the profits between the manufacturer and the farmer.

Mr. MILLIKEN. Who will buy the products if there are no manufacturers?

Mr. McLAURIN. Our farmers need some other products, just as well as the manufacturers do.

Mr. MILLIKEN. Yes; but is it not true that the richer the manufacturer the more he can buy of the farmers, and the more manufacturers you have the more the farmers will prosper?
Mr. McLaurin. When he gets very rich, he goes to Europe and spends his surplus money over there.

Mr. Milliken. Very few of them.

Mr. McLaurin. He could buy more, but does not do it; and the richer he is the less he wants to buy.

**DISTRIBUTION OF CAPITAL AND WEALTH.**

I will now take up the distribution of the capital and loanable funds, which will show a greater inequality than that which exists in either previous statement. In this connection I will print a table from the report of the Comptroller of the Currency for 1893:

<table>
<thead>
<tr>
<th>States and Territories</th>
<th>Population June 1, '93</th>
<th>All banks</th>
<th>States and Territories</th>
<th>Population June 1, '93</th>
<th>All banks</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Capital, etc. per capita</td>
<td></td>
<td></td>
<td>Capital, etc. per capita</td>
<td></td>
</tr>
<tr>
<td>Maine</td>
<td>664,000</td>
<td>$89,237,745 $135.16</td>
<td>Ohio</td>
<td>3,804,000</td>
<td>$246,557,236 $64.41</td>
</tr>
<tr>
<td>N. Hampshire</td>
<td>365,000</td>
<td>102,416,545 266.60</td>
<td>Indiana</td>
<td>2,228,000</td>
<td>87,955,889 35.09</td>
</tr>
<tr>
<td>Vermont</td>
<td>320,000</td>
<td>47,860,295 149.79</td>
<td>Illinois</td>
<td>4,319,000</td>
<td>285,144,145 69.33</td>
</tr>
<tr>
<td>Massachusetts</td>
<td>2,482,000</td>
<td>863,901,450 335.02</td>
<td>Michigan</td>
<td>2,307,000</td>
<td>130,848,877 55.50</td>
</tr>
<tr>
<td>Rhode Island</td>
<td>367,000</td>
<td>142,568,067 237.93</td>
<td>Wisconsin</td>
<td>1,620,000</td>
<td>97,715,823 53.61</td>
</tr>
<tr>
<td>Connecticut</td>
<td>371,000</td>
<td>218,573,086 275.69</td>
<td>Iowa</td>
<td>1,982,000</td>
<td>129,873,016 62.04</td>
</tr>
<tr>
<td>New York</td>
<td>6,211,000</td>
<td>1,262,660,979 291.55</td>
<td>Minnesota</td>
<td>1,498,000</td>
<td>110,365,435 78.62</td>
</tr>
<tr>
<td>New Jersey</td>
<td>1,507,000</td>
<td>130,629,709 87.88</td>
<td>Kansas</td>
<td>1,546,000</td>
<td>53,497,786 34.63</td>
</tr>
<tr>
<td>Pennsylvania</td>
<td>5,000,000</td>
<td>633,000,383 113.40</td>
<td>Nebraska</td>
<td>1,305,000</td>
<td>81,135,768 62.17</td>
</tr>
<tr>
<td>Delaware</td>
<td>175,900</td>
<td>15,620,593 86.31</td>
<td>Nevada</td>
<td>46,000</td>
<td>6,074,266 33.56</td>
</tr>
<tr>
<td>Maryland</td>
<td>1,089,000</td>
<td>110,367,803 105.27</td>
<td>Oregon</td>
<td>15,630,358</td>
<td>14,865,108 98.15</td>
</tr>
<tr>
<td>Dist. Columbia</td>
<td>280,000</td>
<td>22,384,276 83.14</td>
<td>Colorado</td>
<td>245,000</td>
<td>39,446,351 79.69</td>
</tr>
<tr>
<td>Virginia</td>
<td>1,668,000</td>
<td>44,339,571 26.13</td>
<td>Utah</td>
<td>291,000</td>
<td>14,040,002 61.04</td>
</tr>
<tr>
<td>W. Virginia</td>
<td>800,000</td>
<td>22,624,945 22.26</td>
<td>Idaho</td>
<td>108,000</td>
<td>25,346,824 31.01</td>
</tr>
<tr>
<td>N. Carolina</td>
<td>1,065,000</td>
<td>15,167,179 7.59</td>
<td>Montana</td>
<td>379,000</td>
<td>3,677,740 131.12</td>
</tr>
<tr>
<td>S. Carolina</td>
<td>1,184,000</td>
<td>19,010,617 16.06</td>
<td>Wyoming</td>
<td>77,000</td>
<td>4,566,619 69.72</td>
</tr>
<tr>
<td>Georgia</td>
<td>1,577,000</td>
<td>28,314,463 18.32</td>
<td>New Mexico</td>
<td>165,000</td>
<td>3,400,024 20.52</td>
</tr>
<tr>
<td>Florida</td>
<td>437,000</td>
<td>8,938,906 19.74</td>
<td>North Dakota</td>
<td>253,000</td>
<td>10,886,106 43.02</td>
</tr>
<tr>
<td>Alabama</td>
<td>1,583,000</td>
<td>14,144,814 8.94</td>
<td>South Dakota</td>
<td>490,000</td>
<td>15,498,311 31.89</td>
</tr>
<tr>
<td>Mississippi</td>
<td>1,362,000</td>
<td>12,163,840 81.13</td>
<td>Washington</td>
<td>482,000</td>
<td>39,715,387 63.35</td>
</tr>
<tr>
<td>Louisiana</td>
<td>1,160,000</td>
<td>38,682,861 32.78</td>
<td>Arizona</td>
<td>64,000</td>
<td>1,318,001 28.35</td>
</tr>
<tr>
<td>Texas</td>
<td>2,380,000</td>
<td>57,245,307 30.70</td>
<td>California</td>
<td>1,377,000</td>
<td>289,544,674 219.88</td>
</tr>
<tr>
<td>Arkansas</td>
<td>1,226,000</td>
<td>8,357,230 6.83</td>
<td>Oklahoma Ter.</td>
<td>130,000</td>
<td>1,655,782 11.57</td>
</tr>
<tr>
<td>Kentucky</td>
<td>1,365,000</td>
<td>78,583,840 41.40</td>
<td>Indian Ter.</td>
<td>165,000</td>
<td>891,322 4.72</td>
</tr>
<tr>
<td>Tennessee</td>
<td>1,520,000</td>
<td>37,323,632 21.62</td>
<td>Total U. S.</td>
<td>67,021,000</td>
<td>6,412,599,954 61.96</td>
</tr>
<tr>
<td>Missouri</td>
<td>2,845,000</td>
<td>176,900,771 62.07</td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

This vast fund of so-called loanable funds does not stand for the money in circulation alone. It includes not only that, but the deposits, redeposits and bank credits which enter into our complex commercial system.

**A STARTLING COMPARISON.**

Taking the table as it stands, it will be seen that the eleven Eastern States, Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Pennsylvania, Maryland and Delaware, control $4,142,372,216 out of the aggregate amount of $6,412,939,953. The eleven Southern States, Virginia, West Virginia, North and South Carolina, Georgia, Florida, Alabama, Mississippi, Louisiana, Texas and Arkansas, control but $291,711,760, and the remaining twenty-seven States and Territories control $2,078,755,903. In other words, the eleven Eastern States hold 64 per cent. of these loanable funds, while the eleven Southern States have but 5 per cent. A careful analysis of this statement will be required to discern its full import. The eleven Eastern States, with an area of 117,063,640 acres, control $4,142,372,216 of this fund, while the eleven Southern States, with 479,995,783 acres, have but $291,711,760. Reduced to an average, this gives the eleven Eastern States $35.38 per acre, and to the eleven Southern States less than 7 cents per acre.
Again, the population of the eleven Eastern States is 18,984,000. The population of the eleven Southern States is 14,967,000. Reduced to a per capita average gives each individual in the Eastern States $216, and each individual in the Southern States $14.63.

Mr. LINNEY. Will the gentleman allow me a question there? I am from a Southern State?

The CHAIRMAN (Mr. BENNETT). Does the gentleman yield?

Mr. LINNEY. Only a question. I represent a part of the State of North Carolina, a near sister of yours. I like the people of South Carolina. What is there to hinder North Carolina and South Carolina from doing as these wealthy Northern States have done—build manufactories in their own States, instead of cursing them for beating us? [Laughter and applause on the Republican side.]

Mr. McLaurin. I think that question answers itself. It is the presence of the Populists and the Republican Fusion party in North Carolina, and the condition of affairs that exists there to-day. [Laughter and applause on the Democratic side.]

While a family of five in these Eastern States can use $1,100 of these loanable funds without trenching upon the proportionate allotment of others, a similar family in the Southern States must be content with the use of $93.

While the State of Rhode Island has $387.73 per capita of this fund, the State of South Carolina has $16. The State of Massachusetts has a per capita of loanable funds amounting to $326.52, while North Carolina has only $7.59. While New York has $291.55 per capita of such funds, the State of Arkansas has but $6.83. When a man in my State has borrowed $80.60 he has secured all of this loanable fund to which he is entitled. If he secures more he is taking what would belong to others under a per capita division.

No one save those who live under such conditions can realize the industrial blight which it breeds. If more funds are needed, the alien and the stranger must be applied to. With every mile from home that we go to seek money it comes with an additional tribute to the lender. With every loan comes new and exacting conditions until finally the effort is abandoned or entered into under most unfavorable terms. This financial tyrant is the legitimate offspring of these protected industries and is doing the work for which it was originated with crushing force and effect.

SHALL MANUFACTURES AND MONEY RULE.

Mr. Chairman, I have shown by comparison of losses between the sections, by a comparison of gains between the sections, and by the distribution of loanable funds among the sections, that the manufacturing and money centers of the East, in each, hold a decided advantage. I have shown, also, that these advantages are increasing every year, and now submit the question whether this state of affairs is to continue or not? Shall the manufacturers and money loaners of the East continue to exact tribute from the balance of our people? Shall these two interests stand on the highway of national progress, and, like the Buccaneers of old, demand tribute from all who pass their way?

The cry for relief from the insatiate greed of these two absorbers of wealth is coming up from our people louder and more earnest every day. Something must be done in my judgment, and that at once, to stay the rapacity of the one and lighten the burden of the other. At this point it is proper to ask what has brought about this vast difference in conditions. While many, no doubt, will refuse to accept my interpretation, yet I firmly believe that unequal taxation and the increased purchasing power of money lie at the root of this great evil. Unequal taxation brought unfair exchange between the sections, and the increased purchasing power of the dollar took what remained after the transaction.

UNFAIR EXCHANGE GAVE MONEY ITS PRESENT ADVANTAGE.

Many of our ablest statesmen believe that the manipulation of our finances is alone responsible for present conditions. I am ready to concede that our financial system is wholly bad, and has been a potent factor in bringing about the distress we see on every hand. But, Mr. Chairman, there must have been unfair exchanges among the people before money secured its present powerful position. And, sir, it
must be true that so long as exchanges are fair and equal between the sections just so long will the people of the various sections secure their proper share of the money in circulation.

When the sections which produce raw material receive proportionate remuneration with sections which manufacture, the producers of raw material will prosper reciprocally with those who manufacture. In other words, when there is a reciprocity in remuneration or profits for all labor in all sections there exists an equality of results, which eliminates the advantage of one class of laborers over another. Under such conditions, no matter whether the volume of money be great or small, every one who labors will receive his proportionate share, and the money of such a country will remain divided among its people, and can not be secured and hoarded by a few while the many go without. The very moment, however, that one section obtains an advantage unequal exchanges begin, and unequal division of money follows.

Money is the lifeblood of business, flowing through the arteries and veins of commercial exchange. When these exchanges are fair and just the entire economic system thrills and vibrates with this life-giving element. But when exchanges become unfair, when some of the veins and arteries are clogged, and this life-giving element does not or can not return, the entire system becomes deranged, and the lifeblood is found congested in some parts and wanting in others. The result is disaster and death. An unfair protective tariff gave the eastern manufacturing States an advantage. This advantage in taxation made unfair and unequal exchanges throughout the country. Through its application the manufacturer obtained a larger remuneration for his labor than those who produced the raw material used in the factory, or the food products consumed by the operatives.

Under such conditions the manufacturing centers gradually but surely received an unequal share of the general fund of circulating medium, and became the money as well as the manufacturing centers of the nation. With every exchange between the East and the balance of the country an unfair division of profits or remuneration took place, and an unequal portion of the general stock of money went to New England. It was through this method of unfair exchange, made possible by unequal taxation, that the East obtained more than its proportion of the money of the country, and now bids defiance to the balance of the nation.

Mr. LITTLE. Mr. Chairman, I suggest that the gentleman carry his comparison a little further by showing that the East and North have the advantage in the number of paupers, having about 80 per cent of all the paupers in the country.

Mr. McLaurin. Yes; and the reason is this: After robbing the balance of the country through these protected industries they have doubled the purchasing power of money, and in doing it they have made paupers of their operatives.

Mr. HILL. Let me suggest to the gentleman that the returns of the Internal Revenue Bureau show that the largest manufacturing district in the United States is the city of Chicago, and the census of 1890 shows that the center of the manufacturing industries of the country, instead of being in New England, is a little south of Canton, Ohio. Would those facts make any difference in your argument?

Mr. McLaurin. Yes, sir; they would make a certain amount of difference, because that statement is based on whisky. [Laughter.]

Mr. Maguire. Mr. Chairman, I suggest that the gentleman from Connecticut has mistaken the political center for the manufacturing center of the country.

Mr. HILL. Not at all. Both are about there.

Mr. WILLIAMS of Mississippi. They are the same.

Mr. McLaurin. They are pretty much the same.

[Here the hammer fell.]

Mr. JOHNSON of North Dakota. I will ask the gentleman how much more time he requires to finish his speech?

Mr. McLaurin. Not very much.

Mr. JOHNSON of North Dakota. Mr. Chairman, I a\k unanimous consent that the gentleman from South Carolina be allowed to proceed to the conclusion of his speech.

There was no objection.

Mr. McLaurin proceeded as follows:
OUR STREETS FILLED WITH TRAMPS AND THE UNEMPLOYED.

Mr. Chairman, these are the factors which have made such glaring inequalities so plainly seen among our people. Through these agencies our streets have been filled with tramps and our land with the cry of the unemployed.

Thomas Paine declared, after seeing the condition of France, "When old men are sent to the poor-house and young men to prison, something must be wrong with the economic condition of the country." Equally true with us, where is found on one hand men and women unable to obtain work to keep themselves and family from want, and on the other such exhibitions of brutal wealth as witnessed in the Bradley-Martin ball held recently in New York.

If these extremes do not foretell serious complications for this nation, the history of the past brings with it no warnings.

This ball, which has been so widely discussed, was made possible by reason of the lawful methods through which the producers of this country have been so easily plundered. It was the result of those rapid methods of accumulation which obtain only among our people.

As I have stated before, the situation calls for immediate attention. Relief in some form must be given the producing sections of the country or they will be utterly destroyed. I believe the initial step in that direction lies in a reciprocity of tariff taxation extended to every form of industry.

Equal duties upon the product of all labor, whether raw material or manufactured, will deprive the East of that great advantage which it now holds over other sections.

For the same advantages to be given to the producer of raw material that is given to the manufacturer or withhold such advantages from both is a proposition which I predict in the near future will be accepted by the people of this nation. Since unequal taxation carried the great portion of our accumulations to the East, I contend that equal taxation will not only prevent further unjust accumulations, but will tend to bring back that which has been unfairly obtained.

WOULD LIKE TO VOTE FOR FREE COINAGE.

I would like to see the purchasing power of money decreased through the free coinage of silver and the establishment of State banks of issue. I would like to vote for such a measure, but I am debarred that privilege.

We have only the pending tariff bill to consider, and I deem it the part of wisdom to contend that its burdens and benefits shall rest equally upon all those who labor in production.

Have we not in the South for many years been making raw material without a profit? Have we not for the past thirty years sold the hide for a sixpence and bought back the tail for a shilling? Most assuredly we have, and the time has come when this system of exchange robbery must cease, or the great producing sections will be destroyed.

CAN NOT INDORSE THE DOCTRINE OF FREE RAW MATERIAL.

Mr. Chairman, I can not indorse the doctrine of free raw material. Its application is unjust, and if continued will bring ruin and disaster. Just why the cloth out of which my shirt is made should be protected five cents a yard and the shirt itself protected 40 per cent, ad valorem, while the raw material out of which the cloth is woven is not protected at all, and the plan considered fair and logical, is beyond my comprehension.

If my shirt is to be protected by a customs duty, I say the cotton out of which it is made should receive adequate protection also, and if this is impossible, withhold protection from both. [Applause.]

This, and this alone, can insure a reciprocity between those who made the shirts and those who made the cotton. It would be equal, honest, and fair. This is a proposition which I emphatically indorse, and one which I believe would benefit the people I represent.

DOES FREE RAW MATERIAL BENEFIT THE CONSUMER.

It is said that free raw material cheapens the manufactured article. As a business proposition this should be true, but it does not necessarily follow that the consumer receives either all or part of this benefit. The manufacturer obtains all he can for
his products, and in these days of pools and combines prices are, in many cases, established by boards of directors instead of legitimate competition. In other words, free raw materials do not of themselves insure lower prices for the manufactured product to the consumer, but only to the manufacturer. The doctrine of free raw material compels the producer of such raw material to sell in competition with the whole world, and permits them to purchase in a restricted market only. They are forced to dispose of their products at a competitive price, and compelled to purchase the manufactured article at a fixed or arbitrary figure. Such methods are neither legitimate nor fair, and bring about unequal exchanges. In fact the producer of the raw material is plundered for the benefit of the manufacturer and consumer.

Mr. LINNEY. Let me ask the gentleman if free raw material is not the pet doctrine of the Democracy?

Mr. McLAURIN. If my friend will ask a question that has anything in it, I will try to answer him.

Mr. LINNEY. Well, if there is anything in you to answer the question, answer it. [Laughter.] I ask you if the doctrine of free raw material has not been the pet doctrine of the Democracy for twenty years?

Mr. McLAURIN. It has been the pet doctrine of that portion of the Democracy represented by Cleveland and Carlisle, who have prostituted the very name of Democracy and made it a stench in the nostrils of all patriotic Democrats. They are the men who were your assistants in the last campaign. [Applause on the Democratic side.]

Mr. LANDIS. Did not William J. Bryan vote for free wool?

Mr. McLAURIN. William J. Bryan is responsible for his own votes and conduct, and J. L. McLAURIN is responsible for his, and is accountable to nobody except his constituents.

Mr. Chairman, I have been endeavoring to discuss this question from a sensible and scientific standpoint, not from that of party; but as the question has been asked, I want to say that the doctrine I enunciate was promulgated in the great State of Texas, which, as I understand, repudiated the doctrine of free raw material, and it was incorporated in the Chicago platform upon which Mr. Bryan stood. However, I am not here to talk politics.

Resuming the line of my remarks, the manufacturer gets cheaper raw material with which to conjure trade, the consumer gets only the benefits forced from the manufacturer, while the farmer waits in vain for the application of this theory to work him a profit. As an illustration of this theory take the wool-grower, the man whose money crop is wool. His product was protected by a customs duty until the passage of the Wilson bill in 1893. Since then he has produced and sold what is called a raw material. How has he fared under this condition? He sells his product now for less than half what he received prior to 1893. The same amount of wool which brought him $10,000 in 1893 brings him about $5,000 now, making a loss of fully $5,000. This loss can be properly charged to the application of the doctrine of free raw material, and the question presents itself as to how much and in what manner is this wool grower benefited. How much of this $5,000 loss is returned through other channels? I venture to say that his net loss would exceed nine-tenths of the whole. His lawyer fees, doctor bills, and taxes are no less, and quite likely to be more. The new national mortgage of three hundred and sixty-two millions of peace bonds include his property with the balance of the country. He is compelled to stand his share of billion dollar Congresses and other expenses, just as when his products brought twice as much. In fact he may scan his bills ever so closely, and he will find in its last analysis that all his compensating credits come from other unfortunates who produce other kinds of raw material. It is one class of labor competing against another class of labor, while the manufacturer and money-loaner thrives and fattens on their disaster.

WHY FAVOR MANUFACTURERS MORE THAN PLANTERS.

Mr. Chairman, it is claimed that the manufacturer, by reason of his investment in buildings, machinery, &c., should be encouraged in his enterprise, and to a certain extent insured against loss. Just why this class should be selected for Government
I am unable to conceive. The census shows that there are more farmers than manufacturers and operatives, with nearly three times as much invested in lands, buildings, &c., &c. Why is the investment of one class more sacred than that of another? Why should one be favored by legislation and the other neglected? A glance at the real facts will disclose that the planter runs far more risk in his occupation than the manufacturer.

There is no other business compelled to take as many chances as that of agriculture. There is no other business that can adapt itself less to circumstances than agriculture. When prices advance the manufacturer can put on more help and run on double time. On the other hand, when prices decline, he can discharge part of his help, lessen the hours of labor or close down entirely, and thus guard against losses. With the planter he must decide at the season of planting how many acres he will cultivate, and whether prices go up or down, he can neither increase nor decrease his acreage, or in any manner protect himself against coming loss or take advantage of increased prices. The manufacturer turns his capital many times during the year and usually with a profit each time.

The planter, on the contrary, can use his capital but once, and must stake his profit or loss upon a single cast. We may examine the entire method of producing raw materials and finished products, and we will find that the manufacturer has the advantage at nearly every turn. Besides the producer of raw material is not consulted, he has no voice in determining the price he is to receive for his product, or the price he is to pay for the product of others. He takes his cotton, wheat or wool to market and the price is fixed by others, and he has only the choice of selling or carting his produce back home.

When he goes into the store to make a purchase the price is named which he must pay or go without.

He is absolutely in the clutches of his dispoilers, who take his substance and return him the least remuneration possible. All receive a certain profit for their labor, which must be paid before the producer can claim anything for his own effort. Take, for instance, the cotton planter. In a majority of cases the entire family, men, women, and children, work in the hot sun to make the cotton crop. Their toil is almost unremitting, and yet there is no assurance that it will be rewarded. Let us follow a bale of cotton in its usual course. First, the cost of bagging, ties, and ginning must be met, after which it is placed upon the market. The buyer gets his per cent, the weigher his, the railroad its toll, the warehouse its charges, the cotton broker his commission, and at last, after drayage and other charges are met, it reaches the manufacturer. He must have a profit, his broker a commission, the wholesaler a profit, the retailer another profit, and when the manufactured cloth reaches the home of the cotton planter he finds, by a careful investigation, that the price of his raw cotton was established by a minute calculation of what the manufactured article would sell for after a profit or commission had been given all the numerous agents, including insurance companies and money lenders, through whose hands the raw material or manufactured product had passed. In my judgment an industry placed in this situation is more deserving the care of the Government than any other.

**NO SUCH THING IN COMMERCE AS A RAW MATERIAL.**

Mr. Chairman, there is no such thing in commerce or exchange as a raw material. The very moment that the hand of labor touches it it ceases to be a raw material and so far as this laborer's effort goes becomes a finished product. [Applause.] The rough and muscular arm of the miner, who takes the iron ore from the bowels of the earth, is as necessary to the manufacture of the delicate mainspring of my watch as the skillful hand which finally fashioned it. While the mainspring was the finished product of its maker, the iron ore was no less a finished product to the miner. Cotton and wool are classed as raw materials, while the fact is they are indeed a finished product. I venture the assertion that the labor, time, and money expended in selecting, grading, and bringing to its almost perfect state the fiber and texture of the finest wool and cotton have been more than has been expended in perfecting all the manufacturing machinery in this country. Then why, I ask, are the fostering arms of the Government thrown about the one while the other is made to shift for itself?
Again, is the cheapening of the manufactured article through free raw material or the lowering of wages, really a benefit to the people? I contend it is not. The whole world would seem to have gone daft over the idea of cheapness. To sell cheap or to buy cheap seems just now to be the real test of business qualification. The tyranny of money is at the bottom of cheap production. When the East had, through its protected industries, plundered the balance of the country of nearly all its stock of money, it instituted a series of Congressional enactments which doubled the purchasing power of every dollar. The refunding act of 1870, the demonetization act of 1873, the resumption act of 1875, and the crowning infamy of 1893, when the purchasing clause of the Sherman act was repealed, were the important acts of Congress which have doubled the purchasing power of all money, and made the balance of the country dependent tribute bearers to the East. Now the East owns all the money, controls all the manufactures, and holds all the indebtedness of the nation, which enables it to dictate terms to all lines of industry. It is this monopoly of money and manufacture, that we of the South, especially, must face to face in all of our productive efforts. And it is this monopoly that would be broken to a certain extent if equal rights were extended to each and every industrial enterprise: regardless of place or kind. It is this monopoly that has cheapened production at the expense of labor and raw material and which will continue to exercise this power until we of the South awaken from our present theoretical dreams and grapple with the stern realities that confront us. The census gives some facts that should not pass unheeded. While manufactured products increased from $5,249,000,000 to $9,054,000,000, or 69 per cent., the product of raw material increased from $3,395,000,000 to $5,018,000,000, or 47 per cent. No one will deny that the raw material increased in volume as much as the manufactured product; in fact the census confirms that proposition. Why, then, should it not increase equally or more in value? To me the reason is plain—agriculture was plundered by this monopoly of money and manufactures. As long as the country is to be controlled by a system of protective duties the application of the doctrine of free raw material will, in my opinion, result in agricultural disaster. The farmer who takes a hide to town and exchanges it for a hitching strap gets a fair idea of the benefits of selling free hides and buying protected leather. [Applause.] Or, let one take cotton and exchange it for jeans enough to make a pair of trousers; in doing so, he will obtain a valuable lesson, if heeded, between selling free cotton and buying back the protected finished product. Viewed in any light, considered from any standpoint, the doctrine of free raw material can not with profit to the producer obtain, while the finished product remains protected by customs duties. Again, I ask in fairness and in justice to all, if the doctrine of protection is to control, let it be extended to each and every industry in the Nation. Let the laws of this country give every one of its people an equal chance in the great race of life, and not weigh down one class with the burdens of another.

THE SOUTH DISCRIMINATED AGAINST.

Mr. Chairman, this bill favors the manufacturer as against the producer of raw material, which I contend is not only harmful but in the ultimate will bring disaster to both.

It is claimed that manufacturing investments are entitled to special privileges because of their character; that they are cash investments and largely employ labor. I submit that the plantations of the South and the farms of the West are cash investments, and that they also employ labor. I have before me a letter from the superintendent of a cotton mill in my State in which I am interested, who says that the plant cost about $145,000, and consumes 5,000 bales of cotton annually. I will venture the assertion that the plantations upon which this amount of cotton is made are worth at least double the cost of the cotton mill, and give employment to many times the amount of labor. This will hold good in nearly all cases. It is a grave mistake to assume that there are no real investments in agricultural pursuits, or that agricultural laborers are a product of the soil, and that the chief mission of both is to conserve the interests of manufacturers and money. Upon these agricultural lands stand the foundations of our Republic, and the people who cultivate them constitute a law-abiding, hard-working, economizing, prudent, and tax-paying portion of our citizen, whose rights should be recognized and whose wrongs must be remedied.
This bill discriminates against the raw products of the section which I in part represent, and I shall undertake to point out its inequalities and demand fair play. In fact this discrimination does not stop with the manufacturer of the East, but extends to the products of raw material in the West. This condition is the result of no doubt of a vigorous contest on the part of the Western agriculturists for a reciprocity of these privileges, while the South was made the victim because of the demand on the part of her representatives for free raw materials. In this respect the South has been considered fair game for the balance of the country and plundered as a consequence at every turn. I will cite a few flagrant instances of this character. Our Navy needed a coaling station in the Pacific Ocean and one was secured in Hawaii. Did our Government pay for it in money? No, indeed. It simply gave Hawaii the privilege of importing raw products free into this country. And what were these products? Sugar, rice, bananas, etc., all of which were produced only in the South.

To such an extent has this been carried that Senator Sherman declared we had paid $48,000,000 for a miserable little coaling station; while the late Senator Dolph stated that a fair duty upon all imports from Hawaii would have paid $12 for every acre of land in these islands. The South has been asking for free raw materials, and here is a case in point where its request was granted—400,000,000 pounds of sugar and 5,000,000 pounds of rice came into this country last year duty free from Hawaii. Does any one imagine that a tenth part of this amount either in wheat, corn, cloth, or other manufactured articles could have been imported in this manner without a loud protest from the East and West? The South in this instance was plundered because the majority of its representatives advocated free raw material and were in consequence barred from making any objections.

RICE COMPARED WITH HAY AND POTATOES.

I will take the southern product of rice in this connection and compare it with the northern product of hay and potatoes. This country produced in 1895 297,237,370 bushels of potatoes and imported 137,976 bushels. It produced the same year 47,078,541 tons of hay and imported 247,897 tons. The per cent. of imports on productions is almost too small for calculation, being about one-half of 1 per cent. In 1895 we produced 168,665,440 pounds of rice and imported 219,564,320 pounds. In other words, we imported 50,889,880 pounds more rice than was produced in the entire South. We find potatoes protected by a duty of 25 cents per bushel, and hay $4 per ton, while southern rice receives but 11 cents per pound. This unequal per cent. of importation proves conclusively a want of reciprocity in tariff duties upon these products. There are millions of acres in the South that will produce rice if it can be made remunerative. I will insert a table giving the production of rice for the past ten years:

### PRODUCTION OF RICE, UNITED STATES, 1887-1896.

(Statistics Dan Talmage’s Sons Co. Pounds cleaned.)

<table>
<thead>
<tr>
<th>Years</th>
<th>North Carolina</th>
<th>South Carolina</th>
<th>Georgia</th>
<th>Louisiana</th>
<th>Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>1887</td>
<td>9,000,000</td>
<td>32,385,800</td>
<td>19,973,700</td>
<td>94,300,000</td>
<td>155,669,500</td>
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<tr>
<td>1888</td>
<td>5,400,000</td>
<td>28,435,000</td>
<td>11,975,700</td>
<td>67,800,000</td>
<td>113,680,700</td>
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<td>1889</td>
<td>6,131,500</td>
<td>26,637,300</td>
<td>13,700,400</td>
<td>81,250,000</td>
<td>124,732,200</td>
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<tr>
<td>1890</td>
<td>5,818,700</td>
<td>30,432,900</td>
<td>15,095,400</td>
<td>79,375,000</td>
<td>131,722,200</td>
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<tr>
<td>1891</td>
<td>7,650,000</td>
<td>28,276,000</td>
<td>13,125,000</td>
<td>87,750,000</td>
<td>136,800,000</td>
</tr>
<tr>
<td>1892</td>
<td>6,697,800</td>
<td>27,183,900</td>
<td>12,005,700</td>
<td>105,778,200</td>
<td>155,665,600</td>
</tr>
<tr>
<td>1893</td>
<td>6,818,400</td>
<td>33,550,500</td>
<td>15,078,000</td>
<td>122,400,000</td>
<td>257,546,900</td>
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<tr>
<td>1895</td>
<td>4,000,000</td>
<td>22,304,800</td>
<td>8,656,300</td>
<td>77,830,000</td>
<td>110,280,800</td>
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<tr>
<td>1896</td>
<td>2,720,000</td>
<td>27,901,440</td>
<td>10,464,000</td>
<td>127,600,000</td>
<td>168,665,440</td>
</tr>
</tbody>
</table>

* Harvest storms. † Drought during growing season, Louisiana. ‡ Unfavorable growing conditions; large per cent, poor quality, and because of exceptionally low values devoted to feeding purposes, not reaching commercial channels.
Mr. FOWLER. How much is that rice worth per pound?

Mr. McLAURIN. Prime to choice, $5 to 6 cents per pound; good, 4½ to 5 cents.

Mr. FOWLER. Then the duty is about 30 per cent.

Mr. McLAURIN. There are different grades of rice; there is paddy rice, broken rice, uncleaned, and clean rice.

Mr. FOWLER. Which of them pays a duty of a cent and a half?

Mr. McLAURIN. Uncleaned rice pays 1½ cents a pound.

Mr. FOWLER. Then the duty is about 40 per cent. That is a higher duty than there is on potatoes, which is only 25 per cent.

Mr. McLAURIN. But I am arguing this question on the theory of the protectionists. You protectionists say that you are going to protect home industries, and I am showing that you are not doing that. You are protecting the industries of the North, but not those of the South.

Mr. FOWLER. How much do you think the duty on rice ought to be?

Mr. McLAURIN. I am satisfied with it as it stands in the bill, because I am not a protectionist.

Mr. FOWLER. But you believe in protecting raw materials?

Mr. McLAURIN. I do, if you are going to protect the manufactured product.

Mr. FOWLER. Well, how much do you think the duty on rice ought to be?

Mr. McLAURIN. I think it is high enough on the cleaned rice, but it ought to be higher on the uncleaned rice for the benefit of the rice farmer. You do in this schedule what you do in all the schedules; you protect the big rice mills and allow the producer of rice to go unprotected.

Mr. MORRIS. What is uncleaned rice worth?

Mr. McLAURIN. I do not know.

Mr. MORRIS. What is the duty on it?

Mr. McLAURIN. A cent and a quarter.

Mr. MORRIS. How much is it worth per pound?

Mr. McLAURIN. About 3½ cents, I suppose.

Mr. DING LEY. The duty on rice is the heaviest duty on any agricultural product.

Mr. McLAURIN. Following out this idea, I will compare the sugar of the South with the corn of the North and West. Under the present bill corn is protected by a duty of 15 cents per bushel, and 20 per cent. ad valorem under the Wilson bill of 1893.

In 1895 the corn crop amounted to 1,212,776,052 bushels, with imports amounting to 16,575 bushels. One small train load of corn would represent the total imports for 1895. In 1894, with four hundred million bushels more corn produced, the imports were only 2,000 bushels.

Comparatively speaking the imports of corn amounted to nothing.

During the year 1896 there were produced 729,392,561 pounds of cane sugar and 37,617,076 gallons of molasses. During that year 3,574,510,454 pounds of sugar and 15,075,879 gallons of molasses were imported. The duty on sugar is 40 per cent. ad valorem, and on molasses from 2 to 4 cents per gallon.

In this case there was five times as much sugar imported as produced, and nearly one-half as much molasses; and yet the gentleman from Illinois [Mr. Hopkins] tells us, as a great advantage, that they intend to let the sugar of Germany in free, provided they let in corn, meat, wheat, and other Northern products. Trading off, as usual, a Southern product for the benefit of one of the North.

I shall not attempt to go into details or bring forward any theories in connection with this comparison, but simply say that there is something radically wrong as this showing discloses and the burden as usual falls upon the South. When, on the one hand, we find no corn being imported, and on the other, more than a score of nations sending their sugar to our shores the conclusion must force itself upon every one that a grave injustice is being perpetrated, and a fair reciprocity does not exist. If raw sugar received the same fostering care from the Government as the manufactures of New England it would require but a few years for the South to produce all the sugar we consume. But the present bill, by means of its differential duty, largely favors the refiners at the expense of the producers.
COTTON PLANter PLUNDERED BY THE WHOLE WORLD.

I will make but one more comparison, and that between wheat and cotton, the two great money crops of this country. In 1895 the wheat crop amounted to 460,267,416 bushels, while the imports that year was 1,438,399 bushels.

The amount of cotton produced in 1895 was 5,031,964,409 pounds. The imports of cotton during the same year were 49,332,022 pounds. It will be seen that the per cent. of imports in wheat was only about one-third of the per cent. of imports in cotton. The McKinley bill of 1890 gave wheat a protection of 25 cents per bushel, and the Wilson bill of 1893, 20 per cent. advalorem. It is hardly necessary for me to say that cotton is and has been on the free list. While the importation of wheat does not seem to increase, the imports of cotton are making rapid strides. To further show the injustice done the South, the wheat grower gets free twine to bind his protected wheat, while the cotton planter is forced to buy protected bagging and ties to cover his free cotton. [Applause.]

While the bulk of wheat importation comes from Canada and British Columbia, no less than fifteen different countries are sending raw cotton to our shores. The imports of raw cotton have increased from 3,324,531 pounds in 1887, to 55,350,520 pounds in 1896. It is a mistake to assume that all the cotton imported is long staple. Out of the imports of 1896, but 43,574,769 pounds came from Egypt, leaving nearly twelve million pounds to be sent from other sections. It is safe to infer that all of this is not long staple cotton. Just how much is short staple I have been unable to ascertain. Be the amount what it will, it is a danger signal that should not remain unnoticed.

I will print a table which gives some facts relating to these importations:

Imports of Raw Cotton into the United States by Countries during the year ending June 30, 1896.

<table>
<thead>
<tr>
<th></th>
<th></th>
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</tr>
</thead>
<tbody>
<tr>
<td>Germany</td>
<td>23,737</td>
<td>$2,373</td>
</tr>
<tr>
<td>Russia, Black Sea</td>
<td>1,950</td>
<td>98</td>
</tr>
<tr>
<td>United Kingdom</td>
<td>9,530,252</td>
<td>1,189,070</td>
</tr>
<tr>
<td>Mexico</td>
<td>3,145</td>
<td>231</td>
</tr>
<tr>
<td>West Indies—British</td>
<td>3,442</td>
<td>216</td>
</tr>
<tr>
<td>Chile</td>
<td>4,561</td>
<td>425</td>
</tr>
<tr>
<td>Ecuador</td>
<td>21,623</td>
<td>1,695</td>
</tr>
<tr>
<td>Peru</td>
<td>1,661,883</td>
<td>209,319</td>
</tr>
<tr>
<td>China</td>
<td>55,075</td>
<td>4,897</td>
</tr>
<tr>
<td>East Indies</td>
<td>9,360</td>
<td>548</td>
</tr>
<tr>
<td>Hongkong</td>
<td>10</td>
<td>1</td>
</tr>
<tr>
<td>Turkey in Asia</td>
<td>35,441</td>
<td>4,201</td>
</tr>
<tr>
<td>British Australasia</td>
<td>52,206</td>
<td>4,570</td>
</tr>
<tr>
<td>French Oceanica</td>
<td>370,614</td>
<td>31,402</td>
</tr>
<tr>
<td>Turkey in Africa—Egypt</td>
<td>43,574,769</td>
<td>5,129,256</td>
</tr>
<tr>
<td>Total</td>
<td>55,350,520</td>
<td>6,578,212</td>
</tr>
</tbody>
</table>

Mr. PEARCE of Missouri. I should like to know whether the gentleman from South Carolina would support a duty upon raw cotton?

Mr. McLAURIN. Yes, sir; I would.

Mr. PEARCE of Missouri. So would I.

Mr. FOWLER and others. So would I.
Mr. PEARCE of Missouri. I think you need it.

Mr. McLAURIN. Why did not your committee provide for such a duty in this bill?

Mr. PEARCE of Missouri. I am not a member of the committee.

Mr. MILLIKEN. Let the gentleman from South Carolina offer such an amendment to the bill.

Mr. McLAURIN. I am going to.

Mr. MILLIKEN. We will vote for it.

Mr. McLAURIN. When the whip cracks, you will not. [Laughter on the Democratic side.]

Mr. STEELE. Will the gentleman vote for this bill if we put a duty on cotton?

Mr. McLAURIN. I will if you will strike out the other inequalities and injustices of the bill that I will point out. Will the gentleman vote for free cotton ties and bagging along with the free twine he has given the wheat grower?

Mr. STEELE. No. I am in favor of protection, and I vote for it. You want protection on your own commodity, but you will not vote for the bill even if it gives it.

Mr. McLAURIN. Why, is there not protection on the twine that you bind your wheat with?

Mr. STEELE. You get free twine to bind your rice with.

Mr. McLAURIN. How much do we need? The important thing to us is free cotton ties and bagging. You vote for free ties and I will vote for free twine. That is reciprocity.

Mr. STEELE. On the bagging for our wheat we impose a duty.

Mr. McLAURIN. But you fellows do not pay it.

Mr. PEARCE of Missouri. What would the gentleman suggest in reference to raw cotton?

Mr. McLAURIN. I would suggest a duty of 2½ cents a pound.

Mr. PEARCE of Missouri. I will support you in that.

Mr. McLAURIN. I am glad to hear it.

Mr. PEARCE of Missouri. I think you need it.

Mr. STEELE. The adoption of a duty on cotton or the taking off of the duty on manufactured cotton goods would bring about a fair reciprocity between the manufacturer and the producer, for which I am contending in regard to all products.

Mr. HAWLEY. Allow me to ask the gentleman which is the more favorable to Southern industries, the Democratic Wilson bill or the Republican Dingley bill?

Mr. McLAURIN. Well, sir, I have not instituted such a comparison between the two bills.

Mr. GROSVENOR. I wish the gentleman would do so.

Mr. McLAURIN. But neither of them suits me. I think that the Dingley bill is a faint copy or imitation of the Wilson bill; and as I always prefer the substance to the shadow, I would take the Wilson bill in preference to its shadow or imitation—the Dingley bill.

Mr. GROSVENOR. Does the gentleman think the Dingley bill is a "faint" bill?

Mr. McLAURIN. Yes, sir; it will make some of our industries feel "faint" when it goes into operation.

Mr. GROSVENOR. The gentleman thinks that is "faint" in the sense that its duties are too low and too mild!

Mr. McLAURIN. Well, they are too low and mild on the things of the South and too high and brash on the things of the North. [Laughter.]

Mr. GROSVENOR. How about the rice of your State, which has the benefit of the highest agricultural duty in the bill?

Mr. McLAURIN. Well, you have done tolerably well by rice, but not nearly so well as you ought to have done.

Mr. GROSVENOR. How about sugar?

Mr. McLAURIN. How about our bagging and ties?

Mr. GROSVENOR. You do not produce any.

Mr. McLAURIN. Well, we use a great quantity of them.

Now I trust I shall be permitted to continue my remarks without any interruption.

The Government reports show that from 1866 to 1889 the annual imports of raw cotton had not exceeded 5,000,000 pounds. If the imports of cotton increase as rapidly
for the next ten years as they have during the past ten years, the cotton planters of the South will be driven to the wall.

**NOTHING CHEAP TO ONE PRODUCER THAT IS MADE CHEAP AT THE EXPENSE OF ANOTHER PRODUCER.**

Mr. Chairman, is it not time for some Representative from the cotton States to stand on the floor of this House and defend the interests of the cotton planter? Should not a reciprocity of protection for his toll be demanded? Why should the wheat grower be protected against his near neighbor, and the cotton planter left to be plundered by the whole world? In my opinion it is an outrage and should no longer be permitted. The amendments, which I will propose, placing a duty of 21 cents per pound on all imported cotton uncleaned, is but simple justice to the South. If you decline to accept my amendment for a duty on raw cotton, then you should in justice strike out from this bill all duties on the manufactured article. This would reduce the price of cotton goods and thereby increase their consumption, and as a result the price of raw cotton would be increased by reason of increased demand.

The profits of the manufacturer are enhanced just as much by free raw material as by a high duty on the finished product. But, Mr. Chairman, I have seen enough and heard enough in the committee room and elsewhere to know that no duty will be imposed on raw cotton, because it would increase at least the price of long staple cotton, and thereby lessen the profits of the New England mills. The mills using this cotton are situated entirely in New England, and the people producing this cotton are in the South. It is quite sufficient to outweigh argument and justice. The adoption of either course would bring about that unfair reciprocity as to cotton for which I am contending for all others. It is not my purpose to demand specifically certain ratios of reciprocal duties on other productions of the South that are entitled to them, since I am not sufficiently informed. I assume, however, that a Committee who can frame a tariff bill which will benefit one section at the expense of another has the wisdom to formulate a measure that will insure a reciprocity in such duties among all the sections.

Mr. Chairman, the people of the South are entitled to this consideration. They have the right to demand equal and exact justice with other sections at the hands of Congress. It is unfair, unwise, and un-American to compel them to bear more than their share of the burdens of Government. This importation of raw cotton strikes at the very vitals of the one great industry of the South. It is a standing menace to the cotton planter which few seem to realize. Fifty-five million pounds of cotton is not far from 120,000 bales. This represents the product of nearly, if not quite, 20,000 average farms. It also represents the income of more than 100,000 of the people of my section. If the manufacturers of the East and the farmers of the West are to be protected against the pauper labor of other countries, have not the people of the South a right to demand a similar safeguard? Is it fair to ask the people of the South to submit to certain conditions which the East and the West refuse to endure? I have made no distinction in regard to the different kinds of cotton, since they are all affected by these imports. If by reason of this duty long-staple cotton should be excluded, much of the land now used in producing short staple would be used in producing the long-staple. This would lessen the crop of short staple and increase its price. In this indirect manner the grower of short staple would be benefited. It is assumed by some that these duties on wheat, corn, oats, barley, and other products of the North and West does not increase their price. If that be true, why are these duties imposed? Are such duties placed upon the statute books to deceive? Are they intended as bribes to the Northern and Western farmers from the canning manufacturers of New England?

Mr. Chairman, if the duties upon agricultural products of the North and West should be eliminated from this bill, it would be voted down by this House. I am led to believe that the disasters that overtook the wool growers because of the Wilson bill, which made his product a free raw material, together with the promise of protective duty by the Republican party, was one of the great factors which compassed the defeat of the Democratic party in the late election. The wool grower of the West is naturally with us on the paramount issue, and the time is not far distant when he will repudiate the miserable seesaw sophistry that
this bill discloses, of legislating higher prices by a tariff and forcing lower prices
with a single gold standard. He will then unite with the other producers of raw
material in driving you from place and power. [Applause.]

If the agricultural products of the North and West are to be favored by national
legislation, in the name of justice and fair dealing let the agricultural products of the
South receive similar consideration. Let the statute books of our country disclose
a record of equality and reciprocity to all sections and for all the people. The South
is worthy of this action at your hands. It stands to-day as the most available por-
tion of this great nation, where capital and development can be made profitable.
It is rich in resources, rich in the variety of its products, and possesses the best
labor in the world. It seeks no advantage, and only asks an equal chance with
other sections of the country.

Mr. TAWNEY. Do not the duties on agricultural products in this bill apply to
agricultural products all over the United States?

Mr. MCLAURIN. I should like to get through with my remarks.

Mr. TAWNEY. I should like to have the gentleman answer that question. He
has been alluding constantly to the agricultural products of the West. I claim that
the duties imposed by the bill on agricultural products apply to agricultural prod-
ucts all over the United States—in the South as well as in the West.

Mr. MCLAURIN. Yes, sir; but it affects only those that are staple money crops
of the West. The gentleman's argument is about as specious as the schedules in
this bill.

We are told that the consumer should be considered in this matter, and some
would frame a tariff in the interests of the consumer alone. I cannot consent to
such a doctrine, since, in fact, every producer is a consumer, and the maxim "that
nothing is cheap to one producer that is made cheap at the expense of another pro-
ducer," will hold good the world over. Hence, when a product consumed by one
producer is cheapened, he can with certainty conclude that his own product must
be cheapened accordingly. The only real consumer, however, is he who subsists
upon past accumulations; who does no work, who produces nothing. Such
a man is a blemish, a wart on our body politic, whose example is demoralizing and
tends to excite evil among the people. I see no good reason why the toil of others
should be cheapened in order that this class may live at less expense.

In my opinion this idea of cheapness is all wrong and is rapidly leading our
people into great difficulties. Cheap products mean cheap men, and cheap men
mean national decay and retrogression. Cheap products is but another term for
poorly paid labor, which in turn is sure to bring want, rags and wretchedness.
Hard times and cheap products always walk hand in hand, while good times and
higher prices always run together. This has been true in the past and no doubt
will continue true in the future. The products of labor for years have been gradu-
ally cheapened, and both debt and financial disaster have followed closely in its
path. The argument for free raw material in order to cheapen the manufactured
article I cannot entertain. It is a theoretical assumption based upon the false idea
that a man who sells a bale of cotton for 5 cents per pound can buy more cloth
than he could with cotton at 10 cents per pound. In my opinion we want nothing
cheap in this country but money. For years past labor and its products have been
getting cheaper and the dollar has been growing correspondingly dearer. This has
continued until the farms and homes of our people are covered with mortgages and
all business is stagnant and demoralized, with financial distress spread broadcast
throughout the land. I am in favor of a change of conditions, of giving the people
an opportunity of getting out from under this vast accumulation of debt and misery.
Since it was a dear dollar and a cheap day's work that wrought this havoc, let us
have a dear day's work and a cheap dollar to prevent further destruction and repair
the damage already done.

I do not mean a cheap dollar in the sense of a cheap coat, but through an increase
in the number of dollars. Dollars became cheap by increasing their number, just
as hats or stockings cheapen when their numbers are increased. But, say some, the dollar will now buy more of the necessities of life than ever; yet we
know that millions of our citizens are seeking these dollars, but are unable to find
them. These same individuals tell us that a day's labor will bring as much or
more than ever before. Yet no one will deny that there are from three to five
millions of our own people who are looking for this day's work but can not find it.
Granting the truth of both propositions, it simply proves my contention. Will the day's labor buy as many dollars as it used to? Will the product of the day's labor buy any more dollars than it did in the past? When we find that neither labor nor its products will purchase as many dollars now as it did in past years we are forced to consent that dollars have grown dearer and labor and its products cheaper.

This idea is combated with the plausible theory that if wages are increased the cost of living would be correspondingly increased and the laborer would not be benefited. This theory finds its chief advocates among the money-lending and debt-owning classes, since cheap commercial values are to their advantage. If there were no debts the high or low value of labor and its products would work no injury. But the people are in debt, of which fact the business failures seen on every hand are grave reminders. To lift this great burden of debt and free the people from its growing incubus they must have higher prices for products and steady employment. Nothing else will do it.

I will disclose the sophistry of low wages and cheap living with a single example. Suppose a laborer has a little home mortgaged for $500 that he is striving to pay. He is now getting $1 per day, and with steady work earns $300 a year. By strict economy he spends $250 for family expenses and interest and pays $50 annually on the mortgage. With no accidents he will pay out at this rate in ten years. By doubling his wages he would receive $600 per year, and by doubling his cost of living he would expend $500. But in this case the difference in the amount of his savings would be doubled also and he could pay $100 each year on the mortgage instead of $50. This would enable him to pay off his debt in five years and give him the other five years in freedom and happiness. This doubling of wages and prices would work the same in all cases and soon bring to our people joy and contentment.

ONLY REMEDY.

Mr. Chairman, as I have previously stated, I would work and vote for a measure that gave the people an increased volume of currency, since an adequate supply of money and equal taxation, in my judgment, are the only remedies for the present industrial paralysis. Since the bill under consideration deals with taxation only, I have sought to impress upon this House the necessity and justice of making its provisions just and reciprocal. The condition of the South, its opportunities and necessities, the hopes and anxieties of its people, its development and proper status in the nation, all conspired to induce me to make this appeal in her behalf. All she asks is equal and exact justice, an equal chance in this great commercial strife, and she promises to do her part in making this the grandest and most prosperous nation on earth.

Mr. Chairman, I can find no more expressive language with which to close than that made use of by Thomas Jefferson, that great statesman and patriot, during the formative period of our national existence. In writing to one of the patriot fathers he said:

"Let us found a government where there shall be no extremely rich men and no abjectly poor ones. Let us found a government upon the intelligence of the people and the equitable distribution of property. Let us make laws where there shall be no governmental partnership with favored classes. Let us protect all in life, liberty, and property, and then say to every American citizen, with the gifts that God has given you, your brain and brawn and energy, work out your own fortunes under a just government and an equal jurisprudence."

[Loud applause on the floor and in the gallery.]