UNION CALENDAR NO. 1.

67TH CONGRESS, 1st Session. } HOUSE OF REPRESENTATIVES. { REPORT No. 1.

EMERGENCY TARIFF BILL.

APRIL 13, 1921.—Committed to the Committee of the Whole House on the state of the Union and ordered to be printed.

Mr. YOUNG, from the Committee on Ways and Means, submitted the following

REPORT.

[To accompany H. R. 2435.]

The Committee on Ways and Means to whom was referred H. R. 2435, a bill imposing temporary duties on certain agricultural products to meet present emergencies, and to provide revenue; to regulate commerce with foreign countries; to prevent dumping of foreign merchandise on the markets of the United States; to regulate the value of foreign money; and for other purposes, having had the same under consideration, report it back to the House without amendment and recommend that the bill do pass.

TITLE I.

EMERGENCY TARIFF.

The rates of duty carried in Title I of this bill were agreed upon during the last session of Congress to cover emergency conditions which still exist. They will be in force for six months. It is not the purpose of the committee to make them permanent. The rates of duty to follow them in the permanent tariff bill are now being carefully considered in the committee.

The bill provides for the following rates of duty:

Wheat, 35 cents per bushel.
Wheat flour and semolina, 20 per cent ad valorem.
Flaxseed, 30 cents per bushel.
Corn or maize, 15 cents per bushel.
Beans, 2 cents per pound.
Peanuts or ground beans, 3 cents per pound.
Potatoes, 25 cents per bushel.
Onions, 40 cents per bushel.
Rice, cleaned, 2 cents per pound; rice, cleaned for use in manufacture of canned foods, 1 cent per pound; uncleaned rice, 1½ cents per pound; rice flour, meal, etc., 1 cent per pound; rice paddy, three-fourths of 1 cent per pound.

Lemons, 2 cents per pound.

Oils: Peanut, 26 cents per gallon; cottonseed, coconut, and soya bean, 20 cents per gallon; olive, 40 cents per gallon in bulk, 50 cents per gallon in containers of less than 5 gallons.

Cattle, 30 per cent ad valorem.

Sheep: One year old or over, $2 per head; less than 1 year old, $1 per head.

Fresh or frozen beef, veal, mutton, lamb, and pork, 2 cents per pound. Meats of all kind not provided for herein, 25 per cent ad valorem.

Cattle and sheep and other stock imported for breeding purposes, free.

Cotton, with staple of 1⅜ inches or more, 7 cents per pound.

Wool, unwashed, 15 cents per pound; washed, 30 cents per pound; scoured, 45 cents per pound.

Wool, advanced beyond washed or scoured condition, 45 cents per pound in addition to rates of duty imposed by existing law.

Sugars, tank bottoms, sirups of cane juice, melada, concentrated melada, concrete and concentrated molasses, testing by polariscope not above 75°, 1.16 cents per pound; each additional degree by polariscope, four one hundredths of a cent per pound additional; molasses not above 40°, 24 per cent ad valorem; molasses above 40° and not above 56°, 3½ cents per gallon; above 56°, 7 cents per gallon.

Butter, and substitutes therefor, 6 cents per pound.

Cheese, and substitutes, 23 per cent ad valorem.

Milk, fresh, 2 cents per gallon; cream, 5 cents per gallon.

Milk, preserved, condensed, sterilized, 2 cents per pound; sugar of milk, 5 cents per pound.

Tobacco, wrapper and filler, $2.35 per pound; if stemmed, $3 per pound; filler, unstemmed, not especially provided for, 35 cents per pound; if stemmed, 50 cents per pound.

Apples, 30 cents per bushel.

Cherries, 3 cents per pound.

Olives, in solutions, 25 cents per gallon; not in solutions, 3 cents per pound.

One of the most serious obstacles to the revival of industry is the paralysis of agriculture. Title 1 of this bill, to protect certain farm products, is submitted to Congress for the welfare of the nation as a whole. It is not sectional. It is not for the benefit of one class, because its passage will be for the good of all. The purchasing power of farmers has been in large part destroyed and must be restored before good times can be hoped for.

While it is true that we are in the grip of a nation-wide industrial and business depression, which has distressed many, impartial observers are of the opinion that agriculture is the hardest hit of all. In addition to abnormally low prices, and in some instances no price at all, practically everything the farmers buy is from 50 to 100 per cent higher than prewar levels.

The consuming public and the commercial public have an absolute and definite interest with the farmer in helping him to make cost of production and a fair profit.

The primary interest of the consuming public in the farmer is that he keep on producing food. The farmer will do that only if he makes a profit on his productions. If he must sell his commodities below cost of production he must go out of business or lower his standard of living to such an extent that he is a public menace. In either event the consuming public will suffer.

The same holds good in respect to the so-called commercial sections of the public. The automobile manufacturers expected to sell many tractors, trucks, and cars in the rural sections of the United States. They would have done so if the farmer had continued to make profits. The instant commodity values collapsed, farm credits closed, and the farmers were unable to purchase anything except actual necessities of life. The inevitable result was a collapse not merely in the automobile industry but in every collateral industry.

Automobiles are here used simply as the illustration of one out of dozens of distinct and separate important industries so affected.

There is now a large surplus of farm products in this country caused partly from underconsumption, but chiefly by the dumping here of great quantities of foreign products. This surplus will continue to increase so long as present world conditions exist. Our country alone among the large consuming countries of the world is able to pay for imported commodities. In this country is the one market where cash and credit conditions and exchange rates make it possible to buy and hold the world's surpluses until consumptive demands can absorb them, or until the same can be sold abroad, sometimes, unfortunately, on time. In other words we have been buying the surplus of other countries for cash and reselling them abroad on time.

Wheat is one of the products which have been admitted to our country in large quantities which have seriously disturbed and depressed our domestic market to the great loss of wheat growers. The months of September, October, November, and December are those during which the marketing of wheat is most active. During those months last year our markets were demoralized by the receipt from Canada for domestic consumption of 32,777,889 bushels of wheat, a substantial portion of it going to the Minnesota mills. This amount has been since increased to over 44,600,000 bushels. And still more serious, it is estimated that there are 35,000,000 bushels of wheat at Fort William, Canada, awaiting the opening of navigation, which will be within a week, to be shipped to American ports for domestic consumption. Domestic wheat prices can not withstand the pressure brought by continually increasing our surplus by importation. As a result of these importations prices have declined rapidly, being now far below the cost of production, and the American wheat grower faces destruction. It is essential that this bill be passed quickly in order to prevent the dumping of the wheat just referred to, as well as other commodities mentioned in the bill.

The sheep raisers are in desperate condition. Ninety per cent of the 1920 wool clip is still in their hands, and there is no sale for it at any price. There is now in this country two years' supply for the manufacturers, and 100,000,000 pounds are on ships headed for our ports. In addition to this, millions of pounds of frozen lamb have been imported and are now in cold storage.

Peanuts and peanut oil imported directly from Japan, but produced chiefly in China and India, have already broken the price of American peanuts to a ruinous point and will probably cause abandonment of a large percentage of the peanut acreage. Peanuts are produced primarily in China, India, and Central Africa. Any one of these countries produces far more than the United States, under the most primitive methods of culture and with the cheapest possible labor. No growers of America can compete with them. If the peanut industry of the United States is worth preserving, the imposition of a duty is essential. It is not a case of reducing the cost of peanuts to the consuming public. It is a case of allowing a great American industry to survive and of preventing the complete control in the future of the price of the commodity from being lodged in a handful of foreign speculators and merchants.

Beans are raised in China and Japan on land that has an average current value of approximately one-tenth of the American bean land; by labor that is paid approximately one-twentieth of corresponding American farm labor. Even the hand picking is done by child and woman labor which costs the Chinese and Japanese less than one-twentieth of the corresponding cost in this country. Chinese women are paid 17 cents per day.

It is impossible to raise beans in New York, Michigan, Colorado, or California for less than 6 cents a pound. Nevertheless the Japanese merchants can land Chinese beans on the Pacific coast for anywhere between 2 and 3 cents a pound without losing a penny on the transaction. Chinese beans are now for sale in all portions of the United States at prices below the American cost of production, and the American bean producer is distressed and helpless.

The farmers of the United States with their high standards of production and high standards of American labor are placed in direct competition with the products of an entirely different civilization, under which much lower wage and labor standards are maintained. It is a conflict between the American civilization and the economic expression of the oriental civilization. In such a conflict the American farmer is completely beaten unless the Government gives him the artificial assistance of protective duties. Without a protective differential the American bean industry is doomed. Already the bean acreage of Colorado and adjoining States has been reduced in three years to one-fourth of the 1918 acreage.

In California a similar result is noted for the districts devoted to small beans. In Michigan a reduction of about 50 per cent is indicated by preliminary reports.

Much the same conditions are found in respect to rice and other farm products imported from Japan and China. American growers of peanuts, beans, rice, and other products which are imported from China and Japan can not reduce their cost of production to compete with the oriental standards of living; they can not increase the production per acre so as to equalize the enormous advantage of the oriental cheap labor. They can not make even the cost of production without the aid of protective duties. Without this aid the grower will go out of business and the people will buy these commodities in the future at whatever price the foreign speculators choose to place upon them.

Some people say that the farmers must find relief by increased sales to foreign countries. This might be efficacious if the foreigners were financially able to buy. The citizens of our own country bought nearly $900,000,000 worth of farm products from foreign countries last year. Save this good home market with its good American dollars for American farmers and do not compel them to sell their surplus to foreigners on time.

The revival of the agricultural industry will help to put 3,000,000 idle men to work, and when they are profitably employed they will in turn help to restore the normal domestic consumption of farm products.

From the standpoint of the public it is believed the costs of retail will not be materially affected by reasonable duties on farm products. Under our present very faulty distribution system, which is sadly in need of reformation, the prices paid to farmers seem to bear little relation to the final sales price. For instance, we have seen the price of wheat reduced in half during recent months and the cost of bread remains at the same exorbitant price in most if not all the cities. Onions and some other products which are now unsalable on the farm excepting at far below cost of production are selling in the stores at about the same price as formerly.

Some people may be disposed to say that if an industry is not particularly important to the country, it might be best to let the industry die and try to secure cheaper foreign products; but it ought always to be remembered that the foreigner, with the monoply in his hands, may take advantage of it. It has been found at times that when the foreigner has a monoply on something America needs, the American consumer is squeezed bitterly, without the least possible chance to protect himself. Therefore it is unwise to drive out an industry and permit complete control to go into the hands of a group of foreigners not subject to regulation from this country. Where the industry is important, such as the primary agricultural industries of the country, there is no excuse whatsoever for permitting the industry to be abandoned by reason of the inability of the farmers to make a profit.

The prosperity of this country is based primarily on agriculture. If the American public permits class after class of American farmers to be driven out of their industries by competition from one source or another, the whole country will be impoverished gradually but surely. The farmer will not be the only sufferer; the whole public will go down with him. This is the teaching of history.

The sooner the average man realizes that his interest is absolutely inseparable from that of the agricultural producer, the sooner will the entire country be on a more prosperous footing.

The Bureau of Markets at the request of Mr. Wallace, Secretary of Agriculture, has furnished certain statistical information which is printed herewith:

WHEAT.

Commodity.	Present tariff.	Young bill.
Wheat	Free	35 cents per bushel.
Wheat flour and semolina	do	20 per cent ad valorem.

(1) Until the harvest of 1920, importations of Canadian wheat into the United States were not a market factor. Total importations for the crop year ending June 30, 1917, were 23,715,000 bushels, and the following year 24.700,000; but the war prevented these importations from being felt in the market. Previous to 1914, the heaviest importations in any crop year were 2,673,000 bushels of wheat and 150,000 barrels of flour, in the year ending June 30, 1912. The tariff prevented large importations.

(2) Small quantities of wheat came from Argentina and Australia during the war.

(3) From September 1 to December 31, 1920, the United States imported for consumption 37,800,000 bushels of wheat from Canada, most of it coming across the Lakes. In January and February, 1921, the imports by rail to Minneapolis and Duluth amounted to 6,800,000 bushels.

(4) On March 1, 1921, Canada had a net surplus of 45,000,000 bushels of wheat, about 35,000,000 of which were in store at Fort William and Port Arthur, Ontario, and in country elevators and in cars in western Canada.

(5) Wheat reserves in Canada will move slowly until about May 1, when, with the opening of navigation, it is predicted by the Chicago Board of Trade houses, there will be a heavy movement to the United States.

(6) Speculators on the Chicago Board of Trade have begun to anticipate the heavy movement of Canadian wheat by selling the May future. The discount of the future under cash wheat indicates such selling pressure on the future and an absence of pressure on cash wheat.

(7) Cash wheat, No. 2 red winter, in Chicago on March 19 sold at 22 to 23 cents over the May future, or at $1.62 to $1.65, and No. 2 hard winter at 11 to 15 cents over May, or $1.53 to $1.57. A year ago No. 2 hard winter sold at $2.48 and two years ago at $2.37.

(8) In Minneapolis, on the 19th, No. 2 dark northern spring sold at 10 to 28 cents over Minneapolis May, or at $1.47 to $1.65. A year ago No. 2 dark northern sold at $2.70 to $2.95, and two years ago at $2.44.

(9) The discount of the May future under cash wheat on the spot was mainly due to the anticipation of heavy imports of Canadian wheat in May.

(10) An embargo on Canadian imports would meet the emergency that exists, as it would offset the short selling by speculators, which is induced by the shadow of the Canadian surplus in the United States.

(11) Chinese flour made from Manchurian wheat has become a factor in English markets. It may become a factor in the Pacific Coast States next.

(12) Europe continues to buy American wheat, though irregularly. Only small sales of Canadian wheat for export have recently been reported; the final surplus of the crop will be bought by England early next summer.

CANADIAN CROP DISTRIBUTION.

Distribution of the wheat crop of Canada from the beginning of the crop season on September 1, 1920, to March 1, 1921, is shown in the following table:

	Bushels.	Bushels.
Crop of 1920	263,000,000	
Carry over	4,000,000	
Total supply Sept. 1		267,000,000
Requirements—consumption, seed, and carry over		105,000,000
Surplus		162,000,000
Exports:		
To United States, Sept 1 to Dec. 31	37,800,000	
To United States by rail January, February	6,800,000	
Other countries—		
Via United States ports	40,000,000	
Via Canadian ports	32,000,000	
Total		116,600,000
Surplus for export on Mar. 1		45,400,000

WHEAT SUPPLY IN THE UNITED STATES MARCH 1.

The wheat supply in the United States on March 1, 1921, and the requirements during the remainder of the crop year to July 1 are shown in the following table:

		Bushels.
On farms, Mar. 1	208,000,000	
Country mills, elevators	82,000,000	
Visible supply	30,000,000	
Total supply		320,000,000
Requirements:		
Four months' bread	175,000,000	
Spring seed	25,000,000	
Total		200,000,000
Surplus Mar. 1		120,000,000
Probable exports, 4 months	80,000,000	
Carry over July 1	40,000,000	
		120,000,000

The average carry over on July 1 is 70,000,000 bushels.

FLAXSEED.

Commodity.	Present tariff.	Young bill.
Flaxseed	20 cents per bushel	30 cents per bushel of 56 pounds.

Imports of flaxseed into the United States.

Imported from—	Year ending June 30, average, 1910–1914.	Calendar years.		
		1918	1919	1920
	Bushels.	*Bushels.*	*Bushels.*	*Bushels.*
Canada	4,110,370	3,240,043	1,279,132	1,637,813
Argentina	1,938,021	9,668,119	12,353,932	22,778,359
Other countries	1,209,821	66,314	403,120	225,018
Total	7,258,212	12,974,476	14,036,184	24,641,190

CORN.

Commodity.	Present tariff.	Young bill.
Corn	Free	15 cents per bushel.

(1) Imports of corn into the United States are almost entirely from Argentina. Before the war they were unimportant.

(2) The importance of Argentine corn imports is not in the volume but in the use made of them by speculators, buyers, and distributors in the large eastern centers to hammer prices.

(3) Cheap ocean rates and high rail rates in the United States indicate a large movement of Argentine corn to the United States during the present year. Argentina is reported to have a large surplus from the last crop, and harvest of the new crop is at hand.

(4) The ocean rate on corn from Buenos Aires to New York or New Orleans is $3.50 per long ton, or 8¼ cents a bushel. The rail rate on corn from Chicago for export shipments is 41 cents per 100 pounds, or 22.96 cents per bushel.

(5) Last year's importations of Argentine corn were on a $12.50 per ton ocean rate.

(6) The amount of corn on farms on March 1, 1920, was over a billion and a half bushels, or 48.6 per cent of the crop. The importation of a few million bushels of Argentine corn would affect the entire farm holdings.

WOOL.

Commodity.	Present tariff.	Young bill.
Unwashed wool	Free	15 cents per pound.
Washed wool	do	30 cents per pound.
Scoured wool	do	45 cents per pound.
Manufactured wool goods	35 per cent	Compensatory duty, 45 cents per pound.

(1) In previous years the average production of wool in the United States was 314,000,000 pounds and average imports 203,000,000 pounds.

During the war imports increased in response to increased manufacturing to about 445,893,000 pounds in 1919, and declined to 259,018,000 pounds in 1920.

(2) Both importation and consumption of wool have decreased since May. However, there has been a large increase for January and February, 1921. Importations in recent months appear to be speculative, in anticipation of tariffs.

(3) The stocks of wool on hand were large when the price slump came last May. To the stocks on hand was added the new clip of 280,000,000 pounds.

(4) The accompanying tables show the wool supply in sight to be near 1,000,000,000 pounds. The normal consumption is about 600,000,000 pounds, with about 400,000,000 pounds carried as stock. A year's supply is in sight at normal consumption. At the present rate of consumption (about two-thirds normal) the supply would be sufficient for a year and a half.

(5) The effect of an embargo or high tariff would be to gradually increase the prices.

The justification for an emergency tariff is:

(*a*) A fundamental industry that it takes years to develop is facing ruin.

(*b*) The prosperity of large numbers of people, not sheep growers, is dependent on the sheep industry. Hence, merchants and bankers who have made large advances to sheep producers are in serious financial trouble and favor a wool tariff.

(*c*) At present the supply of wool in the United States is approximately 650,000,000 pounds, of which 175,000,000 pounds is held by the producers. With the coming 1921 wool clip the amounts controlled by producers would be approximately 450,000,000 pounds while the dealers would hold approximately 500,000,000 pounds. Therefore, the benefit derived from a tariff would be equally divided between producers and the dealers and manufacturers. Undoubtedly any tariff on wool would reflect in the price of finished goods and the charge passed on to the consumer.

(*d*) Wool dealers who purchased wool stocks at higher prices than now obtain are in serious financial straits and would be directly benefitted. Forced liquidation on the part of wool dealers would make the present bad situation worse and break a trade organization of value to agriculture.

(*e*) It can be shown that the price of wool is so small a factor in the ultimate cost of manufactured goods that no large burden need be placed on the consuming public.

(*1*) *Production, imports, and consumption of wool in the United States for 1919 and 1920.*

	1919	1920
	Pounds.	*Pounds.*
Production	265,338,000	259,307,000
Total imports	445,892,834	259,617,641
Exports	2,839,980	9,066,620
Reexports	5,688,573	12,414,579
Net imports	437,364,281	238,136,442
Total new stocks (net)	702,702,281	497,443,442

(2) *Imports and consumption of wool in the United States, by months, 1920 and 1921 (from factories).*

	Imports.	Consumption.		Imports.	Consumption.
1920.	*Pounds.*	*Pounds.*	1920.	*Pounds.*	*Pounds.*
January	41,950,071	72,700,000	October	8,706,505	38,500,000
February	26,103,165	63,700,000	November	12,250,505	28,000,000
March	33,031,931	67,900,000	December	13,392,392	[1] 30,000,000
April	54,085,770	66,900,000			
May	13,388,934	58,600,000	Total, 1920	259,617,641	583,600,000
June	21,079,627	46,000,000			
July	9,444,610	37,000,000	1921.		
August	14,447,810	38,000,000	January	21,169,480	....
September	11,736,534	36,300,000	February	42,835,968	....

[1] Estimates.

MEATS.

Commodity.	Present tariff.	Young bill.
Cattle	Free	30 per cent ad valorem.
Sheep:		
1 year old or over	do	$2 per head.
Less than 1 year old	do	$1 per head.
Fresh mutton and lamb	do	2 cents per pound.
Fresh or frozen beef, veal	do	Do.
Lamb and pork	do	Do.
Meats prepared or preserved	do	25 per cent ad valorem.
Breeding stock	do	Free.

1. There is a great surplus supply of meats and meat products in the United States, and prices of live stock have been driven to a decline much more rapid than the decline in cost of production while imports of meats have further depressed the market. This constitutes a menace to the live-stock industry. Live-stock operations (before the war frequently precarious and unprofitable) did not during the war build up a reserve of profits sufficient to offset the present losses due to the current marketing of war stimulated production at less than its cost.

2. Chicago market live-stock prices in February, 1921, reached index figures, ranging from 104 to 111 (based on 1913), while general commodities were 167, and manufactured articles 230. Allowing for increased freight to the market, farm prices of live stock are practically at or below prewar levels. The price drop has been so rapid that the value of animals in many cases is now less than the amount of loans secured by them, wiping out the grower's equity entirely.

3. During the war the United States exported large quantities of meats and imported little, but it would be fallacious to suppose that this points to no need of, or benefit from, an import tariff. The history of exports and imports is clearly against such an assumption. Excluding pork, our exports of meat averaged 397,000,000 pounds from 1900 to 1907. From 1910 to 1914 they averaged only 75,000,000; from 1915 to 1919 they jumped to 397,000,000, but in 1920 fell to only 144,000,000. On the other hand, following the putting of meat on the free list in 1913, imports began a rapid development, which was cut off only by the war, and in 1919-20 show a marked tendency to resume. These facts need to be considered in conjunction with the fact that the Chicago packers control from 50 to 60 per cent of the meats shipped from South America to world markets. With our exports practically no greater than in 1910, and with a strong potentiality for increase of imports, the American farmers urgently need protection for their cattle and sheep products. Imports of mutton and lamb for the years 1917-1919 averaged about 6,000,000 pounds; in 1920 they were 100,000,000 pounds and had a far more depressing effect on sheep and lamb prices than on consumers' prices of the products.

4. It is generally recognized that the countries from which our imports of beef and mutton principally come have much lower costs of production than we. The principal difference is due, it is understood, to our higher labor costs. There has been for years a combination of American, British, and Argentine packing interests controlling South American exports of meat. In the absence of a tariff this situation is a menace to the American live-stock producer.

5. The future of our food supply is involved in this whole situation The supply of meat animals is not keeping pace with the population, and present conditions unless speedily remedied will cause a serious degree of abandonment of the live-stock industry.

6. The relations of ocean freight rates from competing foreign countries and railroad freight rates from our corn-belt and range country are as follows:

(a) Ocean freight rates including refrigeration:

New Zealand to New York:
- Beef .... $1\frac{5}{8}$d. per pound ($3\frac{1}{4}$ cents at par).
- Lamb and mutton .... $1\frac{7}{8}$d. per pound ($3\frac{3}{4}$ cents at par).
- Veal .... $1\frac{3}{4}$d. per pound ($3\frac{1}{2}$ cents at par).

Argentina to New York .... 4 cents per pound.
Australia to San Francisco .... $1\frac{1}{2}$d. per pound (3 cents at par).
New Zealand to San Francisco .... 2d. per pound (4 cents at par).
New York to Liverpool .... $1\frac{3}{8}$ cents per pound.
Argentina to Liverpool .... $2\frac{3}{4}$ cents per pound.

(b) Railroad freight rates including refrigeration:

Chicago to New York .... $1.23 per 100 pounds.
Omaha to New York .... 1.67\frac{1}{2}$ per 100 pounds.
Fort Worth to New York .... 1.98\frac{1}{2}$ per 100 pounds.
Denver to New York .... 2.74\frac{1}{2}$ per 100 pounds.

Index price comparisons.

[Bureau of Labor Statistics data.]

	Base, 1913.	Peak.	February, 1921.
Good to choice steers (Chicago)	100	[1] 220	111
Choice to prime:			
Hogs (Chicago)	100	[1] 265	112
Sheep and lambs; ewes, lambs, and wethers (Chicago)	100	[2] 289	104
All farm products	100	....	129
General commodities	100	[3] 272	167

[1] March, 1919. [2] September, 1918. [3] May, 1920.

MEAT OTHER THAN PORK.

Annual average exports by periods, 1900 to 1920.

[In thousands of pounds.]

Annual average:	
1900 to 1907	397,000
1910 to 1914	75,000
1915 to 1919	397,000
1920	144,000

Meat products—United States imports and exports.

[In thousands of pounds; i. e., 000 omitted.]

Year.	Beef.		Pork.		Lamb and mutton.	
	Imports.	Exports.	Imports.	Exports.	Imports.	Exports.
1910	....	223,524	....	684,692	....	1,997
1911	....	291,322	....	1,051,025	....	2,574
1912	....	169,509	....	982,895	....	5,076
1913	35,[illegible]22	165,176	514	1,020,779	554	4,789
1914	254,319	181,051	26,835	827,523	19,876	3,847
1915	118,[illegible]90	511,314	5,496	1,368,464	11,879	4,231
1916	30,[illegible]72	371,916	1,171	1,451,287	17,235	5,258
1917	22,[illegible]72	390,612	2,821	1,297,703	5,624	2,862
1918	28,[illegible]34	773,334	3,585	2,250,698	608	1,631
1919	50,[illegible]58	385,638	5,426	2,637,634	8,209	3,009
1920	65,[illegible]17	234,540	2,296	1,536,246	101,168	3,575

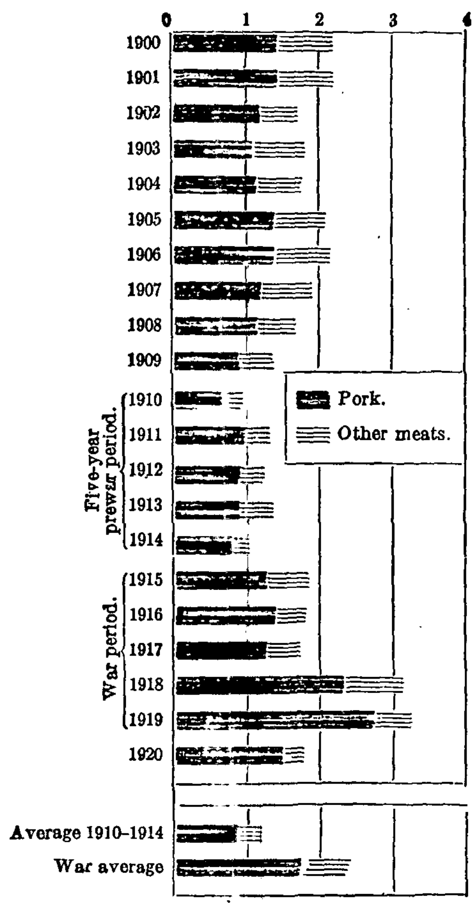
Imports: Beef figures include beef and veal and tallow (from July 1, 1918); pork figures include pork and bacon and hams.

Exports: Beef, fresh, canned, cured, oleo oil, and tallow; pork, bacon, hams and shoulders, lard, neutral lard, pork canned, fresh, and pickled.

Source: Monthly Summary of Foreign Commerce of the United States and bureau tables.

EXPORTS.

MEATS.



DAIRY PRODUCTS.

Commodity.	Present tariff.	Young bill.
Butter	2½ cents per pound	6 cents per pound.
Cheese	20 per cent ad valorem	23 per cent ad valorem
Fresh milk	Free	2 cents per gallon.
Fresh cream	do	5 cents per gallon.
Condensed and evaporated milk	do	2 cents per pound.

(1) Previous to 1919 our annual importation of butter varied from 1,000,000 pounds to 7,000,000 pounds, and in only one year, 1914, was it greater than 3,000,000 pounds. The exchange and credit situation stimulated imports, and we received from foreign countries over 9,000,000 pounds of butter in 1919, and in 1920 our imports reached the unprecedented figure of 37,000,000 pounds. In January, 1921, we imported 3,800,000 pounds and in February 1,896,000 pounds.

(2) Almost all of the butter imported comes from Denmark. Small quantities come from New Zealand and Argentina.

(3) Great Britain took large quantities of Denmark butter before the war. Now because of lack of credit and large use of substitutes, she is taking much less. The imports of butter by the United Kingdom for consumption in 1919 were 60 per cent

and in 1920, 57 per cent less than in 1917. Denmark finds our markets the best outlet because of favorable exchange rates and money conditions.

(4) Ocean rates from Denmark to New York are $30 per long ton or about 1⅓ cents per pound.[1]

(5) Railway freight rates from Minneapolis to New York are $1.72½ per 100 pounds, or about 1¾ cents per pound.

(6) Arrival of butter from Denmark always depressed domestic prices, even though the amount received is relatively small. The uncertainty of the amounts of Danish butter which can be laid down on our east coast injects a speculative element into our domestic market.

(7) The quality of Denmark butter is high grade and competes directly with the best grades of domestic butter. The quality of butter received from Argentina is low grade and has little effect on our markets.

(8) Our exports of butter in 1920 were 10,000,000 pounds or about one-third of the amount imported.

CHEESE.

(1) The present ad valorem duty of 20 per cent on imported cheese is generally considered to be adequate for the protection of our cheese industry. The principal varieties of cheese imported in this country are of foreign type and are not made extensively in this country with the exception of Swiss.

CONDENSED AND EVAPORATED MILK.

(1) During the war we developed a large export trade in condensed and evaporated milk; the largest exportation was in 1919 of 121,000,000 pounds. In 1920 our exports had dropped to 65,000,000 pounds.

(2) In 1919 we imported 16,000,000 pounds and in 1920 about 23,000,000 pounds principally from Canada.

Imports of dairy products since 1910.

Date.	Butter and butter substitute.	Cheese and substitute.	Milk and cream.	
			Fresh.	Condensed.
	Pounds.	*Pounds.*	*Gallons.*	*Pounds.*
1910	1,533,473	43,967,273	1,858,659	
1911	1,604,519	45,447,329	1,192,016	
1912	875,635	48,928,657	1,066,825	
1913	3,726,437	55,589,582	1,630,479	
1914	7,200,699	55,477,044	2,229,499	
1915	1,544,258	38,919,345	1,321,538	
1916	676,032	28,515,766		
1917	1,307,750	6,332,502		
1918	1,655,467	7,562,044	1,348,628	10,904,998
1919	9,519,368	11,331,204	3,684,817	16,509,235
1920	37,454,172	15,993,725	4,117,817	23,755,780
January, 1921	3,811,905	1,844,115		162,659
February, 1921	1,896,938	713,324		1,600,135

ONIONS.

Commodity.	Present tariff.	Young tariff.
Onions	Free	40 cents per bushel.

[1] A new rate just obtained on an actual shipment which arrived in New York is $7.50 per metric ton or about one-third cent per pound.

(1) Imports of onions in recent years are shown as follows:

Countries from which imported.	Average years ending June 30, 1910-1914.	Calendar years.		
		1918	1919	1920
	Bushels.	*Bushels.*	*Bushels.*	*Bushels.*
Spain	471,143	152,558	568,540	1,414,910
Bermuda	104,954	83,121	94,796	74,345
Egypt	109,848	....	10,486	189,108
Other countries	489,955	24,350	66,864	140,795
Total	1,175,900	261,029	740,686	1,819,158

(2) The shipping season of Spanish onions is October to March; of Egyptian onions, April to June. These Egyptian shipments compete in the eastern market with our Texas and Bermuda onion crop. The Spanish crop competes with our main northern crop, though not directly as it is a large onion, superior for table purpose in the raw state.

(3) With high domestic freight rates and low ocean rates combined with low European exchange rates, makes it possible to land these onions in eastern markets, at a price disastrous to American producers. Their situation is similar to that of the citrus fruit growers.

(4) *The arguments for an emergency tariff,* and against are about the same as in the case of citrus fruits.

BEANS.

Commodity.	Present tariff.	Young tariff.
Beans	Free	2 cents per pound.

(1) Imports of dry beans in recent years are as follows (exclude soy beans):

Countries from which imported.	Average years ending June 30, 1910-1914.	Calendar years.		
		1918	1919	1920
	Bushels.	*Bushels*	*Bushels.*	*Bushels.*
Canada	10,253	90,343	350,352	46,050
Chile	7,908	447,975	614,260	323,771
Japan	159,654	3,494,168	3,625,965	1,006,218
Other countries	970,150	177,153	381,879	718,607
Total	1,147,965	4,209,639	4,972,456	2,094,646

(2) Beans come mostly from the Orient where labor costs are low. Beans were landed in this country in 1920 at prices which our growers claimed they could not meet.

LEMONS.

	Present rate.	Young bill.
Lemons	Free	2 cents per pound.

(1) Citrus fruits come largely from Sicily and are mostly lemons. A few oranges came from Cuba during the past three years.

(2) The present situation is hard on the California citrus grower due to (*a*) low Italian exchange rates. The lira is worth about 4 cents against a normal of 19.3 cents.

(*b*) Freight rates from California to New York have about doubled, while ocean rates have declined. The rate on lemons from California to New York is now $1.44

per box against 62 cents ocean rate Sicily to New York. However, much lower ocean rates are obtained due to lack of westward cargo.

(3) According to G. Hardod Powell, the cost of production and marketing California lemons, based on recent investigation following tariff boom schedules, are as follows:

Cost of production (per box)	\$1.48
Harvesting	.49
Packing and loading	1.02
Freight to New York	1.44½
Selling	.14½
Total	4.58

Italian lemons are landed at New York at around one-half this price.

(4) *Arguments for an emergency tariff.*—(*a*) At present Sicilian lemons can dominate the Atlantic coast markets. Their influence will extend to the interior with a diminishing effect as freight rates increase.

(*b*) Enough lemons are raised in the United States to supply the market, with the production increasing. Imported lemons increase the home surplus.

OLIVES.

Commodity.	Present tariff.	Young bill.
Olives	15 cents per gallon; reciprocity treaty with Cuba, 15 cents per gallon, 20 per cent.	25 cents per gallon in solution; 3 cents per pound not in solution.

Imports of olives into the United States.

Imported from—	Year ending June 30, average, 1910–1914.	Calendar years.		
		1918	1919	1920
	Gallons.	*Gallons.*	*Gallons.*	*Gallons.*
Greece	943,513	25,179	223,363	481,079
Italy	215,859	111,710	268,208	507,166
Spain	3,158,248	2,389,085	3,205,017	3,642,653
All other	70,244	139,807	57,374	147,077
Total	4,387,864	2,665,781	3,753,962	4,777,975

PEANUTS.

Commodity.	Present tariff.	Young bill.
Shelled peanuts	¾ cent	3 cents.
Unshelled peanuts	⅜ cent	3 cents.
Peanut oil	6 cents	26 cents.

(1) The Young emergency tariff bill proposes a flat duty of 3 cents per pound for both shelled and unshelled peanuts. Many factors in the peanut belt feel that a tariff of 4 cents per pound is necessary in order to equalize cost of production abroad with that in the United States.

(2) Peanuts are produced in the United States chiefly in Virginia, North Carolina, Georgia, Florida, Alabama, and Texas. Other Southern States figure to a lesser extent in the production statistics, but peanuts are not produced commercially north of the Virginia-Tennessee line. Much of this territory was formerly devoted to the growing of cotton, which the invasion of the cotton boll weevil rendered unprofitable.

(3) The cost of production differs in different parts of the United States. One large grower in Florida claims that he will make a good profit if peanuts sell at 3 cents per pound. On the other hand, Congressman Groner, of Virginia, states it costs 7 cents per pound to grow peanuts in his section. At this time farmers' grade peanuts in

Virginia are selling at 4 to 5 cents per pound for most stock; in Georgia and Alabama for 2 to 2½ cents per pound for Spanish and 1½ cents per pound for the Runner variety; in Texas farmers are feeding peanuts to hogs rather than dispose of their small remaining surplus at less than 3 cents per pound.

(4) The following table shows the imports from all countries during the past three and one-half years:

Imports in pounds during fiscal years ending June 30.

	1918	1919	1920
Shelled	73,362,215	19,462,080	120,344,425
Unshelled	3,150,747	1,444,221	12,067,998
Total	76,512,962	20,906,301	132,412,423

Imports by months since June 30, 1920:

Months.	Unshelled.	Shelled.	Total.	Months.	Unshelled.	Shelled.	Total.
July	797,933	1,859,085	2,657,018	December	79,726	780	80,506
August	260,561	4,825,263	5,085,824	January	354,951	1,230,145	1,585,096
September	165,599	130,720	296,319				
October	32,610	652,855	685,465	Total	1,718,390	8,720,175	10,438,565
November	27,010	21,327	48,337				

(5) The importation of 10,438,565 pounds during the first seven months of the fiscal year 1921 compares with a total of 30,235,843 pounds of shelled and unshelled nuts during the corresponding seven months of the fiscal year 1920, a notable decrease. The tremendous increase in imports in 1920, as compared with previous years, was brought about largely by the high prices prevailing in American markets. The light importation during 1919 was due to the embargo of the War Trade Board which was in effect during most of the year. The decline in imports during the past few months is due chiefly to low prices in this country, although the unfavorable financial situation may have some influence on it. It is thought that this condition does not indicate a declining trend in the importation of peanuts, and that unless a considerably higher duty is imposed on the importation of this commodity American markets will again be flooded with oriental goods produced by the cheapest of labor under insanitary conditions.

(6) No reliable figures can be secured of the actual cost of production in China, which grows the bulk of our imported peanuts (import figures would indicate that most of the nuts brought into this country originate in Japan, but this is due to the fact that the product is handled in large measure by Japanese firms who temporarily store them in warehouses in their own country before final shipment to the United States). The native worker in Japan is said to be paid about 7 to 10 cents per day for his labor, board and lodging being included in these figures.

(7) Freight rates across the Pacific vary with different lines, space available on given boat, and amount of rebate granted. The American consul in Tsingtau, China, states that charges from that point to the Pacific coast are $15 per ton on shelled peanuts, and $11.50 per ton from Dairen. A freight rate across the country of $2.33½ per hundredweight is now said to be in effect.

(8) Asiatic goods are now competing in the following manner with the native product: Virginia extra large nuts, which are very scarce now, are selling f. o. b. Virginia points at 12 to 13 cents per pound. Chinese nuts of the 30/32 to ounce size, which compare with Virginia extra large in size, are being quoted around 5½ cents per pound f. o. b. Pacific coast. The smaller-sized nuts from the Orient are not finding as great a demand because of the very low prices prevailing at this time for native goods in small sizes.

(9) The actual proportion of imported peanuts is greater than indicated by the figures presented because the larger part of the imports consists of shelled nuts. Production figures of American nuts are based on unshelled goods. The weight is reduced about 40 per cent in shelling. On this basis of comparison, our imports during the fiscal year 1920 would amount to about 10,000,000 bushels. The quantity of peanut oil imported during that fiscal year is said to be the equivalent of about

22,000,000 bushels. Adding these figures, we have the equivalent of 32,000,000 bushels of Oriental peanuts imported during the fiscal year 1920 compared with the estimated production in the United States for the calendar year 1920 of about 36,000,000 bushels. It is said further that only about half of the domestic crop is used for human consumption.

PEANUT OIL.

(10) Imports of peanut oil by fiscal years:

1918	pounds	63,922,886
	gallons	8,288,755
1919	pounds	87,860,687
	gallons	11,392,723
1920	pounds	170,160,368
	gallons	22,064,363

Imports in pounds by months since June 30, 1920:

July	3,804,083	December	215,195
August	5,360,735	January	186,754
September	6,660,392		
October	416,548	Total	17,422,565
November	778,858		

The importation of 17,422,565 pounds of peanut oil during the first seven months of the fiscal year 1921 compares with 94,749,138 pounds during the corresponding seven months of the fiscal year 1920—a remarkable decrease.

(11) The same general statements apply to peanut oil as to peanuts. There has been a tendency for the importation of peanut oil to increase proportionately more rapidly than the importation of peanuts due to the introduction of modern crushing machinery into the Orient and the saving effected in freight charges by retaining the peanut cake and meal at home. The freight rate from Tsingtau to the Pacific coast is said to be $12 per ton, and $9 per ton from Dairen. The price of American peanut oil is intimately related to that of cottonseed oil, being customarily one-half cent higher per pound. The present low price of cottonseed oil is depressing the price level of peanut oil, but if the prospect of a light cotton crop next season materializes with resultant high prices of cottonseed oil and peanut oil, we are likely to witness a great influx of Oriental peanut oil unless a substantial duty is imposed.

(12) It is suggested that if a tariff on peanut oil is put into effect the rate be specified as so much per pound instead of so much per gallon. Vegetable oils are all sold on a per pound basis, and to interpret a per gallon rate into a per pound basis would require considerable mathematics. For example, there are 7.712 pounds of peanut oil to the gallon.

(13) In connection with the emergency of the situation it is reliably reported that stocks of peanuts held by growers in Texas and other southwestern producing States are practically exhausted, except for such quantities as are being held for seed purposes. In the Virginia and North Carolina section, from 50 to 65 per cent of the crop is now out of the growers' hands. In the southeastern section, consisting of Georgia, Alabama, Florida, and South Carolina, widely varying reports are received, but from 30 to 40 per cent of last year's crop is probably still held by the growers.

(14) We understand that the United States Tariff Commission has recently published a survey of the peanut industry in which they have discussed the necessity for a tariff. A copy of the survey has been requested but is not now at hand.

VEGETABLE OILS.

Commodity.	Present tariff.	Young bill.
Chinese nut oil	Free	Free.
Coconut oil (refined)	$3\frac{1}{2}$ cents per pound	20 cents per gallon.
Coconut oil (crude)	Free	Do.
Cottonseed oil	do	Do.
Linseed oil	10 cents per gallon	Not included.
Palm oil	Free	Free.
Palm-kernel oil	do	Do.
Peanut oil	6 cents per gallon	26 cents per gallon.
Olive oil (bulk)	20 cents per gallon	40 cents per gallon.
Olive oil (containers 5 gallons or less)	30 cents per gallon	50 cents per gallon.
Rape-seed oil	6 cents per gallon	Not mentioned.
Soya-bean oil	Free	20 cents per gallon.
All others (fixed or expressed)	15 per cent ad valorem	Not mentioned.

(1) Animal and vegetable oils are becoming increasingly important and intricate in their relationships throughout the world. Lard, oleo fats, butter fats, and the vegetable oils from cotton seed and peanuts and from soy bean and coconuts form a competitive group of great significance for food purposes, especially the manufacture of lard substitutes and butter substitutes, besides the other uses of inedible animal and vegetable oil products, including their use in soap and paints. There is a marked concentration in this country in the manufacture and distribution of this group of competing food materials.

(2) Cottonseed oil and peanut oil are the principal food oils produced in this country. We are the greatest cottonseed-oil producing country; our imports of cottonseed oil have had a ratio normally of only about 1 per cent to our production; and our exports a ratio of around 10 to 15 per cent. In peanut growing the United States has extensive competition; our imports of peanuts (including oil figured on the basis of the nut equivalent in bushels) in the fiscal year 1920 were 25 million bushels, which was three-fourths as much as we produced.

(3) Cottonseed oil considered by itself would not normally perhaps call for a tariff; and the peanut growers, due to the rapid development of the peanut oil and peanut butter industries, have not until recently suffered materially from foreign competition. But these oils are part of an interrelated food group which, together with the foreign soy-bean and coconut oils, have a vital relation to the price of animal fats and butter fats, since all meet in the competition of butter, oleomargarines, evaporated cream, and lard substitutes. The whole food oil problem must be considered as a unit and relief given from present conditions.

(4) Production of vegetable oil in the United States during 1920, according to the Census Bureau, was 1,963,000,000 pounds and in 1919 was 2,044,000,000 pounds. From these figures there must be subtracted 65,000,000 pounds and 149,000,000 pounds, respectively, since that represents the amount of refined oil produced from imported crude soya bean and rapeseed oils.

(5) Up until 1914 our exports of vegetable oil always exceeded our imports. Since 1915, however, we have had a net import of from 80,000,000 pounds in 1916 to 351,000,000 pounds in 1920.

(6) Most of our import supply of vegetable oils comes from the Orient. Great quantities imported during 1919 so demoralized the domestic market as to place a serious burden on the producers of cottonseed and peanut crude oils, although the refiners were strong enough to prevent the full benefit of the lower prices reaching the consumer. As a result imports of vegetable oils for 1920 decreased about 230,000,000 pounds (from 860,000,000 to 630,000,000) and imports from the Orient during December, 1920, and January, 1921, show a tendency to further decrease. Imports of peanuts during 1920 were 120,000,000 pounds, as against a prewar average of about 25,000,000, but in the last half of 1920, the imports were falling rapidly as compared with the same months of 1919. The low values of vegetable oils also affected the prices of dairy products and live stock.

(7) In 1919 cottonseed oil imports were 27,800,000 pounds, the largest in our history, mostly from China and Japan; in 1920, due to demoralization in the latter part of the year, the figure fell to 9,400,000 pounds.

(8) It has been customary to import the crude coconut oil and refine it in this country. Freight rates on crude were lower because it could be shipped in tank steamers, and crude oil was admitted free of duty. For the past three years 70 per cent of the imports of coconut oil has been from the Philippine Islands.

(9) More coconut oil than any other is used in margarine manufacture. Most of the imported coco and soya bean oil is used in the manufacture of butter substitutes.

(10) The tariff bill calls for duty rated per gallon, while most of the oil imports are bought, sold, and shipped by the pound. In case of refined coconut oil the proposed duty on the oil at 20 cents per gallon is less than the present rate of 3½ cents per pound.

(11) Exports of lard substitute dropped from 125,000,000 pounds in 1919 to 32,000,000 in 1920. The decrease was due to the crowded market in England and Belgium. Lard substitutes are usually composed of from 90 to 93 per cent vegetable oil.

(12) Exports of oleomargarine dropped from 23,000,000 pounds in 1919 to 16,500,000 pounds in 1920. It may be safely estimated that 60 per cent of the ingredients of this product was vegetable oil.

(13) Disregarding the low price of our vegetable oils at this time, we may fairly assume that the Orient can produce them cheaper than we can.

(14) A tariff would not help southern cotton farmers at this time as they have sold all their oil seeds, but might help in marketing the new crop next October. It might induce a larger acreage of oil seeds this planting season. Peanut farmers, except in

the Southwest, are reliably said to still have 30 to 50 per cent of the crop in their hands. The probable immediate effect of a tariff would be to raise the price of oil somewhat, so refiners and wholesalers who now have large stocks on hand would benefit thereby. Much of the exports of lard and butter substitutes contain imported oil. Some countries refund import duties when manufactured products are reexported.

(15) Dairy interests should be benefited by an emergency tariff on vegetable oils because of the relation between the prices of butter substitutes and of butter.

Imports and exports of vegetable oils during December, 1920, and during January and February, 1921, in pounds.

	December, 1920.	January, 1921.	February, 1921.
Exports	45,073,631	73,475,484	41,146,946
Imports	21,053,007	21,609,672	34,620,862
Net exports	24,020,624	51,865,812	6,526,083

Imports and exports of vegetable oils (all kinds the tonnage of which was listed separately) since 1910, in pounds.

Year.	Imports.	Exports.	Year.	Imports.	Exports.
1920	629,730,201	278,377,640	1914	318,046,047	213,090,612
1919	859,051,044	361,858,294	1913	171,120,568	348,510,032
1918	760,175,592	125,238,312	1912	255,359,205	425,251,097
1917	442,105,102	176,993,570	1911	152,262,758	252,195,530
1916	361,078,191	281,014,313	1910	154,492,912	237,024,634
1915	251,033,883	345,550,190			

SUGAR.

Commodity.	Present tariff.	Young bill.
Sugar:		
75°	0.985 cents per pound	1.16 cents per pound.
99°	1.825 cents per pound	2.12 cents per pound.

(1) *Statistics.*—Three tables are submitted with this report showing production and imports of sugar into the United States.

About 25 per cent of our sugar is produced in the United States, about 25 per cent is supplied by our insular possessions, and about 50 per cent is furnished by foreign countries, but principally by Cuba.

ARGUMENTS FOR A TARIFF.

(2) The beet-sugar industry of the United States is about 30 years old and is capable of unlimited expansion. (Area suitable for cane-sugar production is limited.) The cost of beet-sugar production in the United States is considerably higher than cane-sugar production in Cuba. On the theory that we are justified in becoming self-sustaining, there is justification for a tariff that will make possible a steady development of the sugar industry. (For data on cost of production see Costs of Production in the Sugar Industry, by United States Tariff Commission, Tariff Information Series No. 9, also recent report to Ways and Means Committee by Tariff Commission.)

(3) A tariff should build up home production without diminishing foreign production, hus increasing world supply, and in the end tending to maintain sugar prices at moderate levels.

(4) Sugar tariff will produce a large revenue. It is believed the tariff burden will largely fall on the foreign producer, owing to the low foreign production costs.

United States sugar supply.

[Millions of pounds.]

Item.	Year ending June 30—			
	1917	1918	1919	1920
DOMESTIC PRODUCTION.				
Beet sugar	1,641	1,530	1,522	1,453
Cane sugar, Louisiana	608	487	562	242
Cane sugar, Texas	14	4	7	2
Total domestic production	2,263	2,021	2,091	1,697
IMPORTS FROM INSULAR POSSESSIONS.				
Hawaii	1,163	1,081	1,216	1,056
Porto Rico	977	673	703	838
Philippine Islands	268	174	211	45
IMPORTS FROM FOREIGN COUNTRIES.				
Cuba	4,669	4,561	5,489	6,906
Other foreign	396	163	136	636
Total imports	7,473	6,657	7,755	9,481
Total production and imports	9,736	8,678	9,846	11,178
Exports from United States	1,268	588	1,119	1,451
Net supply (production, plus imports, minus exports)	8,468	8,090	8,727	9,727

Cane and beet sugar production in the United States, 1915–1919, by States.

[Reported by the Bureau of Crop Estimates, U. S. Department of Agriculture; 1 ton=2,000 pounds.]

States.	Year of harvest for cane or beets.				
	1915	1916	1917	1918	1919
CANE SUGAR.	*Tons.*	*Tons.*	*Tons.*	*Tons.*	*Tons.*
Louisiana	137,500	303,900	243,600	280,900	121,000
Texas	1,120	7,000	2,240	3,500	1,125
Total cane	138,620	310,900	245,840	284,400	122,125
BEET SUGAR.					
California	195,343	236,322	209,325	122,795	131,172
Colorado	273,780	252,147	234,303	191,880	193,890
Idaho	51,225	45,874	38,376	44,682	26,159
Michigan	129,997	69,341	64,247	127,979	130,385
Nebraska	39,543	51,945	53,893	63,494	60,870
Ohio	33,472	18,234	24,467	35,476	31,864
Utah	85,014	90,277	83,662	105,794	101,025
Wisconsin	(1)	(1)	8,032	13,358	10,636
Other States	65,846	56,517	48,902	55,492	40,450
Total beet	874,220	820,657	765,207	760,950	726,451
Total cane and beet sugar	1,012,840	1,131,557	1,011,047	1,045,350	848,576

[1] Included in "Other States."

Sugar production and supply for the United States.

[In millions of pounds.]

Year ending June 30—	Domestic production	Imports.		Exports.	Retained for consumption.
		From insular possessions.	From foreign countries.		
1910	1,775	1,856	3,919	190	7,360
1911	1,730	1,887	3,708	89	7,236
1912	1,921	2,375	3,669	103	7,862
1913	1,710	2,054	4,537	67	8,234
1914	2,068	1,873	4,950	97	8,794
1915	1,937	2,197	5,094	601	8,627
1916	2,026	2,204	5,416	1,686	7,960
1917	2,263	2,408	5,065	1,268	8,468
1918	2,022	1,927	4,729	588	8,090
1919	2,091	2,130	5,625	1,119	8,727
1920	1,697	1,939	7,542	1,451	9,727
1921 [1]	2,605				

[1] Preliminary estimates, made December, 1920: to be revised in April, 1921.
Sources: The production figures are from the Bureau of Crop Estimates; the other data are from the Bureau of Foreign and Domestic Commerce.

COTTON.

Commodity.	Present tariff.	Young bill.
Short-staple cotton, that is, cotton with staple length less than 1⅛ inches.	Free.	Free.
Long-staple cotton, that is, cotton with staple length 1⅜ inches and longer.	....do.	7 cents per pound.

(1) The Young emergency tariff bill proposes a duty of 7 cents per pound on cotton the staple of which was 1⅜ inches and longer. We are of the opinion that the minimum length of staple on which the tariff is to be levied should be 1⅛ inches, and that the duty should be increased from 7 cents to not less than 10 cents per pound.

(2) Long-staple cotton is produced in the United States in certain favored areas, the most important of which are Arizona and California, in the Delta of the Mississippi River and its tributaries, in Texas and Oklahoma, in South Carolina, and to a limited extent in other cotton-producing States. The long-staple cotton produced in these areas has to compete with imported cottons, especially with those produced in Egypt and Peru.

(3) Long-staple cotton is required for certain specific purposes, such as the manufacture of automobile tire fabrics, for mercerized hosiery and underwear, for sewing thread, for lawns and ladies' dress goods, and for the finer numbers of yarns. It is highly desirable to develop our production of extra staple cotton to meet the requirements of American manufacturers of such products.

(4) Large areas of land in this country are available for the production of extra staple cotton but because of the costs of reclamation, irrigation, and the higher standards of living and cost of labor, the cost of production of such cotton in the United States is high and our producers need a protective tariff to equalize the cost of production abroad with that in the United States.

(5) While no official data are available, it is estimated that the cost of producing long-staple cotton in Arizona and California is 52.6 cents per pound and the cost of producing long-staple cotton in the Mississippi Delta and elsewhere in the cotton belt is about 35 cents per pound.

(6) In the table following are presented quotations on the selling price of Sakellaridis Egyptian and American Egyptian cottons. It will be observed that on March 15 the price of fully good Sakellaridis was 35⅜ cents and good fair Sakellaridis 26⅞ cents, c. i. f., landed Boston, and that American Egyptian cotton of No. 2 grade was quoted at 26⅞ cents and No. 3 grade at 25⅞ cents, landed Boston. Such prices are far below the estimated cost of production of cotton in Arizona and California. It should be pointed out further from the table that the prices of good fair Sakellaridis

and No. 2 Arizona Egyptian have been practically identical since November 13 last. In other words, the price of good fair Sakellaridis seems to fix the price of American Egyptian cotton. No price quotations are available for upper Egyptian cotton, but it is known to be a fact that "upper Egyptian" cottons compete directly with American cottons of staple lengths between 1⅛ and 1⅜ inches.

(7) The freight rate on cotton from Alexandria, Egypt, to Boston, Mass., is 90 shillings per ton of 40 cubic feet, or approximately 70 cents per hundred pounds. The freight rate from California to Boston is $1.88 per hundred pounds, and from Memphis, Tenn., to Boston is 65½ cents per hundred pounds.

(8) Enactment of a tariff which would give protection to cotton of 1⅛ inches staple and longer would serve to encourage the production of superior varieties of cotton in the United States and would tend to improve the character of the American cotton crop.

(9) Producers of long staple cotton have faced adverse market conditions in the sale of last year's crop and are said to have on hand a large part of last year's production. Accordingly, it is believed that the producer would receive the benefit of whatever protection that might be conferred by the proposed tariff measure.

(10) In the second table figures are presented which show the estimated production of long staple cotton in the United States, and in the world, and also the imports into the United States of Egyptian and Peruvian cotton which constitute practically all of the imports into this country of cotton of 1⅛ inches or longer in staple. In passing it may be stated that small quantities of staple cotton are imported into the United States from Mexico and the West Indies, but exact statistics are not available from these countries.

Prices of Egyptian Sakellaridis and American Pima cotton, landed New York or Boston.

Date.	Sakellaridis.		Pima or American Egyptian.			Peruvian (Mitafifi), medium.
	Fully good.	Good fair.	No. 1 grade.	No. 2 grade.	No. 3 grade.	
1919.						
Dec. 27	$0.85			$0.93		
1920.						
Jan. 3	.87					
Jan. 10	1.09	$1.02				
Jan. 17	1.09	1.02				
Jan. 24	1.28	1.21		.95		
Jan. 31	1.38	1.33		1.00		
Feb. 7	1.38	1.33		1.05		
Feb. 14	1.42	1.40		1.10		
Feb. 28	1.61⅞	1.54¼		1.10		
Mar. 6	1.30¼	1.21¼		1.10		
Mar. 20	1.67¾	1.58		1.10		
Mar. 27	1.69½	1.58		1.10		
May 15	1.66¾	1.44⅜		1.25		
June 26	1.28½	1.08½		1.25		
June 10	1.09⅝	.92⅜				
June 24	1.20¼	1.03⅝				
Aug. 7	1.27½	1.12½				
Aug. 21	1.20¼	1.06⅞				
Sept. 18	.97⅛	.84				
Oct. 9	.83¼	.70¼				
Nov. 13	.62¼	.53½		.53½	$0.52½	
Nov. 20	.56¼	.46		.46	.45	
Nov. 27	.47	.37		.37	.36	
Dec. 3	.51¼	.41		.41	.40	
Dec. 7	.50½	.40¼		.40¼	.39¼	
Dec. 14	.45⅞	.37¼		.37¼	.36¼	$0.30–$0.35
Dec. 24	.43¼	.35⅛		.35½	.34⅛	
Dec. 29	.41	.33		.33	.32	
1921.						
Jan. 5	.40⅜	.31⅞		.31⅞	.30⅞	
Jan. 13	.4530	.3670		.3670	.3570	.30– .35
Jan. 21	.42⅝	.33⅞		.33⅞	.32⅞	
Jan. 27	.41½	.33⅜	$0.33⅜	.32⅜		
Feb. 4	.40¼	.32		.32⅛	.31⅛	
Feb. 9	.41	.32¾		.32¾	.31¾	[1].30
Feb. 18	.37⅛	.28⅛		.28⅛	.27⅛	
Feb. 28	.32	.23½		.23½	.22½	
Mar. 8	.35⅞	.26⅞		.26⅞	.25⅞	
Mar. 15	.35⅜	.26⅞		.26⅞	.25⅞	

[1] Landed Boston.

Long staple cotton production and imports into the United States.

Year.	Produced in United States (estimated).	Importations into United States (Bureau of the Census figures). From Egypt.	From Peru.	Produced outside of United States in Egypt, Peru, and West Indies (estimated).
1915	918,000	252,373	10,353	1,100,000
1916	1,102,000	350,796	10,909	1,300,000
1917	1,354,000	199,892	11,069	1,400,000
1918	1,434,000	114,580	19,692	1,150,000
1919	1,006,000	100,006	25,230	1,300,000
1920	1,400,000	485,004	63,426	1,480,000

TOBACCO.

Imports and exports of tobacco (unmanufactured) of the United States for calendar years (expressed in quantity).

Years.	Imports.	Exports.	Years.	Imports.	Exports.
	Pounds	*Pounds.*		*Pounds.*	*Pounds*
1910	42,343,323	328,562,036	1916	49,472,869	483,955,105
1911	52,910,433	370,283,512	1917	57,959,825	251,862,872
1912	57,472,935	410,851,741	1918	83,514,115	406,826,718
1913	6[illegible],899,275	444,371,661	1919	85,985,617	776,678,135
1914	57,406,522	347,295,269	1920	82,221,396	479,927,393
1915	4[illegible],304,197	433,672,897			

Tobacco leaf, all other except that suitable for wrappers.

Commodity.	Present tariff.	Young bill.
Tobacco	Unstemmed, 35 cents per pound; reciprocity treaty with Cuba, 35 cents per pound, 20 per cent.	35 cents per pound.
Do	Stemmed, 50 cents per pound	
Do	Stemmed, reciprocity treaty with Cuba, 50 cents per pound, 20 per cent.	50 cents per pound.

Imports of tobacco leaf into the United States, all other except that suitable for wrappers.

Imported from—	Years ending June 30, average 1910 to 1914.	Calendar years— 1918	1919	1920
	Pounds.	*Pounds.*	*Pounds.*	*Pounds.*
Greece	1,079,079	17,496,045	20,702,622	9,023,777
Cuba	25,147,491	20,490,954	21,969,643	23,616,999
Dominican Republic	26,285	19,138,463	6,433,478	4,054,261
Turkey in Asia	11,564,036	23,880	11,878,239	18,856,091
All other	10,538,404	19,051,673	17,226,154	14,902,630
Total	48,355,295	76,201,015	78,210,136	70,453,758

Wrapper tobacco.

Commodity.	Present tariff.	Young bill.
Tobacco	Unstemmed, $1.85 per pound; reciprocity treaty with Cuba, $1.85 per pound, 20 per cent.	$2.35 per pound.
Do	Stemmed, reciprocity treaty with Cuba, $2.50 per pound, 20 per cent.	$3 per pound.

Imports of tobacco into the United States, leaf suitable for cigar wrappers.

Imported from—	Years ending June 30, average, 1910 to 1914.	Calendar years.		
		1918	1919	1920
	Pounds.	*Pounds.*	*Pounds.*	*Pounds.*
Netherlands	6,087,083	1,315	109,723	7,720,255
Canada	57,842	80,081	375,454	17,230
Cuba	84,449	157,408	35,655	35,420
Dutch East Indies	46	6,984,516	6,504,615	2,102,664
All other	82,205	89,780	128,695	49,456
Total	6,311,625	7,313,100	7,154,142	9,925,025

TITLE II.

ANTIDUMPING.

The antidumping provisions of this bill are in some particulars the same as paragraph R of Section IV of the Underwood bill as passed by the House in 1913, with the addition of necessary enforcement provisions. It finds precedent in the Canadian antidumping law of 1904, as amended in 1917, and the antidumping act of the South African Customs Union of 1914 now in effect. The title of bill follows in general outline H. R. 10918 introduced by Mr. Fordney, which passed the House December 9, 1919.

The principle underlying the proposed additional duty to be added in prevention of dumping, partciularly, where the tariff valuations are upon foreign market values, is to add such an amount of duty as will equalize sales at less than the foreign home market value or foreign export value or cost of production with profit added, whichever may be the highest, thereby making it unprofitable to dump goods on the markets of the United States at lower prices. If the seller of the goods is compelled to add as duty the difference between the sales price and what he would receive by selling in the otherwise highest obtainable market, all reward or inducement to dumping is removed.

Other countries in the presence of the experience now being undergone by this country have enacted similar legislation. It protects our industries and labor against a now common species of commercial warfare of dumping goods on our markets at less than cost or home value if necessary until our industries are destroyed, whereupon the dumping ceases and prices are raised at above former levels to recoup dumping losses. By this process while temporarily cheaper prices are had our industries are destroyed after which we more than repay in the exaction of higher prices. Moreover, the provisions as drafted will compel payment, when the export price is less than the home market sales price as now exists in many lines of industry, of a corresponding equalizing duty.

The bill contains the additional and necessary safeguard that, where the goods are consigned and not sold or agreed to be sold until after they pass out of customs custody, a bond to pay any additional antidumping duty herein provided and subsequently determined shall be given. Without this provision the law might prove ineffective. All goods intended to be dumped on American markets could and experience shows would, be consigned, cleared of customs duties, delivered from customs custody and then sold or agreed to be sold, whereby the lien thereon for the additional duty would probably be lost.

To meet this situation a bond is to be required, conditioned that so soon as the bona fide sale of goods not sold or agreed to be sold at the time of entry for consumption (at which time they pass out of customs custody) a report thereof shall be made to the customs officials and the duty provided be paid. Without this provision the law would be so easily avoided as to be a dead letter. The bill secures in every way the stated objects, and, as the experience of other countries shows, is designed to and will discourage if not entirely stop the practice of dumping.

DEPRECIATED CURRENCY LIQUIDATION.

Section 214 of the bill is designed to equalize foreign exchange values for customs purposes. Under existing law all duties are liquidated on the basis of the currency of the invoice or appraised value. If that currency be found to be depreciated, the duties are assessed on the exchange value of such depreciated currency as found on the day of exportation. The exchange value of the currency of such foreign countries importing goods into the United States is in some instances so low that the amount of duty collected is very small. It is the practice of some foreign sellers to require our merchants to pay for their goods in American dollars and to state in their invoices that the home value is of a lower unit price stated in the depreciated currency of that country. If the price paid by the American purchaser were converted into the currency of the exporting country on the basis of the standard coin value, the difference in the two figures would to a great extent disappear and the values both for home and export in some instances would be alike. This, of course, does not apply to goods which are sought to be dumped upon our market.

To require the payment of duties on the basis provided for will, to a great extent, remedy the evil mentioned. It is at least possible by the bill presented to partially check the practice now in vogue in the underpayment of customs duties. By limiting currency depreciation to 66⅔ per cent we will be able to collect at least some portion of duties which Congress intended to impose on imported merchandise. This method of checking the greatly reduced value of currency in the collection of duties has been adopted by at least one foreign country whose goods are largely imported into the United States.

To illustrate its application: The German mark is now worth, let us say, 2 cents in our money. As a matter of fact, its exchange value is less than 2 cents, while the gold value of the German mark is 23.8 cents. Two German marks will purchase in the home markets of Germany a quantity of goods which when exported to and delivered into this country are in some instances valued at and sold for a sum ten times greater. Under existing law, however, we collect duties only upon the exchange value of the mark, to wit, upon 2 cents. This would result on an invoice for 1,000 marks in the collection of only $5 in duty upon a 25 per cent ad valorem basis, whereas when the depreciated currency is limited as proposed in this bill, 1,000 marks would equal $80 and the duty collected would be $20.

Where the invoice is in American currency and the importer makes the entry in marks the duty is now collected upon the depreciated value of those marks. He thus pays duty upon a much lower sum than he has actually paid for his goods.

VIEWS OF THE MINORITY.

Mr. KITCHIN, on the part of the minority, submitted the following views of the minority:

The policies and principles advocated by the Democratic Party and inspiring the continued maintenance of its organization for nearly 100 years forbid our approval of the pending bill, and impel us to vigorously protest against its passage.

Approval of this bill by the Democrats in Congress would be a complete surrender of such principles and abandonment of such policies, and a confession that for over a half century the Democratic Party has been wrong and the Republican Party right on the tariff. Further, it will be an admission that there is no need for the continued organization of the Democratic Party. Such approval would be an urgent invitation to the farmers of the country, especially of the West and South, to go bodily into the Republican Party—the party of protective robbery—as the only means of their future salvation.

The rates in this bill are higher than those of the Dingley Act, or of the Payne-Aldrich Act, although the Republican platform of 1912 declared that its rates were too high and should be reduced, or of any tariff bill ever enacted by Congress since the beginning of the Government, and higher on similar articles than any tariff ever enacted by any civilized country in the world in the last 250 years.

We appreciate the embarrassment of the Republican Party in the present situation. In the recent campaign it promised the farmers of the West, if elected, it would restore the high prices for wheat, corn, live stock, and other agricultural products, and to the people of the East it promised to reduce the high cost of living, especially with respect to food products. Finding in the present situation that it is impossible to restore wheat to $1.50 to $3 per bushel, corn to $1.50 to $1.90, and cattle and hogs to 10 to 20 cents per pound, and at the same time reduce the cost of bread and meat to the consumers. they have now decided to break faith with both the farmers of the West and the consuming masses of the East, and to keep faith with the Sugar Trust, the Meat Trust, and the Woolen Trust, and the wool speculators. the direct beneficiaries of the pending bill.

If the pending bill does what its authors and advocates claim to the farmers it will do, and operates according to the theory of Republican protection, the price of wheat will be increased after its passage 35 cents a bushel, wheat flour to 20 per cent ad valorem, corn 15 cents a bushel, meat and beef from 2 cents a pound to 25 per cent ad valorem, sugar from 1 to 1½ cents per pound, wool in the grease to 15 cents per pound, scoured to 45 cents per pound, rice a cent a pound, beans 2 cents a pound, all woolen goods and wearing apparel from 20 to 30 per cent ad valorem, potatoes to 25 cents per bushel, onions to 40 cents per bushel, butter 6 cents per pound, cheese 23 per cent ad valorem, milk 2 cents per gallon, apples 30 cents per bushel, all of which except sugar, wool, and rice are largely export products and all of which are absolute necessities, and which according to the Republican claims and protective theory the pending bill will add to the present cost of living $2,000,000,000—all of this amount will go to swell the fortunes of the profiteers and speculators.

This bill, if passed, is worth to the Sugar Trust a year at least an additional $125,000,000; to the Meat and Beef Trust, the packers, over $550,000,000; to the Woolen Trust over $100,000,000, and the cost of living to the consumers will be increased on these articles alone, controlled by these trusts, over $775,000,000. Who but a trust-controlled Republican can afford to put these burdens on the people for the benefit of the trusts and speculators in farm products even if he does get a few cents protection on some article produced in his district?

We take this opportunity to reassure the Democracy of the Nation that the Democrats in Congress will take no back track on the tariff. To us, Republican protection is no better now than when the Tilden platform of 1876 denounced it "as a masterpiece of injustice, inequality, and false pretense." It is no better now than when the Cleveland platform of 1892 denounced it as "a fraud—a robbery of the great majority of the American people for the benefit of a few." It is no better now than when the Parker platform of 1904 denounced it "as a robbery of the many to enrich the few." It is no better now than when the Wilson platform of 1912 denounced it "as a system of taxation which makes the rich richer and the poor poorer," and when it further declared that "under its cooperation the American farmer and the laboring man are the chief sufferers. It raises the cost of the necessaries of life to them, but does not protect their products and wages. The farmer sells in free markets, but buys almost entirely in protected markets." We give unqualified approval to the clear and emphatic declaration of the Democratic platform of 1920: "We reaffirm the traditional policy of the Democratic Party in favor of a tariff for revenue only." It is a sorry time for Democrats now to repudiate all these party declarations of its policies and principles.

We remind our fellow Democrats in and out of Congress that while by the crushing defeat of last November the Democrats were compelled to surrender to the Republican Party the offices, that defeat, however disastrous, obligated no Democrat to surrender to the Republicans the principles of his party. Let us ask, When did the principle of Republican protection become sound to the Democratic mind? When did these professions of principles and policies lose their virtue? This country is not big enough for two protective tariff parties. It needs but one party in this country to make the millions pay tribute to the favored few. The country already has a party that has made a triumphant success of legalized plunder for more than 50 years, and we are opposed to the Democratic Party entering the field of competition with it. If there is a Democrat in Congress or elsewhere who is fooling himself into the belief that by our party embracing the doctrine of protection, or his vote for protection, though it be on his home industry, he is going to keep within the folds of the Democratic Party or bring into its ranks the men who favor such protection, then he should at once undeceive himself. A sensible protectionist will go to the party that has taught protection for 50 years and not to the party that has always opposed it. Every man who desires special legislation for his special interest knows that his place is in the Republican Party. He will join the party that has made a success of robbing all the people for the benefit of the few.

While one may have been justified in voting for the original Fordney emergency bill in December of last session there can be no justification for one to vote for this bill on the plea that it is in the interests of the farmers. The original Fordney emergency bill, if there was any benefit at all in it, it all inured to the advantag of the farmer, and to the importations of several agricultural products for the three or four months preceding the passage of the Fordney bill in the House to one who had not had the time to study or investigate the situation (and it was rushed through in such a hurry that no one had the time to do it) looked somewhat alarming. The present bill is as unlike the original Fordney bill as night is day. Conditions now are entirely different. Then the bulk of the crops of 1920 were in the hands of the farmers; the bulk of the crops are now in the hands of the speculators and trusts and the bill expires before the crops of 1921 are harvested. The original Fordney bill had no protection or gratuity in it to the Sugar Trust. The present bill has added at least $125,000,000 in bounty to the Sugar Trust. The original bill had no gratuity to the Packers' Trust. The pending bill has hundreds of millions of dollars protection or gratuity to the Packers' Trust. For the last three months instead of imports of agricultural products increasing they have been rapidly decreasing—from 50 to 75 per cent decrease from the imports in th three months preceding the passage of the Fordney bill. In fact the former bill had the appearance of protecting or relieving the farmer. An analysis of the pending bill has not the appearance of protection or benefit to the farmer and a purpose of protecting or re i ving the farmer is absolutely absent from it. It has been converted into a trusts and speculators relief or profiteering bill.

As an evidence of the insincerity of the Republican leaders in Congress in their pretended efforts to benefit the farmers, according to the Washington Post, an organ of the Republican administration and Congress, the leaders in the Senate and the leaders in the House, including the leading Members of the Ways and Means Committee of the House and Finance Committee of the Senate, met and unanimously resolved not to reintroduce and pass the so-called farmers' emergency tariff bill; in other words, if they were sincere in the last Congress, they had decided in this Congress, so far as they were concerned, the farmers of the country might be ruined and bankrupted and go to the "bowwows." This Republican organ further stated that a week thereafter the President called them together and urged that they reintroduce and pass the same bill which President Wilson had vetoed, and they agreed to do it, after, no doubt, they found what a benefit this bill would be to the trusts and speculators and how much it would actually increase the high cost of living by giving the profiteers a better chance and excuse to gouge the people.

The Republicans in the last national platform on which Mr. Harding and the present Congress were elected declared "We pledge ourselves to an earnest and consistent attack upon the high cost of living." With this pledge fresh upon their lips and upon the ears of the people of the country an extra session is called and the very first step made to redeem that pledge is the introduction and rushing through with the least possible delay the pending bill which, according to the claims of its authors and the theory of Republican protection, will increase the cost of living, especially with respect to the necessities of life, at least $2,000,000,000, more than three-fourths of a billion going directly into the hands of three big trusts—the Packers' Trust, the Sugar Trust, and the Woolen Trust. The Republicans can not wait a day, not an hour, before proceeding with the bill. They are unwilling to consider it long enough to investigate the facts, or give the opponents of the bill hardly an hour's time to study it—so fearful that these trusts may lose a day or an hour in beginning their exactions from the people provided for in this bill.

An analysis of this bill will show that it is the most transparent fraud and deception ever attempted to be perpetrated upon the farmers and people of the country.

We notice that the bill has been changed since the last session from the *Fordney farmers' emergency bill* to the *Young emergency tariff bill*. Why the Ways and Means Committee thought that the name of its chairman, Mr. Fordney, attached to the bill would discredit it, or believed that by attaching the name of Young, from the agricultural State of North Dakota, it would more easily fool our farmers, we can not undertake to say, but certainly there must be some political significance to it.

The State of Michigan, from which the chairman hails, having many large beet-sugar corporations, in which the chairman, perhaps, is directly interested, probably is the reason that the shrewd political members of the Ways and Means Committee and the Republican leaders in Congress suggested that a Member from an agricultural State should father the bill in order to dissociate from the people's mind the thought that the sugar corporations and trust had a hand in the conception and preparation of this bill.

Is this really, and was it intended to be, a farmers' emergency relief bill, and will it actually relieve the farmers of the West and the country?

WHEAT.

The rate on wheat is 35 cents a bushel—the highest ever carried in any bill since the beginning of the Government. Are importations of wheat really depressing the price of wheat?

Ten days before the Republican leaders in the last session of Congress concocted the political scheme in the so-called Fordney farmers' emergency bill to embarrass the Democrats in Congress and fool the farmers in the country, no farmer or farmers' organization and no man in the United States ever suggested that a tariff would give relief and restore prices to the farmers' products, or that the absence of a tariff or that foreign importations caused the financial distress of the farmers in the country, especially of the West and South. As proof that the importations of 1920 did not cause the falling of prices in farm products, our importations in 1919 of wool, cattle, hogs, sheep, corn, cottonseed oil, beans, and rice were considerably larger than in 1920, yet the prices for such products in 1919 and the first of 1920 were 100 per cent higher than now. Refusing to come to the direct relief of the farmers, as they did to the railroads, the Republican leaders in Congress then started the propaganda that what the farmers needed was a high protective or prohibitive tariff, and that the Fordney farmers' emergency bill was their salvation—that its passage would fully restore to them the former high level of prices. Does the wheat grower in this country really need protection against foreign wheat? Let us see. In 1920 our domestic production was 787,000,000 bushels. Our total imports from all the nations of the earth amounted only to 35,848,648. We consume in this country about 650,000,000 bushels of wheat a year. It will be seen, therefore, that for every 100 bushels of wheat used or consumed in the United States, our domestic producer furnished 95 bushels, and all the foreign nations furnished only 5 bushels. In addition to this, of the crop of 1920 and of the crop left over of the year 1919, we exported for the year 1920, 218,000,000 bushels in competition with all the nations of the world, shipping this wheat thousands of miles across the sea and there meeting the world in competition.

In the face of these facts, will blind partisan Republicans contend that American wheat is in any danger of competition at home with foreign wheat? These facts show conclusively that not a bushel of foreign wheat competes with a bushel of wheat raised in the United States, for we ship out in competition with all the world six times more than is shipped in.

We call attention to the fact that for the months of December, 1920, and January and February, 1921, only 20,000,000 bushels of wheat were imported into this country, in spite of the fact that the majority report of the Ways and Means Committee of the last session on the Fordney farmers' emergency bill stated that from December 3 to December 20, 1920, 17 days, 56,000,000 bushels of wheat landed at two Lake Superior ports. Of course this statement in the report was a misrepresentation, perhaps in order to intimidate many Members of the House into voting for the bill and frightening the farmers of the wheat-growing States of the West into a closer loyalty to Republican protection.

It will be noticed for the three months, including the whole of December, there is a difference between the report of the Ways and Means Committee and the actual fact of 36,000,000 bushels.

It seems difficult for Republican protectionists to get any nearer the facts than this. In addition to this, we exported during those three months, in competition with the nations of the world, over 65,000,000 bushels of wheat. We may venture the opinion that, perhaps, this palpable misstatement of facts is one of the reasons why the shrewd, political members of the Ways and Means Committee selected another Member at this session to make the report on the pending bill, which is in every respect identical with the Fordney bill of last session.

Since we have referred to this misstatement in the report of last session, we wish to call attention to some other phenominal statements as to revenue which would be raised and of the importations which it is claimed would be received for a year under the operation of the Fordney bill.

Take peanuts, for instance: The existing rates on shelled peanuts is three-fourths of a cent per pound, and on unshelled peanuts three-eighths of a cent per pound. The rates under the Fordney and Young bills are increased to 3 cents a pound. For the calendar year 1920 there were imported of shelled peanuts, with a duty of only three-fourths cent per pound, 110,810,000 pounds, but the committee's report of last session, to be used in connection with the report of this session (no doubt in order to give some Democrats an excuse to vote for the bill on the grounds of a revenue tariff), states that under this bill, with a tariff duty raised from three-fourths of a cent per pound to 3 cents a pound, four times as high, there would be imported 146,847,000 pounds; that is, 36,000,000 pounds more would be imported under the Fordney and Young bills, with the high protective tariff of 3 cents per pound, than under existing law, with the three-fourths cent per pound.

Of unshelled peanuts, with the low existing rate of three-eighths cent a pound, there were imported in 1920, 8,703,000 pounds, but this report would have the peanut growers and Members of Congress from peanut districts to believe that under the Fordney-Young bills, with a rate of 3 cents a pound (that is, for the large peanut 66 cents and for the small Spanish peanut 90 cents a bushel) there would be imported into this country in competition with our peanut growers, 11,418,000; that is, there would be imported under the Fordney and Young bills, with the high 3-cent rate, 2,715,000 pounds of more unshelled peanuts than were imported in 1920 under the existing low rate of three-eighths cent a pound.

Again, as to peanut oil: In 1920, with a 6-cent rate a gallon on peanut oil, there were imported into the United States 12,683,000 gallons, but according to this report of the committee, with the high rate of 26 cents a gallon, four times as high, there will be imported 16,667,000 gallons; that is, 4,984,000 gallons more under the Fordney-Young bills, with the 300 per cent increase in the rate than in 1920, with the 6 cents per gallon rate.

Again, as to cottonseed oil: In 1920, with cottonseed oil on the free list, we imported 9,437,000 pounds, yet the committee's report states that with the Fordney-Young bills' high rate of 20 cents a gallon, or 2½ cents a pound, 96,000,000 pounds would be imported; that is, there will be imported 86,000,000 pounds more, or ten times as much, of cottonseed oil under the high rate of 20 cents a gallon, or 2½ cents a pound, than when it was on the free list; but as said above, this is about as near the facts as Republican protectionists generally get. This was certainly an appeal with a vengeance to southern Democrats in peanut districts to support the Fordney bill on the ground that it was a tariff bill for revenue only. Such statements as these are enough to mislead any Democrat in peanut districts into supporting the Fordney bill.

As to rice: With the existing rate of 1 cent a pound on rice there were imported in 1920, 111,694,000 pounds of rice, but according to the majority report at the last session with 2 cents a pound duty (100 per cent increase in the rate) 145,330,000 pounds of rice will be imported; that is, 33,000,000 pounds more will be imported into this country with a 100 per cent higher rate than with a tariff of 1 cent a pound under existing law.

As to corn: In 1920, with corn on the free list, we imported 7,744,000 bushels, but according to the majority report with a duty of 15 cents a bushel, 9,175,000 bushels will be imported; that is, 1,750,000 bushels more, with the high tariff of 15 cents a bushel, will be imported than when corn was on the free list.

Now, take scoured wool: Perhaps the most phenomenal misstatement, or misrepresentation, in the report of the Fordney farmers' emergency bill was the so-called estimate of the actuary of the Treasury Department with respect to the importations and revenue to be derived from wool. In 1920, with wool on the free list, there was imported of washed wool less than 8,000,000 pounds, yet this report has it that under the Fordney bill, with a tariff of 30 cents a pound, there would be imported in 1921 95,000,000 pounds; that is, there would be imported with the high duty of 30 cents a pound twelve times as much as when wool was on the free list.

In 1920, with scoured wool on the free list, we imported only 14,000,000 pounds, and yet the majority report has it that under the Fordney-Young bill, with a tariff rate of 45 cents a pound, we would import 100,000,000 pounds; that is, with the high duty of 45 cents a pound, fourteen times as much would come in as when it was on the free list—another example of the nearness a Republican Ways and Means Committee is able to get to the facts on a tariff bill.

We now see the motive in rushing the bill in the last session of Congress through the committee and the House, without giving the Members an opportunity to investigate and ascertain the facts.

On many items in the report, such as beans, potatoes, rice, etc., under the Fordney-Young bill, with over 100 per cent increase in the rates, this report shows a large increase of imports over the imports of 1920 with lower rates and on the free list.

It is not strange, with such misstatement of facts, that the report was able to state that we would receive over $130,000,000 revenue from the Fordney bill, and that the bill was not one for protection only, but a bill for revenue. The fact is that instead of getting, according to the committee's report, $130,000,000 under the Fordney emergency bill according to the Treasury Department's estimates of March 31, 1921, the items in the Fordney bill as it passed the House would not produce revenue in excess of $25,000,000.

With these misleading statements no wonder some Members were under the impression that it was a revenue tariff.

CORN.

In 1920 the importations of corn from all the foreign countries of the world amounted to 7,744,000 bushels. Our domestic production in 1920 was 3,322,367,000 bushels. For December, 1920, January and February, 1921, our importations of corn were 127,000 bushels. Our importations for February, 1921, was 3,256 bushels. The above figures show that out of every 100 bushels used and consumed in the United States our home producers furnished 99 bushels and 3 pecks, and all the nations of the world furnished a little less than 1 peck. It further shows that in 1920 we exported two and one-half times more than we imported, and that for the months of September, October, and November, 1920, we exported more than two and one-half times more than we imported, and for the months of December, 1920, and January and February, 1921, we exported one hundred and thirty times as much as we imported.

For the month of February, 1921, we exported two thousand five hundred times more than we imported. Yet, in the face of these facts, the Republicans have the audacity to look the corn grower in the face and tell him that the importations of foreign corn is depressing the home market and has driven the price of corn down from $1.85 a bushel in July, 1920, to 50 and 60 cents at the present time. They are attempting to fool the corn farmer by this bill into believing that this one peck furnished by the foreigner out of every 400 bushels furnished by our domestic producers has forced the price down of the entire 3,000,000,000 bushels, and they expect the intelligent corn farmer of the West to be fully satisfied with this deception and to believe that the 15 cents tariff a bushel on corn provided for in the pending bill will send the price of corn back up to $1 and $1.85 a bushel. Basing the importations of corn in 1921 upon the three months of December, 1920, January and February, 1921, our total importations for this year will be 510,000 bushels. If our production this year equals the production for the year 1920, this "flood of imports of corn by foreign competitors" which Republican leaders are "hollering" about in order to deceive the farmer will stand thus: Out of every 100 bushels of corn consumed in the United States the home producer will furnish 99 bushels and 63 pints, while all the foreign nations of the world, with their "flood of imports," will furnish only 1 pint, and yet the Republican leaders in Congress would have the corn-growing farmers of the West believe that they are in distress because of this "tremendous flood of imports" and unless the pending bill is passed with the 15 cents tariff on corn he will be ruined and bankrupted and the home corn grower will have to go out of business. If there is a man in the United States who believes such a humbug claim as Republican leaders in Congress are making, he ought to be in the insane asylum or in the Republican Party.

CATTLE.

In 1920 we imported 379,000 head of cattle. We exported in 1920 85,000, showing net imports of 284,000 head. We have in this country about 70,000,000 head of cattle. We slaughter a year about 25,000,000 or 30,000,000 head. For the months of September, October, and November, 1920, we imported 151,000 and exported 19,506. For December, 1920, January and February, 1921, we imported 71,784, and exported 21,065. This shows a rapid falling off of importations—over 50 per cent over the three preceding months. During the month of February, 1920, we imported 24,509 and exported 2,689, while during the month of February, 1921, we imported 8,066 and exported 7,488 head of cattle, showing that imports are still decreasing and exports increasing. For every head of net imported cattle we produce in this country 250 head. Out of every 100 head of cattle in the United States our net imports of cattle amount to less than one-half of a head, and for every 100 head of cattle slaughtered and consumed in this country all the nations in the world furnish 1, while the home producers furnish 99.

Basing net importations for 1921 upon the net imports for the three months of December, 1920, January and February, 1921, for every 100 head of cattle consumed in the United States the home producer furnishes 99⅙ head of cattle, and all the foreign nations of the world will furnish only five-sixths of a head of cattle. Yet, in the face of these facts, the Republican leaders in Congress have the audacity to tell the live-stock farmers of the country that foreign importations are the cause of their distress, and that a tariff, such as provided for in the pending bill, is their only relief to restore prices to their former level. In view of these facts it is impossible for an intelligent person to believe, if the pending bill is passed, that it will relieve the live-stock farmer of the country.

SHEEP.

In 1920 our imports of sheep amounted to 172,000 head. In 1919 they amounted to 224,000 head, showing a falling off of imports of 52,000 for the year, and for the months of September, October, and November, 1920, the imports amounted to 113,000 head of sheep.

In December, 1920, January and February, 1921, they amounted to 25,000, showing a falling off in comparison with the three preceding months of 85,000—or about 75 per cent.

In February, 1921, we imported only 261 head of sheep, and exported 8,486, showing that the imports of sheep are rapidly decreasing. We exported in 1920, 48,000, which leaves our net imports around 124,000. We exported in September, October, and November, 1920, 7,771, and in December, 1920, January and February, 1921, 19,482, showing that while the so-called Republican "flood of foreign imports" are decreasing, our exports are increasing.

According to the Statistical Abstract, we have in round numbers 50,000,000 head of sheep in this country. We slaughter, in round numbers, each year in the United States about 20,000,000. These figures show that for every 100 head of sheep consumed in this country the home producer furnishes 99⅜, while the balance of the world furnishes five-eighths of a sheep, or out of every 160 consumed in this country, our sheep growers furnish 159 and the foreigners 1 sheep.

Yet, in the face of these facts, the Republicans in Congress are trying to fool the sheep growers of this country that this "flood of foreign imports" is about to put the sheep grower out of business and the domestic sheep out of the market.

Let us suggest that, since according to the claim of the Republicans that a tariff on wool is going to build up and foster the wool industry of this country, it might be wise for the United States to import for eating purposes the so-called cheap foreign mutton and lamb and keep our own domestic sheep for the growing of wool, and therefore would it not be better to permit mutton, lamb, and sheep to come in free?

A tariff on mutton and lamb inures only to the benefit of the packers, since the sheep grower in this country does not sell mutton and lamb (sheep and lambs in the dressed state).

The tariff in this bill on mutton and lamb can not be intended to help the sheep grower, and its only possible effect can be to help the packers and permit them to exact higher prices.

BEEF PRODUCTS.

In the calendar year of 1920 the imports of beef and veal amounted to 50,182,000 pounds. In the same year, in competition with the world, we exported 139,480,000 pounds. In the months of September, October, and November, 1920, our imports amounted to 16,496,000 pounds. In the months of December, 1920, January and February, 1921, our imports were 7,599,000 pounds, showing a decrease from the three preceding months of over 50 per cent. In December, 1920, January and February, 1921, our exports amounted to 17,843,000 pounds, which was an increase in exports over the three preceding months of over 6,000,000 pounds, or over 50 per cent. Our production of beef, veal, etc., in 1920 was 9,000,000,000 pounds. These figures show that out of every 100 pounds of beef products consumed in the United States the home producer, principally the packers, furnish *99 4/9 pounds while all the nations of the world furnish only five-ninths of a pound*, while at the same time the Beef Trust exports from two and one-half to three times as much beef products in competition with all the world as our total importations.

In the face of these facts the Republican leaders in Congress would have the people believe that the Beef Trust needs a protection of 2 cents to 6 cents a pound to protect them against this five-ninths of a pound "flood of foreign importations," that this five-ninths of a pound is glutting our markets and forcing ruin and disaster upon the Beef Trust, and that in order to survive it must be given the privilege, as provided for in this bill, of exacting from our consumers of beef over $275,000,000 more.

HOG PRODUCTS.

Of hog products our imports in the calendar year of 1920 amounted to 2,295,000 pounds. Our exports amounted to 900,757,000 pounds, about four hundred times as much is exported as imported. In the months of September, October, and November, 1920, our imports amounted to 879,000 pounds while our exports for the same period amounted to 197,127,000 pounds, over 200 times as much exported as imported. In the months of December, 1920, January and February, 1921, our importations amounted to only 284,000 pounds, a decrease from the three preceding months of 594,000 pounds, or approximately 70 per cent, while our exports in December, 1920, January and February 1921, were 234,340,000 pounds—that is eight hundred and twenty-two times as much as imports—an increase over the three preceding months of 38,000,000 pounds, or approximately 20 per cent.

Our domestic production of hog products in 1920 was over 13,000,000,000 pounds. In other words for every pound imported we produced 5,733 pounds, and for every pound imported we exported 400 pounds. *Out of every 100 pounds of hog products used and consumed in the United States our home producers, principally the packers, furnish a little over 99 pounds 15¾ ounces and all the nations of the world furnish a little less that one-fourth of an ounce.* What an enormous Republican "flood of foreign meat."

In spite of these facts the Republican leaders in Congress have the audacity to look into the face of the American people and say, by this bill, that we are being flooded by foreign importation and our meat market is being glutted by foreigners by the importation of this little one-fourth of an ounce, and that the Meat Trust in order to be saved from ruin and disaster must be allowed, as provided in this bill, a tariff of from 2 to 6 cents a pound and must have the privilege, as provided in this bill, of exacting from the consuming millions of Americans of over $275,000,000 additional.

Who ever heard of the packers or Meat Trust being confronted with an emergency and must have relief or be ruined until the Senate amended the Fordney emergency tariff bill last session? Who knew that the packers were in such stringent financial distress, that to relieve them an extra session of Congress had to be called; that in the first three or four days of that extra session this bill had to be rushed through the committee and the House practically without consideration or discussion, and passed at the very first possible moment for the relief of the Meat and Beef Trust so that it should not lose a day or an hour to begin their exaction of over $550,000,000 additional from the American people? Why should the packers confide the secret of their distress and that it was about to be driven out of business by the "flood of foreign importations" only to the Republican leaders in Congress and to no one else throughout the country?

An analysis of the bill will disclose the fact that although in 1919 there were 22,000 hogs imported into this country there is no tariff levied upon the importation of hogs for the benefit of the farmers, but the packers are given a protection of from 2 cents (on fresh meats) to 25 per cent ad valorem (on other hog products). That is from 2 cents to over 6 cents a pound.

It seems from this that the Republican leaders have both eyes open and singled to the interests of the Packing Trust and both eyes shut to the interests of the farmers.

In view of the protection given by this bill on beef and meat products, by which the cost of living will be increased to the consumers by over $550,000,000 in beef and meat alone, a Republican has a right to conclude that in the language of the Republican platform the administration and Republican Congress are carrying out with promptness and with a vengeance the declaration in their platform of 1920 upon which they were elected, "We pledge ourselves to earnest and consistent attack upon the high cost of living."

They were also pledged in their platform "to curb the profiteer," but probably this is about as near to performance of their platform promises as a Republican Congress can get and we refrain from undue criticism.

SUGAR.

Our consumption of sugar in the United States in 1920 was in round numbers 10,000,000,000 pounds. As every intelligent man knows, the Sugar Trust absolutely controls the sugar situation and that over one-half of the sugar we consume is imported and that the tariff duty is added to the price of all sugar consumed in the United States, both domestic production and imported. This bill increases the price to the consumer 100 per cent and over; that is, it gives to the Sugar Trust the right to exact 1 cent a pound additional from the people (by the time it reaches the consumers at least a cent and a half is added). This bill gives to the Sugar Trust at least $125,000,000. It gives the Sugar Trust the right and privilege to exact from the American consumers an additional $125,000,000. No one, it seems, except the Republican leaders in Congress knew that the Sugar Trust was confronted with an emergency and was in such financial distress that the Republican leaders should hasten to its rescue with this bill.

WHY DID NOT REPUBLICANS STOP FLOOD OF IMPORTATIONS IN 1919?

In 1919 the importations of wool amounted to 440,290,279 pounds.

In 1920 the importations of wool amounted to 259,617,000 pounds; that is, *in 1919 we imported 180,000,000 pounds more than in 1920.* In the months of September, October, and November, 1919, we imported *over 75,000,000 pounds more than in the same months of 1920.*

While the big importations of 1920 were coming in and as claimed by the tariff advocates constituting a portion of the more than 600,000,000 of pounds now on hand held in competition with the wool crop of 1920 and 1921, stored by the Woolen Trust and the speculators in wool, although Congress was in session practically all of the year after May, 1919, yet not a Republican voice was heard about a tariff on wool to protect the woolgrower. On the contrary, the Republican leaders in Congress whittled away practically the entire time of the six months' session trying to protect by tariff the little Magnesite Trust in Washington, the little Tungsten Trust in Colorado, the little Pearl Button Trust in Iowa, the little chemical Glass Trust in New Jersey, and other little trusts here and there. Republican leaders then had the interest of these little trusts and the interest of the Woolen Trust and woolen speculators at heart.

The woolgrowers then, when this tremendous "flood of importation" was pouring in on us, did not have a look in with Republican leaders in Congress. Why did they not get busy then and try to fool or protect the woolgrower with a tariff? The same may be said of cattle. In 1919, the importations of cattle were 263,000 head more than in 1920; that is, we imported 70 per cent in 1919 more than in the year 1920. For the months of September, October, and November, 1919, we imported 128,000 head more than during the same months of 1920.

We may ask the same question as to cattle: Why did not the Republicans when this "flood of importations" was inundating our cattle market, although a Republican Congress was in session, try then to help or fool the live-stock farmer with a tariff? Why should they now try to fool him when the importations are considerably less and rapidly decreasing?

We may make the same observations and ask the same question with respect to sheep.

We imported in 1919, 224,000 head of sheep, while in 1920, we imported 172,000, 52,000 less. In September, October, and November, 1919, we imported 142,000, while for the same months in 1920 we imported only 123,000. For the three months of December, 1920, January and February, 1921, we imported only 25,000.

Why did not the Republicans in 1919, while Congress was in session, when we were receiving larger importations, think to help or fool the sheep grower, and why now, when for the last three months the importations have fallen down to 25,000 and our exportations for the same months have increased to 19,000, are they so anxious to try to help or fool the sheep grower?

We might ask the same question with respect to corn, beans, rice, and cottonseed oil, all of which shows large decreases in importations for 1920 with the year of 1919. Let us call attention to the fact that this bill puts a duty of 15 cents a pound on wool in the grease and 45 cents on scoured wool. The report of the Taft Tariff Commission shows that if wool in grease has a duty of 15 cents per pound, scoured wool should have a rate of 25 cents, yet this bill gives the Woolen Trust the benefit of 20 cents per pound. According to the commission's report it takes only $1\frac{2}{3}$ pounds in the grease to make 1 pound of scoured wool. We observe, too, that while the bill puts a tariff of 15 cents per pound on clothing wool that goes into the clothes the millions of the people must have, it keeps on the free list the carpet wool that goes into the fine carpets and rugs of the rich.

A BILL IN THE INTEREST OF THE TRUSTS AND SPECULATORS.

We submit that in view of the foregoing this bill is not in the interest of the farmers of the country, but is really in the interest of and for the purpose of swelling the already swollen fortunes of the trusts and speculators. It gives to the Packers' Trust, the Sugar Trust, and the Woolen Trust the right and privilege to take from the American people the enormous sum of over $775,000,000, increasing to that extent the present high cost of living. This huge bounty, forced from the pockets of the American people into the coffers of the trusts, is the first legislative act of the Republican administration and the Republican Congress. This should prepare the people for what kind of relief and reconstruction policy they may expect in the future. It is most difficult for one not a Republican to understand why the Republicans feel so much under obligation to the Sugar Trust, the Packers' Trust, and the Woolen Trust that they must rush this bill through in the first three or four days of the Congress as the first act of the administration and the Congress.

Perhaps a thorough investigation of contributions in the last campaign and a lively anticipation of future contributions may reveal the cause of such an obligation. As a farmers' emergency or relief measure this bill is a transparent fraud and humbug. There is hardly a Republican in the House that does not know that a tariff on most of the agricultural products in the bill is purely bogus and a sham—that a tariff on such does not and can not affect their price while in the hands of the farmers who are too numerous and too much scattered throughout the country to combine into a trust.

In 1910 the Republican Party, through a special Senate committee of Republicans and through their campaign textbook, was forced to admit the fraud and deception they had been practicing upon the farmer since the Civil War by putting a tariff on agricultural products in order to make him believe he had a finger in the tariff pie and thereby induce him to vote for protection for the big manufacturers and trusts of the East. Both the report of this special committee and this campaign textbook expressly declared that "*the tariff on the farmers' products such as wheat, corn, rye, barley, cattle, and other live stock did not and could not in any way affect the prices of these products.*"

On this special committee were Senators Lodge, chairman; Gallinger; Crawford of South Dakota; McCumber of North Dakota; and Smoot of Utah. Their report on the effect of the tariff on agricultural products was unanimous.

As further authority that the Republican Party had been practicing a deception on the farmers in all their tariff bills, we wish to quote the declarations of many distinguished Republicans:

On June 22, 1909 (Congressional Record, p. 3636), Mr. McCumber, of North Dakota, said:

The wheat acreage to-day is producing a surplus of wheat which must be thrown into the world's market, thereby keeping down the price of the home product, tariff or no tariff.

On the 22d of June, 1909, in answer to the question whether he believed that the duty on wheat affected the price of wheat, Mr. Cummins, of Iowa, said:

I do not.

Further, he says:

I want Senators to remember that I come from a State which probably puts more in value into the channels of trade every year than any State in the Union in agricultural products. We will this year supply the people of the United States and the people of the world with a product that will surpass the value of $700,000,000, and it is idle for even an enthusiast to assert that the price of these products is directly affected by the protective tariff.

On the 10th of May, 1909, in the Senate, Mr. Nelson, of Minnesota, said:

I do not recall the millions of bushels produced in the State of Minnesota, but I desire to tell the Senator that the tariff on wheat which is on the statute books has not done us a particle of good. It would be like a tariff on cotton, because up to this time we have been exporting from 150,000,000 to 250,000,000 bushels of wheat a year. The price of our wheat is fixed by the Liverpool price—the export price—and no duty up to this time has helped us.

On the 2d of August, 1909, Mr. Bristow, of Kansas, had the following to say:

Schedule G—relating to agricultural products—has been increased about 2 per cent There should have been reductions in this schedule. They could have been made without the slightest injury to American agriculture. High duties are placed on semitropical fruits, such as lemons and raisins, and on pineapples and rice, and on flour biscuits made by the Cracker Trust, for the benefit of a few individuals in limited sections of the country; and *a high duty is placed on corn and wheat to make the great mass of farmers believe that they are being favored. But it is an insult to the intelligence of the American farmer to place a protective duty on corn when we are producing more corn than all the other nations combined. We sell our wheat and corn and the products thereof in the markets of the world, and no duty which might be imposed can affect the price which the farmer receives for them. We raise far more wheat, corn, cattle, and hogs than we consume, and the result is that the farmer can not be protected by a tariff, because the price of his produce is fixed by the world market.*

On the 24th day of May, 1909, during the tariff debate, Mr. Clapp, from Minnesota, said:

There is another thing to be considered. Along this Canadian border, with nothing but an imaginary line across, it is idle, in my judgment, and idle in my experience and observation, to talk about any great difference in wages on one side or the other.

When a man by a day's walk can go from a mill on that side to a mill on this side, from a field on that side to a field on this side, that imaginary international boundary line will not maintain any very different scale of wages long upon one side or the other. And they are the same class of men. When we talk about a protective tariff and think of the overcrowded countries of Europe and of the cheap wage scale of Europe—when we realize that the wage earner in Europe must and oftentimes has to borrow and incur a great expense to come to this country—there may be wisdom in attempting to maintain an artificial wall between this country and ours; but when we look to sparsely settled Canada, when we look to a class of men enjoying a wage scale practically the equal of our own wage scale, it seems to me that sooner or later the American people have got to recognize the impossibility of forever maintaining an artificial wall where there is no natural reason for the establishment or maintenance of that wall. Sooner or later, Mr. President, we shall have to recognize on a broader plane this natural relation to Canada. I predict here in the Senate to-day that the time will come when, even with the protective policy as firmly implanted as it is to-day in our general policy, yet in our tariff relation to Canada we will recognize that it must be limited largely upon the basis of revenue as required by that country and this.

This bill will become a law and the farmers of the country in whose behalf it is claimed to be written and enacted will find that the Republican leaders and politicians in Congress are playing the same old game of deception which they have practiced on the farmer of the West for nearly 50 years after the Civil War.

The Republicans are trying to make the farmers believe that after the passage of this bill, they will have nothing to do but sit on the fence and watch wheat increase in price 35 cents a bushel, corn 15 cents a bushel, potatoes 25 cents a bushel, peanuts 66 to 90 cents per bushel, cattle 3 to 6 cents per pound, hogs 2 to 5 cents per pound, wool 15 cents per pound, etc.

We advise the farmers of the country to wait and watch. They will find that this bill is as transparent a fraud and deception as was ever attempted to be practiced upon the people. They will see such increases in his products while in his hands are as far off as ever, but he is sure to see sugar, of the Sugar Trust, which he has to buy, increase in price from 1 to 3 cents a pound; woolen goods, of the Wool Trust, 15 per cent ad valorem; meat of the Packers' Trust from 2 to 5 cents a pound.

If the farmer will keep his eyes open during the six months following the passage of this bill he will be a wiser and perhaps a more undeceived but not a richer man.

In conclusion, the public will find that the sum total of this bill is a deliberate invitation and excuse for the Sugar Trust, the Packers' Trust, and the Woolen Trust, and the speculators in the farmers' products, to increase their profiteering and gouging of the people.

We discover in the last words of this bill—section 14—the most subtle and dangerous joker which was ever attempted to be perpetrated upon the House. The Secretary of the Treasury is authorized to fix the value of foreign money, in the following words:

Provided further, That in the estimation and liquidation of duties upon any imported merchandise the collector of customs, or persons acting as such, shall not in any case estimate the depreciation in currency at more than 66⅔ per centum.

To-day the German mark is quoted in the foreign exchange of the daily press as being worth 1.62 cents. If this provision of the bill, submitted by the majority, becomes a law, the Secretary of the Treasury would be compelled to calculate the German mark as worth 8 cents, thereby increasing the duties imposed upon the imports from Germany 480 per cent; the duties upon imports from Italy 200 per cent, the duties upon imports from Austria 2,300 per cent, the duties upon imports from Czechoslovakia 44 per cent, the duties upon imports from Finland 27 per cent, the duties upon imports from Hungary 1,700 per cent, the duties upon imports from Jugo-Slovacia 95 per cent, the duties upon imports from Poland 6,100 per cent, the duties upon imports from Roumania 420 per cent, the duties upon imports from Serbia 270 per cent, and from Russia 4,300 per cent.

If the House really appreciated the "stinger" that is involved in this language and when the country ever discovers it, the consequences will not be very pleasing to the present majority, and they will have much explaining to do.

All of the foregoing was substantially admitted by the experts who attended the hearings of the Ways and Means Committee on last Thursday morning.

Judge Fisher, of the Customs Court of Appeals, in answer to the question as to the increases in the duties of imports from certain countries stated that the increase in imports from Italy would be 200 per cent, from Germany 500 per cent, and from Russia 4,000 per cent.

The fact is that this means and it was probably intended that we should have no trade with Germany, Italy, Russia, Serbia, Roumania, and the other countries mentioned above, particularly the States of the Central Empire, and yet this Administration and Congress desire a separate peace with Germany.

CLAUDE KITCHIN.