

# SUPPLEMENT

## OPENING OF THE IOWA CAMPAIGN

Speech of Hon. J. B. Sullivan, Democratic Candidate for Governor,  
at Denison, Saturday, September 12—Opening Address  
Deals With the National Issues Now  
Commanding Attention.

The Protective Tariff, Trusts and Combines; the Republican Asset Currency Scheme;  
the Strenuous Government at Home and Imperialism Abroad—Democracy  
the Steadfast Defender of Liberty and Champion of a  
Liberty Loving People.

My Fellow Citizens: In what more noble task can a citizen engage than in presenting to his neighbors his convictions upon political questions or upon legislation which his government may be about to enact?

While it may be true that the prosperity of our country does not depend entirely upon statutory enactment, yet, it goes without dispute that a great deal of the misery and unhappiness of a people can be traced to injudicious legislation.

It has been frequently stated that we have too much law, and it may indeed be true. The less the citizen is governed the more apt he is to be natural and just; yet, the peace, dignity and good order of society demand that laws be enacted and enforced for the good of the common weal. Society made up of all classes and conditions, would not long exist and social order would soon pass away if man were not restrained in some way and form, and therefore organized society is a necessity.

The highest duty of a commonwealth is to promote as far as in its power lies the happiness and prosperity of the people. The greatest duty a citizen owes the state is to obey its mandates, be true to its institutions and laws, and worthy of the mantle it throws around about him. These rules and regulations are approved by all and meet the hearty endorsement of the citizen himself.

These are not questions of debate. Political parties do not divide on such wholesome doctrine. It is after society is organized and questions are presented that vitally affect the advancement of the country that political organizations participate, and the citizen discusses the real province of governmental powers.

The splendid institutions of our country today are the outgrowth of this discussion of questions vitally affecting the development of our country. When a people cease to take an interest in public matters, when they refuse to discuss with one another the important issues affecting their interest, then indeed are we passing away from the fundamental idea of a free government and we are then permitting those who have not the interest of the body politic to govern and rule.

When the citizens of the United States, the most sturdy and heroic ever produced, the most honest and intelligent today known, who love their country and her interests as they do their own life, who gave to the welfare of our nation all that men could give—when they cease to be interested in affairs vitally affecting their own welfare then indeed may the friends of humanity the world over have cause for alarm.

Citizenship the Foundation of Liberty. The citizenship of this country, in one hundred years of national existence, have proven that they are the foundation of human liberty. This was gained, not by permitting others to do their thinking—not blindly following the dictates of any party, but by each citizen himself, becoming and remaining part of an organized force and being true to his convictions upon the issue about to be enacted into law.

It is indeed an honor to be a citizen of a republic formed and governed as ours. Citizenship, with us, means sovereignty, and the sovereignty of the American people is and must remain unquestioned. The men at the head of affairs in a republican form of government must at all times respond to the wishes of the people. The kings of the American republic are before me at this hour. They are worthy of every tribute that can be given. The honesty and intelligence that at all times beam in their countenances is not for the advancement of selfish interest, not for the promotion of some object that would be to their individual gain and a detriment to their fellowmen, but for the promotion

and welfare of those policies that bring happiness, contentment and prosperity to all the people of the entire country.

The citizenship of the United States is the foundation of liberty the world over. When it fails to hold the reins of government, when it permits men of selfish ideas,—when it permits trusts organized for selfish purposes to guide the ship of state, then indeed does liberty throughout the world quiver and free men hesitate and wonder what the future will bring.

**Basis of Political Party Division.**

In our own government two schools of thought have at all times been in existence. One, holding that the people are unable to grasp the reins of government and guide the destinies of this magnificent nation. The other, that the people themselves, are the true source of all power and the basis of all prosperity. In the one school of thought I find the motto of equal rights to all and special privileges to none. I find a constitution as the guiding star and true Democracy as the anchor of hope.

In the other I witness as the keystone a centralized government, dominated by force. I am taught to believe by its teaching, that the people are not the supreme source of power; that the electorate is not the place to settle questions of public policy, that government must be a guardian of the people; that it is a legitimate function of government to levy tribute on one citizen for the benefit of another, that the use of government may be for the advancement of one at the cost of another.

These schools cannot be united. You and I belong to one or the other. If you believe in equal rights for all and special privileges to none, you believe that all source of power rests with the people. You believe in competition in trade. You believe in giving to the individual the greatest latitude and freedom possible in organized society. You believe in a trade that has the world as a market. You believe in the levying of taxes only for payment of public expenditure. You are opposed to tribute in any form.

If you are a disciple of the other school you believe it proper for a government to aid you at my expense. You believe that great organizations of wealth and power have the right of levying tribute upon the citizenship of our country for their special benefit. You believe not only that a sufficient tax should be levied to pay legitimate public expenditure, but in addition the same law should indirectly be the instrument of collecting from you that for which you do not receive any compensation.

These schools cannot be united, any more than can oil and water. You have the right in this day to know of every man who comes before you asking your suffrage, which school he attends. It is not a question of political power. It is one of common interest. It is the right of the citizen to know for whom, for what purpose, and by what measures he shall be governed. It is not a question of party, but of policy; not men, but measures, and I wish as an humble citizen of this magnificent state of ours, to discuss with you a few of the matters that I believe vitally affect your interest and mine. In the end I hope to assist you in arriving at a correct conclusion.

I ask not how your vote may be cast, for whom or what party, so long as it comes from a heart that places country above party, and the welfare of our nation above the success of an individual. Such a vote will be in the interest of that party that promotes and carries out the policies you believe.

Party platforms are meaningless unless intended to be woven into law for the benefit of our people. Principles and measures should govern and can-

didates are but the representatives of the policies and measures sought to be enacted into law.

**"Taxation in Any Form a Hardship."**

I challenge the justness of the Republican on the question of federal taxation, I believe it is in the interest of a small but powerful class of our citizenship. I believe its success means the upbuilding of caste and class in this country such as was never before known and it remains for the people to place the seal of condemnation or approbation upon this species of legislation.

One of the questions always uppermost and always serious and always within the thought of the American people is that of taxation.

The magnificent government we now enjoy had its original plan based upon the proposition of equal rights. Our fathers believed that taxation without representation, was not only odious but tyrannous. In order that they themselves might have a voice in fixing the amount of taxes to be levied, and collected, they insisted upon representation in the British parliament. It was denied them, and thus the Revolutionary war, the brightest star of human history, since the birth of our Saviour, was witnessed, and equality was made a successful issue.

President Arthur said in one of his messages that taxation in any form was a hardship, and only such sum should be collected as a beneficent government, economically administered, required. We observe at the present time, a system of laws for the collection of federal taxes that is not in accordance with equality and right. The burden necessary should be equitably distributed and those the least able to pay should not bear most of the load. The wealth of our country should sustain as much of the burden as should labor. What the laboring man eats and wears should not be taxed to death that luxuries may go free.

Taxation in any form is a burden and each citizen must bear his share for the support of his government. The system now in vogue is not alone for the purpose of raising revenue, but it takes from the pocket of one man a dollar and gives it to another without any compensation therefor. This is not one of the purposes for which governments were instituted. It will become a republic founded on equality to require one citizen to pay tribute to another. This is one of the trustees of the school that I described to you in the beginning in which the people are students. It is not a theory. It is a fact.

They say to you at this hour that you are prosperous, that you are obtaining good prices, and why do you wish a change? You wish it because the present rule makes the rich richer, without corresponding benefit to the consumer. There can be no such thing as permanent prosperity if in the division of profits one of the partners retains all the benefit.

**People Are Interested in Taxation.**

My friends, the question of taxation and what you shall pay to the support of your government, is one in which every citizen, irrespective of party, is interested. Why should there be a question of party between you and me, residents of the great state of Iowa, engaged chiefly in agriculture, upon the proposition of equal taxation? But the question whether I shall support you is an entirely different proposition. The question whether the government shall lend its aid to assist industries to thrive at the expense of the general public is one so fraught with evil that it is only partnership and partnership in the benefits of the policy that induces men to refuse to discuss it. A party unwilling to submit to the people at any time the question of approving or disapproving such policy, whether before or after a presidential elec-

tion, is not sure of its position, and is unworthy of support.

The tariff policy of the United States is a selfish one. Its promoters are men who believe in upbuilding their own fortunes. They are not looking after the interests of the farming and producing class, although nearly seventy per cent of the export trade of the United States is the product of agriculture.

All tariff laws should be enacted on a strictly revenue basis. Any other theory of levying taxation is contrary to the letter of the constitution and to the spirit of free institutions. Congress is and ought to be, without power to tax you for my benefit.

**Protection a Tribute Supports Wealth.**

Protection is but a tribute levied upon thrift and industry to support and maintain in wealth and idleness.

Why should I pay a higher price in order to enable another to make a larger profit? I might as well pay you \$1.20 for an article worth \$1.00 that you may continue in business. A protective tariff is a tax upon consumption and it is unworthy of any nation that bases its right to legislate upon the great truth that all men are equal. The consumer is not benefited by a protective tariff, he is injured by it.

Analyze for a single moment the effect of the protective tariff upon one single industry. It increases prices rather than reduces. It restricts the market and limits the field.

**The Tariff Duty on Lumber.**

I take that of lumber; this, an important item that enters into the welfare of every home in this great land. Today we are confronted with the proposition of the exhaustion of our pineries. You have but to read the report of the Secretary of Agriculture. You have but to go to one of our lumber yards and there ascertain the fact that the great pine forests of our country are almost exhausted. What is the effect of having a duty upon lumber and who does it benefit? If the farmer of Iowa was producing lumber, the same as corn, and the home demand was as great as for corn, I grant you that a law restricting the importation of lumber would be of some assistance, for it would permit you to monopolize the home market and thereby make the price for your product.

The people of the state of Iowa would be compelled as a matter of course, to purchase of you, and thereby controlling the supply and the output, you would profit thereby. This is the very use of protection to assist the manufacturer by compelling those within the prescribed territory to purchase of him alone.

It never has been denied that the consumer pays the tax. It can not be denied. When the fire occurred in Maine, years ago, members of congress from that state were instrumental in introducing a bill to have the lumber relieved of this burden. If it was a tax paid by the importer why the necessity of relieving the article of the duty? The original thought and idea of a tariff policy, by its promoters, was that of raising revenue for governmental purposes and incidentally to place the American manufacturer in a position where he could compete with the so-called cheaper labor of his foreign neighbor; but the idea and thought of eliminating competition and placing the consumer at the mercy of the tariff beneficiary never entered the minds of our fathers. Regard was had for the law of supply and demand, and the first tariff acts were supposed to be short lived. But, as time advanced, and selfishness and greed became a political asset of a great party, and opportunity presented itself to command the aid of corporations and trusts, the protective party of today, marked under the name Republican, became a fact. The teaching of Hamilton and Clay was forgotten, and the Morrill tariff act was the

entering wedge that gave to the system of protection as now on our statute books, the flavor of age. In that day the revenue thus obtained by law was for the purpose of maintaining the government, today its principal object is to maintain the trusts. It may be true that all tariff duties are not for the benefit of trusts, but every trust is sustained by some tariff act, restraining importation and preventing competition.

In 1897 when the Dingley law was enacted, a Republican congress and a Republican president placed a duty on every form of wood that came into the United States. It placed upon white wood, sycamore and bass wood, a duty of one dollar per thousand feet, on sawed lumber two dollars per thousand feet, and if planed upon one side, fifty cents additional, and planed on both sides, one dollar additional.

It placed a duty of thirty cents per thousand on lath; placed a duty of thirty cents per thousand on shingles; it placed a duty upon all boxes and barrels containing oranges and lemons from foreign countries, of thirty per cent valorem. It placed a duty on kindling wood, clapboards, hubs for wheels, leaving not a possible contingency wherein a single article of wood could be shipped into the United States that was not required to pay a duty.

**Revenue Distinguished from Protection**

It was not a revenue, but a protective duty, because it was almost prohibitory. Understand, there is a difference between protective and revenue duties. A strictly revenue duty is a tariff on an article of which our country does not produce sufficient for home consumption, and the revenue thus derived is paid into the treasury of the United States. It may incidentally afford some protection but that is not its prime object. A protective duty is one on articles which we manufacture in quantities sufficient for home consumption but the duty is placed so high as to prevent importation and thereby competition is eliminated. It enables the home manufacturer to not only monopolize the home market but by reason of the high price received at home he is able to undersell the foreigner in his own field, as we witness in the iron and steel and petroleum trade.

In its original inception it was not intended to stifle competition or to aid in controlling prices. Alexander Hamilton and Henry Clay would turn in their graves if they knew the Dingley act was the natural outgrowth of their ideas of raising revenue. These men were not protectionists in the sense of the "stand patters" of today. They did not believe in compelling the common people to pay the campaign assessments of a political party by maintaining trusts. When you depart from the revenue point, duties become protective, that is, competition is eliminated, and therefore no revenue results.

As an illustration, of the protective duty being prohibitory I refer you to salt, one of the prime necessities of life. The duty on a barrel of salt at the present time is almost as much as the salt itself is worth, and but little salt is imported. In that case the duty amounts to a prohibition. This is a protective duty and the producer has a monopoly of the home market, at any price he wishes.

Now, who pays the tax on lumber? Why, the consumer, of course. When they came to placing a duty on railroad ties and telegraph poles the "protective boosters" weakened. They knew who it was would primarily pay the tax in this instance, and they made the duty in that case twenty per cent ad valorem, that is according to value. I simply call this to your mind as an illustration that the tariff duties as now imposed on the necessities of life, are not only unjust but that they are a hardship and an imposition upon the common people. Every man who voted for the Dingley act, knew that not a farmer in the land would be benefited by a duty on lumber, salt, sugar, iron and steel, or tin, and yet not an Iowa congressman voted against the proposition. They have not, yet, explained to you the necessity of a duty on lumber. Not one of them has made any offer to lessen the duty or to relieve you of the strain at the present time which you feel every time building material is used.

There is not a man within the sound of my voice who does not know it to be a fact that when the Dingley act passed the price of lumber in every form was increased from twenty to forty per cent. It would be a pleasure to the farmers of Iowa to be permitted to purchase lumber again at the prices paid prior to 1897. Your representatives in congress do not hesitate to vote away the people's money for the Philippine islands and for river and harbor bills. They have not hesitated to vote in the interest of the eastern monopolist, but I defy one of them to explain why he voted for a tax on lumber, and has since refused to even introduce a bill to remove or reduce it.

**Workings of Coal Tariff.**

The same act put a duty of sixty-seven cents per ton on coal, a duty which a beloved republican statesman and member of the cabinet said was placed on the statute books by stealth and yet it received the aid of every "stand patter" in congress from the state of Iowa. Will you explain to me where you

derive a benefit by a tax on coal? The great state of Iowa produces thousands and thousands of tons of coal. We export to foreign countries vast quantities and yet the beloved statesman of Iowa wishes to "stand pat" upon this proposition in order that he may be true to party and keep out the vision of tariff reform, and prevent a possible breaking away from the eastern protectionists. They offer you no excuse. The price of coal has risen constantly, but the benefit which it brings to you, I wish some one would explain.

They say it is in the interest of labor. Of what labor? The only labor I can see is the labor of the operator in the energy he uses in conveying the emoluments thus derived from his office to a bank. The greatest labor strike ever known was in the coal trade, in the year 1902. One hundred and forty-seven thousand men stood out for six months, demanding an increase in their wages proportionate with the increasing cost of living. The value of coal to the mine owner or operator and the increase in the cost of living to the laboring man is nearly forty per cent more than it was prior to 1897. Tariff upon coal is indefensible. It is a monopoly and it is no wonder that the great Republican state of Massachusetts in the year 1903 enacted such drastic legislation on this subject. The sop of placing it on the free list for one year will fool no one. If it should be on the free list for one year, it should be for all time.

Here is one of the very important products of nature, intended for the use of humanity, cornered by a few men who reap the entire benefit. When these few men controlling the coal and railroads of Pennsylvania can monopolize and dictate to the people the quantity and price of this product of nature, then, indeed, I say it is time that the people of this country should assert their rights with greater force than mere declaration, they should strike down this great evil at the ballot box. Every one of these men are today, heart and soul, supporting a protective tariff policy which is exacting tribute from every home in this land. It is not in the interest of the laboring men, for they are refused even living wages. They refuse to give the laboring man a single penny unless wrung from them by the dire necessity of the times or by order of a court or arbitration tribunal. Any one who will read the testimony taken before the arbitration committee of the coal strike will turn with horror and alarm from a policy so detrimental to human rights and against every welfare and perpetuity of republican institutions.

**"Stand Patters" and Coal Trust.**

Yet, you are appealed to in this hour by men who even call themselves Democrats to give support to law that shelters monopoly; not an effort has been made to dissolve this coal trust, by men who love to be named "stand patters." The coal trust thrives today in the atmosphere it loves, surrounded by men high in the council of the Republican party, and not one effort is made to disturb or destroy it. If it were the last act of my life I would condemn it with all the power possible and I will to the last moment be opposed to a policy that will take from one man a dollar and give to another without any compensation therefor.

Democracy believes in the commercial supremacy of our nation, not in the interest of a few, but for all. I challenge the "stand patters" to show the Iowa farmer how he is benefited by a tax on coal and lumber. With a market in which he must compete with the world in everything he produces why is he not entitled to a similar market for what he purchases and especially for the necessities of life which he must buy. The tariff on oats, wheat, corn and cattle is no reply. The pauper labor of Europe is not crowding the Iowa market with corn and cattle. It would be like an April shower to the Iowa farmer if a little Canadian lumber could enter into competition with the present lumber trust.

The protective policy has assisted in the building up of every trust and combination today in existence. Every trust formed today is in some manner aided and abetted by a protective tariff until finally they have acquired a complete monopoly.

**Morgan's Steel Trust.**

We have but to examine the steel trust, the most wonderful combination man ever knew. Its total capitalization of bonds and stock amounts at this time to nearly \$1,400,000,000 and upon that gigantic capital dividends are paid, aggregating from fifteen to twenty per cent. Its annual product is beyond comprehension. It controls the source of supply of the iron ore of the United States. It controls the transportation of all the iron of the country. It controls eighty per cent or more of the iron mills of the country. One half its capital is water.

A writer in the December Century Magazine claims the consensus of opinion to be that its actual value is not to exceed \$700,000,000, and it has been placed as low as \$400,000,000. Think for a moment what this gigantic institution is doing. You are directly interested in the matter of steel. By reason of our lumber interest falling foreign lumber being prohibited, the manufacture of steel is entering today more than ever before into every avenue of life. We see its