

3/4/10

Mr. J. Rosenwald:-


Replying to the attached, this is a matter to which I have given some thought even before your note was received, and to be perfectly honest, looking at the matter in a broad way, I do not believe that general advances in prices that have been made in the last year can be justly charged up to the Aldrich Tariff Bill. Of course, there are a few individual items directly affected by the tariff and which may have been advanced in consequence of the revision of the tariff law, but in my opinion, speaking of hardware generally the advance in prices is due almost entirely to the law of supply and demand without reference to the tariff. As a matter of fact, general hardware prices have not been materially advanced and such advances as have been put on can be attributed almost entirely to the fact that whereas during the panic steel bars were \$1.10 base rate and easy to get, today the price is \$1.50 base rate with a premium of 10 or 15¢ for prompt delivery and one could hardly say that the advance in the price of steel bars was owing to the tariff. It is simply due to the fact that during the panic nobody really wanted the bars and the price went down, whereas today everybody wants steel and the price has gone up.

Speaking again in a general way, of course if all tariff was taken off, eventually hardware prices would be lower on account of the World Competition, but if the tariff law had not been changed in the least, as it was changed by the Aldrich Bill, I believe that prices today, demand for the product being equal, would be practically just where they are.

Speaking of our own business, so far as hardware prices are concerned, even in our last catalogue we reduced as many prices as we advanced and the consumer who buys of us today, making an average purchase of a variety of articles, would not pay any more than he would have paid a year ago.

I do not know whether you will consider this an adequate reply, but no doubt you get my idea that in my opinion it is unfair to charge up the advances that have been made to the Aldrich Bill entirely.

Yours truly,

C. D. Ewell, 
Dept. 9.