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National Association of Manufacturers
New York, N. Y.

OFFICE OF THE CHAIRMAN

RACINE, WIS., 12-22-08

Miss Ida M. Tarbell,

341 Fifth Ave.,

New York, N. Y.

Dear Miss Tarbell:-

I thank you for your letter of the 17th. I am disposed to accept of Mr. Holt's price on hand tools, potato hoes, for instance, for the reason that I wrote what is called the Farm Tool Trust and they made no answer. I understand it is a good tight trust that could raise its prices to the domestic consumer and that fact, together with their refusal to justify in the premises makes the presumption, at least, strongly against them.

I feel certain that threshers cannot fairly be included in the list. I know a great deal about that business. Threshers are retailed usually to the sort of fellows that occasionally run away with circuses, unsteady fellows, mostly young farmers who are irresponsible financially and want something exciting and like especially a big noisy machine as boys might. The credit risk constitutes a great part of the domestic price and the number of machines that have to be taken back under mortgage, foreclosure, etc. is very great. There is sharp competition, among the manufacturers.

I am writing a gentleman who has quite a large business in the Argentine Republic and will advise you of his reply in the next few days.

The statement as a general proposition is not right, but it may be in the last one or two years while our trusts have been pushing up the cost of steel and other supplies and thresher makers have pushed their prices up to where they could, that is against the domestic consumer and selling abroad at more nearly the old price, so as to make something of the tariff now between jobbing prices abroad and jobbing prices at home, for while I have spoken of the risk in selling to retailers

Miss Ida M. Tarbell--

there are still a few jobbers in this country, although most thresher people have distributing houses and sell only to the user.

I believe on the whole Mr. Holt's pricelist is highly significant. I know that barb wire, iron and steel in the heavy products like rails, structural, billets, terne plates, out of which sheets for tinning are made, screws, files, etc. are sold abroad at decidedly less than home prices. I have had invoices in my hands for two weeks proving this statement. It is unfortunate that the burden of proof should be put upon the consumer and the buyer in this whole matter and Mr. Holt deserves the gratitude of his countrymen for having made this statement, which on the whole is highly significant, but in very large measure true. If he has made some mistakes he is to be forgiven.

An honest Congress that wishes to serve the people would require proof, not of the consumers like Mr. Holt, but of the beneficiaries on the tariff. They would wipe the slate clean when they started to make a new tariff and say to each industry for the purpose of this investigation we consider you have no tariff whatever. Bring your books, justify from the ground up and you will then be given a proper tariff, one that protects amply but does not discriminate. The money is the people's. You must show title to any that you get just as you would give clear proof if you wanted money from that other arm of the Government, the United States Treasury.

It is marvelous that the American people are blind to this fundamental error; this putting of the shoe on the wrong foot; this starting wrong; this giving of everything to the beneficiary, except as consumers who are least able to get the proof do somehow prove their right to keep their own property.

Yours very truly,



HEM-EA

Dictated but not read
by H. E. Miles.