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COL. GEORGE C. TICHENOR'S
VIEWS ON
REVISIONS OF THE TARIFF
AND
CUSTOMS LAWS

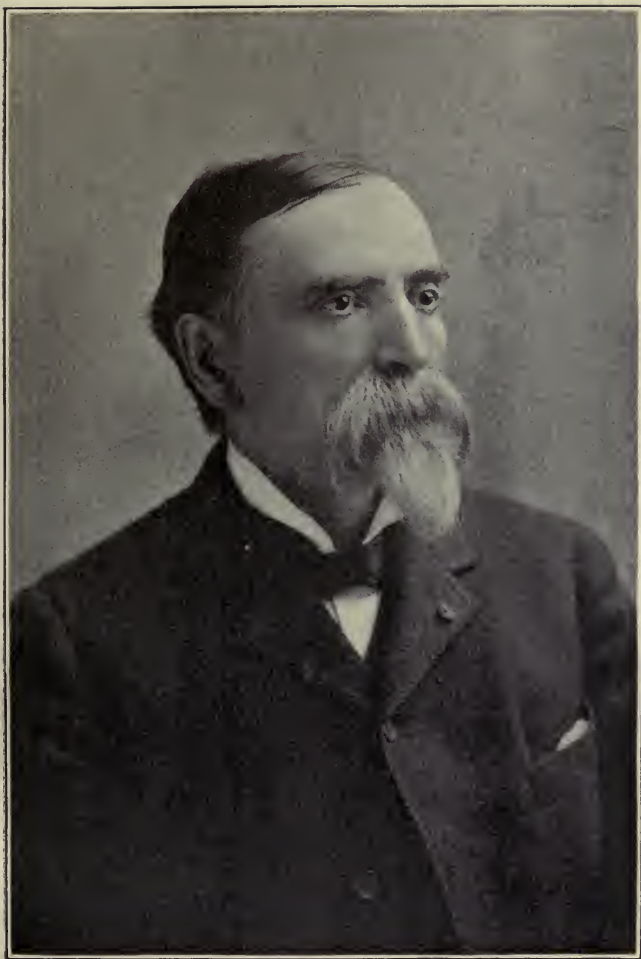
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GEORGE C. TICHENOR

INTRODUCTORY.

Having been requested by many friends of my father, the late Colonel George C. Tichenor, to publish his correspondence and views upon the tariff—a subject to which he had devoted the best efforts of his life—I have decided to make public such of his correspondence with Vice-President Garret A. Hobart, Senator William B. Allison, Congressmen Samuel J. Randall and Nelson Dingley, Jr., as I think may prove of interest at this time. To this I have added extracts from his numerous reports on the tariff and customs laws and a sketch of his work in framing the Randall, Allison, McKinley, and Dingley tariff bills, in order to present a connected view of our later tariff legislation.

HENRY D. TICHENOR.



GENERAL

Frederick

AS this is designed only to present a résumé of Colonel Tichenor's views and recommendations upon the tariff and customs laws and of his work in framing such laws, a very brief outline will be given of his earlier career previous to his entering the civil service of the Government.

His ancestors were French Huguenots from Alsace, who migrated to this country in 1642—first to New Haven, Connecticut, whence they later removed, with Governor Treat and others, to Newark, New Jersey. Here they became large land owners and influential in business and political affairs in the new colony. His great-grandfather, Daniel Tichenor, was an officer in the Revolutionary War, brother to Honorable Isaac Tichenor, a graduate of Princeton College as A. B. in 1775, and who received the degree of A. M. and LL. D. from Dartmouth in 1779, and later served as Governor and Judge of the Supreme Court of Vermont and as United States Senator.

George Carter Tichenor was born at Shelbyville, October 8, 1838. He received his early education at Louisville, Kentucky, and Terre Haute, Indiana. He moved to Des Moines, Iowa, in 1858, and was soon made clerk of the United States Circuit Court there. In 1862 he enlisted as a private soldier in the 39th Iowa Volunteers, and was made first lieutenant and adjutant by Governor Kirkwood, July 31, 1863, and soon after became aide-de-camp, with rank of major, on the staff of General Grenville M. Dodge, with whom he served throughout the remainder of the war, being promoted successively to lieutenant colonel and colonel "for gallant and meritorious service."

Upon resigning from the army in 1866, he returned to Des Moines, Iowa, and for a while engaged in the lumber

business. He served as postmaster of Des Moines for two terms, 1867-1874. As chairman of the Republican State Committee of Iowa, he was largely instrumental in the defeat of United States Senator Harlan and in electing William B. Allison as his successor.

In 1874 he moved to Chicago, Illinois, where he became prominent in the grain business. Losing almost his entire fortune in the panic of 1877, he was appointed by his friend, Honorable John Sherman, Secretary of the Treasury, to the position of a special agent of that Department, representing the Secretary in many semi-confidential matters.

Believing that the tariff was the most important national and international question affecting our industries and the people generally, he early set out to familiarize himself as much as possible with this subject. In 1881 he was sent abroad, with instructions from the Secretary of the Treasury to "investigate generally the subjects of undervaluation of articles exported from Europe to the United States, the costs of production of such articles in Europe, etc." He carried from the Secretary of State, Honorable James G. Blaine, a general letter of instruction to our consular officers abroad, to "afford him such facilities and assistance as may be proper to promote the object of his mission."

He remained abroad most of the time for the following four years, devoting his time to the investigations as directed, and to study of the tariffs and customs administration of foreign nations. As a result of his investigations and reports to the Treasury Department during that period, many of the most flagrant undervaluations of imported articles were discovered and remedied, especially in silks, velvets, gloves, china, and other articles subject to high ad valorem duties.

In 1882 he was requested by the Secretary of the Treasury to "formulate his views and impressions generally resulting from his experience abroad, as they would prove of value to the Treasury Department and possibly to the Commission

then engaged in gathering information preparatory to the revision of the tariff" (framing the tariff of 1883). In this very exhaustive report, which was printed by the Government, it is interesting to note the following views and recommendations:

1882.

Report of Col. George C. Tichenor on the Tariff and Customs Administration.

"The information resulting from my inquiries has mainly been communicated to the department in the numerous reports I have transmitted from time to time. These reports abundantly show that the ingenuity and depravity alike of the Old World and our own have been ceaselessly employed in devising means and perfecting plans for defrauding our revenues and evading our customs laws. There is scarcely any kind or description of merchandise, subject to ad valorem duty, imported into this country from beyond the seas but has been, or is being, undervalued more or less. I would not be understood as saying that all of any class has been undervalued, but that some of all classes has been, even of regular purchases, while those consigned to agents for sale on commission, notably from the continent of Europe, have been and are being as a rule considerably undervalued.

"The impression appears to prevail in most countries of Europe that our rates of duty on most articles produced in those countries are so high as to be oppressive and unfriendly, and our tariff laws as a whole hostile, iniquitous, and contrary to that comity which it is understood should govern commercial intercourse between friendly nations; hence it is more a duty than sin to avoid and evade them.

"While the ad valorem system appears most equitable and just, all experience has shown that under it the dishonest importers prosper, while the honest ones and the revenues suffer, and it has proved to be most expensive to the Govern-

ment and people, and vexatious and demoralizing to customs officers and employees.

"I do not hesitate to say that I am entirely convinced that the only safe and sure remedy for undervaluation in all its forms is specific duties, and I believe that after careful consideration and preparation on the part of those charged with the revision of our tariff, the same will be found applicable to most articles of import. In order, however, to obtain the data and information necessary to perfect a tariff according to such system, considerable time and preparation would be required. It would, I apprehend, be necessary to have all the classes of merchandise now subject to ad valorem duties, and to which it was contemplated to apply the specific system, carefully weighed or measured, as the case may be, and accounts kept of such weights or measure, and of the value of the merchandise, for such length of time as would safely determine the relations of weight or measure to the value. I have been told that the French experimented in this way for some years before the promulgation of the uniform specific system of general tariff which they but recently adopted.

"Our faulty system, or lack of system, of civil-service in itself renders an ad valorem system of duties difficult and dangerous to us. It is requisite to the safe, equal and efficient assessment of duties according to value that we should have trained, honest and faithful experts to examine and appraise the merchandise, and to classify the same correctly for duty. In the nature of things we cannot have such officials as matters now stand. If a competent and reliable man happens to be appointed, his tenure is so uncertain that his time and thoughts are too apt to be employed in casting about for another engagement when he shall be bade to 'step down and out,' instead of giving his best thoughts and efforts to the Government. If, therefore, the ad valorem system is to be perpetuated in our tariff, provision should be made for the appointment or employment of honest and competent

experts as appraisers and examiners, whose tenure shall be fixed and be dependent alone upon their efficiency and good behavior. A man may be an excellent butcher, blacksmith or bricklayer, and a very poor examiner of silks, embroideries, or chemicals.

“It is often the case that the entire importations, especially of consigned goods, of particular classes, which come into the country, come to but a single port and are passed upon by but one and the same examiner. This is notably the case at the port of New York, where vast and entire lines of goods are entered there and at no other port, and are examined and practically appraised and passed by a particular examiner, who, if he be incompetent, careless, unfaithful or corrupt, can injure the revenue and legitimate trade beyond measure without being detected.

“Provision should be made for some responsible, regular, and efficient supervision of appraisers of merchandise, both as relates to the determination of dutiable values and the rate of duty or classification of merchandise. As matters now are, each appraiser is a law unto himself, and as a consequence the dutiable values, and at times classification, of the same articles, differ at different ports according to the intelligence, fidelity, efficiency, fancy, or temper of the appraising officer. Cases of this kind are of frequent occurrence, as is well known at the department, and they not infrequently relate to important articles of import. The evil results of such inharmony need not be detailed.

“It has occurred to me that it might be well to clothe the board of general appraisers with such supervisory functions as would be requisite in the premises. I am of the opinion, also, that the number of general appraisers should be increased to seven.

“If the dutiable value of merchandise—subject to ad valorem duty—is to be based upon the foreign market value, the law should more clearly define what shall constitute such foreign market value. It should, in substance, declare that

the same shall be that price or value at which such merchandise is, at the time of exportation to the United States, freely and regularly offered to all desiring to purchase, in usual and ordinary wholesale quantities in the principal markets of the country from whence exported.

"No matter upon what basis duties are assessed, all practicable means should be adopted to secure the correct and true invoicing of goods, both as to value and their actual and recognized trade descriptions and designations. All invoices should be required to be certified by the United States consular officer nearest to the port or place of purchase and shipment, and the declarations to all such invoices should be required to be sworn to before officers or persons authorized to administer oaths which are valid and binding in the higher courts of judicature of the country.

"It is scarcely necessary for me to refer to the troubles which constantly afflict the department and custom officers as well as importers on account of the ambiguous phrases, vague descriptions, loose and uncertain definitions, impracticable and indefinite distinctions, contradictory terms, and conflicting provisions which abound in our tariff laws. These weak and assailable places in our armor often serve to defeat the manifest purpose of the provisions, and open the way to abuses and frauds. In a very large number of instances they have proved loopholes through which imported goods are passed, to the serious detriment of our home manufacturers, whose products it was the probable intention of the law to protect against such competition.

"It is the constant study of foreign producers to take advantage of such provisions, while the department is being literally besieged to make decisions in disregard of the law or to cure its defects, until it has finally come that the department's decisions are looked to rather than the tariff as enacted.

"Plain, simple and definite terms only should be employed in constructing a tariff. Mere fancy, arbitrary or

fashionable designations should be avoided, and as far as practicable generic terms or descriptions adhered to.

"In closing my observations concerning the tariff, I trust I may be pardoned if I remark that no one single interest should be protected at the expense and to the detriment of other and greater interests, and that protection ceases to be protection when it is carried to the extent of pampering an industry into slothfulness and beyond the reach of the whip and spur of competition. As 'necessity is the mother of invention,' so is competition necessary to the development and enduring prosperity of any industry. I am an ardent believer in the theory of protection. Yet having given some attention to the manufacturing industries of the Old World, I cannot overlook the fact that their perfection in system, economical organization, and the cheapness and excellence of their productions has resulted in no little degree from the development of our manufactures and our high rates of duty. We as a people are famous for ingenuity, and I doubt not that if put to their 'mettle' our manufacturers would prove as skilful as any in the world. While fixing such rates of duties as shall appear necessary to fairly protect our various industries, we should provide such means as will insure the exact and uniform collection of such duties.

"Having reference to the action of certain foreign governments in interdicting and otherwise hindering the importation and sale within their dominions of certain products of this country, I would suggest the advisability of a statutory provision authorizing the Secretary of the Treasury to retaliate upon any foreign nation that shall, without good cause either by legislative enactment or arbitrary measures of any kind, interdict or hinder the importation and sale of any American product within its dominion, by forbidding the admission into this country of such products of that country as he may, for the time being, deem proper."

As a result of his study of the tariff and customs laws and the administration thereof at home and abroad, and of his wide experience in investigations regarding undervaluations and other methods of evading our tariff and customs laws, Colonel Tichenor believed that the only safe and sure means to prevent undervaluations was the adoption of specific duties in place of ad valorem rates wherever practicable, and that the many other changes and improvements of our customs laws suggested by him would further tend to prevent or greatly restrict evasion of our tariffs and secure greater uniformity in the appraisement and classifications of imported merchandise.

While stationed at the Treasury Department in Washington from 1885 to 1889, where Secretaries Manning and Fairchild could avail themselves of his general knowledge and advice regarding customs administration and tariff matters, he succeeded in so impressing both Secretaries with the importance of obtaining the changes he had proposed in our tariff and customs laws that many of his recommendations met with their approval, as shown by their special reports to Congress in 1885 and 1886, and were also adopted by Representatives Hewitt, Mills, and Randall in the administrative sections of their bills.

The Randall Tariff.

While at Washington during this period, Colonel Tichenor became a warm friend and admirer of Hon. Samuel J. Randall, and devoted much of his time from 1886 to 1888 in framing the Randall Tariff Bill.

His expert knowledge of the subject and the data gathered by him during his investigations abroad regarding foreign tariffs, costs of production, materials, etc., proved of great assistance in preparing this new tariff. To improve the tariff in the manner he desired, however, it was necessary:

1st. To frame a new and more harmonious and scientific general framework, grouping the various articles into more

systematic arrangement of sections or schedules, according to materials, general character, etc., with proper numbering of paragraphs (to which no attention had been given in framing previous tariff acts).

2d. To correct the many inequalities and incongruities and eliminate the ambiguities abounding in the previous tariffs, owing to haste and carelessness and lack of expert advice in their preparation.

3d. To secure the necessary data for properly transposing various rates of duty from ad valorem to specific, and to retain or better secure the proper relation between such rates as were to be imposed on the numerous related or interdependent articles, taking into proper consideration the rates on raw or semi-raw materials, partly finished products, etc.

4th. To properly analyze the many conflicting recommendations of different interests affected by such tariff changes.

In order to obtain much of this data of a technical nature, the advice and assistance of the leading and more reputable manufacturers, chemists, and importers was sought and obtained, as is always proper and necessary to do in such important legislation affecting their interests, a course also pursued by the German and French tariff commissions in re-adjusting the tariff schedules of their countries.

It will be readily seen that the amount of work involved in the preparation of this new tariff was enormous, covering about a year and a half, during which time Colonel Tichenor worked day and night, as indicated by a few of Mr. Randall's notes to him, as follows:

WASHINGTON, D. C., *Dec.* 15, 1886.

MY DEAR COLONEL:—

Part of the number of speeches I sent you have been returned to me. I want you to give me a further list of articles which can go in the free list not produced in the United States that are now taxed. I suppose you will know from

Mr. Dawes' speech what I need to meet his views in this particular.

Truly,

SAMUEL J. RANDALL.

WASHINGTON, D. C., *Jan. 2, 1887.*

DEAR COLONEL:—

I was much disappointed not to have seen you. I was called home by telegram and had to leave New York city by 2 p. m. train on Thursday.

Please read enclosed and return by next mail with comments. I submitted to our Philadelphia friends your list of articles to go to free list.

Yours,

SAMUEL J. RANDALL.

WASHINGTON, D. C., *Jan. 14, 1887.*

MY DEAR COLONEL:—

Your letter received through Mr. Maher.

I am sorry to hear of your enfeebled health. I will call on you Saturday a. m.

Yours truly,

SAMUEL J. RANDALL.

WASHINGTON, D. C., *May 5, 1887.*

MY DEAR COLONEL:—

Enclosed is interesting as to chicory and would seem fully to confirm your judgment in relation thereto. This letter is important; please retain for use on floor of the House. I hope you are well.

Truly,

SAMUEL J. RANDALL.

WASHINGTON, D. C., *Jan. 23, 1888.*

MY DEAR COLONEL:—

I am now ready for chemical schedule and iron and steel as well. Can you come to my home tomorrow evening? I will have my carriage go for you and take you home. The hour most convenient is 7.30 p. m. to begin.

Yours truly,

SAMUEL J. RANDALL.

WASHINGTON, D. C., *Jan.* 23, 1888.

MY DEAR COLONEL:—

Please read enclosed and bring with you tomorrow evening. Where shall I send my carriage for you, say at 7 p. m.?

1. Bring administrative clauses.
2. Tobacco schedule based upon total repeal of tobacco taxes.
3. Copy of explanations of the first preparation of reductions.

Yours truly,

SAMUEL J. RANDALL.

WASHINGTON, D. C., *March* 11, 1888.

MY DEAR COLONEL:—

I find several corrections needed, which will immediately occur to you on reading.

I dislike to disturb you on Sunday, but will, if you are willing, call this evening and have your corrections so as to introduce corrected bill tomorrow and have official print accurate. I will call 7 p. m. if this will suit you.

Yours truly,

SAMUEL J. RANDALL.

While not agreeing with all of Mr. Randall's ideas regarding the advisability of reducing the surplus in the Treasury and customs revenues, they had the same general ideas regarding fair protective rates for our domestic interests, as is shown by an examination of the Randall Bill No. 8383, as introduced March 12th, 1888. It will be seen that for the first time in our tariffs protective rates of duty were provided for tin plate, and that specific rates were more largely used in place of ad valorem.

Allison Customs Administrative Bill.

During this period, 1885 to 1887, his assistance was also sought by the subcommittee of the Senate Finance Committee having charge of the preparation of a new and improved Customs Administrative Bill along the lines previously proposed by him in his many recommendations upon this subject. Senator Allison, as chairman of this subcommittee, from his home wrote him as follows:

DUBUQUE, IOWA, *Aug. 1, 1887.*

MY DEAR COLONEL:—

I had arranged for a meeting of my subcommittee August 6th, but owing to the illness of Morrill and the absence of Aldrich, the committee could not meet. We have now postponed meeting until November 10th at Washington.

I wish I could have a couple of weeks with you at Waukesha, or even a week. Joseph tells me you will be up there until September 1st. I do not know that I can do it, but thought I would like to know how busy you are and what you think of it.

I am glad to hear that you are rapidly growing stronger.

Very truly yours,

W. B. ALLISON.

DUBUQUE, IOWA, *Aug. 12, 1887.*

DEAR COLONEL:—

I telegraphed you today I was so situated that I could not go to Waukesha, and that I would write.

I have communicated with all my subcommittee and they agree that we should meet at Washington on November 10th. In that view, I do not know that I ought to do anything personally until that time. I want very much to consult with you about a great many things, but I think the committee

would feel that they ought to have the benefit of your views as well as myself.

As I am now to be busy for the remainder of the fall, until after the election, I do not see how I can spend much time on the work. We have gone over a great many matters and have had printed for the use of the subcommittee some sections which we proposed to incorporate in the law, and I send you by today's mail a copy of these projected sections, which I will be glad to have you look over and make such comments as occur to you. I would also like to have you suggest other sections which you think necessary to the proper administration of the customs law, and any amendments to the sections I send you as occur to you as necessary.

If you are not to be in Washington in November in the ordinary discharge of your duties, I think I shall ask Secretary Fairchild on behalf of our committee to have you there during the time from November 10th up to the meeting of Congress.

Very truly yours,

W. B. ALLISON.

Upon his return to Washington, as above requested by Senator Allison, Colonel Tichenor devoted a large part of his time in the fall of 1887 in assisting the subcommittee of the Senate Finance Committee in framing the new Customs Administrative Bill, which, when completed, embodied his former recommendations and was reported to the Senate by Senator Allison on December 20, 1887, known as Bill No. S. 977, "A bill to regulate the importation of foreign merchandise and to secure uniformity in the classification and valuation thereof, and for other purposes." This bill finally passed the Senate, March 16, 1888, and was reported to the House March 21, 1888, and referred to the Committee on Ways and Means, where it remained until 1890. It was then taken up by Major McKinley, upon the urgent solicitation

of Colonel Tichenor, as will hereafter be shown, and introduced by him in the House. It soon passed both House and Senate, was approved by the President, and went into effect June 10, 1890.

Allison Tariff Bill.

Owing to the intimate friendship that had existed between Senator Allison and Colonel Tichenor, dating from the time of Mr. Allison's first election to the United States Senate as successor of Senator Harlan, Colonel Tichenor, with the assistance of his friend, Mr. A. K. Tingle, early in 1888, undertook the task of preparing a tariff bill for Senator Allison, which they hoped would prove the most harmonious and scientifically adjusted protective measure of its kind that had ever been introduced in Congress. Using the Randall tariff, which Colonel Tichenor had drawn, as the basis, they succeeded in working out still greater improvements, in equalizing the rates generally, conforming with their ideas of fair and conservative protection, as neither Colonel Tichenor nor Senator Allison belonged to the school of extreme or "ultra protectionists."

The following letter from Senator Allison indicates that he doubted the advisability of increasing the rates in his bill to the extent which some of the other Republican members of his subcommittee of the Senate Finance Committee deemed expedient:

Aug. 3, 1888.

MY DEAR COLONEL:—

You have seen that the constant tendency here is to increase rates. How would this suit our people in the West? I send you today two copies of the Mills Bill as it passed. Now, I want you to take up this bill and analyze it fully, your analyzation to be embodied in our report to the Senate, showing its effect upon our industries.

I hope you are improved by the waters and by the rest you are having.

Sincerely yours,

W. B. ALLISON.

Owing to his broken health, Colonel Tichenor was at this time at Waukesha, Wisconsin, resting and recuperating from his arduous work of the preceding year. Upon receipt of the above request he succeeded in having his friend, A. K. Tingle, special agent of the Treasury Department, sent to Waukesha to assist him, and at once began preparing the desired "Analyzation of the Mills Bill," showing its effects on our industries, etc., and at the same time revising or readjusting certain of the schedules of the Allison Bill.

On October 3, 1888, Senator Allison reported his tariff bill to the Senate as a substitute for the Mills Bill, and on October 4, 1888, Senator Aldrich submitted a report thereon, containing Colonel Tichenor's "Analyzation of the Mills Bill," and described the improvements in the Allison Bill over previous tariff acts (by reason of the adoption of Colonel Tichenor's new general tariff framework, revised schedules of specific rates, new classifications, etc.), as follows:

The Substitute Proposed by the Finance Committee.

"The House Bill (H. R. 9051) under consideration was received by your committee July 25, and was immediately referred to the following subcommittee: Messrs. Allison, of Iowa, chairman; Aldrich, of Rhode Island; Jones, of Nevada; Hiscock, of New York; Beck, of Kentucky; Harris, of Tennessee, and Voorhees, of Indiana, who reported the same back, September 25, to the full committee, with an amendment in the nature of a substitute, which was adopted by the full committee and reported to the Senate this day by Mr. Allison.

"In the preparation of the substitute submitted for the consideration of the Senate, it has been the purpose of your

committee to present a measure which would as far as possible fulfill the important requirements of revenue revision which we have enumerated. The numerous failures and defects of the House bill rendered the task of amending that bill impossible, and made the preparation of a comprehensive and consistent measure of relief and revision necessary. We submit this substitute to the judgment of the Senate, and invite for it full and careful scrutiny.

"In the revision of the dutiable schedules and the free list submitted, constant effort has been made to correct the inequalities and to eliminate the ambiguities of the existing tariff.

"In pursuance of our general plan to lessen the evils of undervaluation; to secure more certainty, uniformity and equality in the collection of duties as well as economy in administration, specific or compound rates have been substituted for ad valorem rates wherever practicable or when the necessary data could be obtained. Whenever changes of this character have been made, they have been adjusted upon information obtained from customs experts or from other reliable sources.

"It will be observed that all of the tariff schedules have been thoroughly revised, rearranged, and greatly simplified. They have been divided into paragraphs and numbered consecutively, in order that in the future amendments may be made to a single paragraph or schedule without a general re-enactment of all the schedules, as is now necessary to prevent confusion. The number of paragraphs has been reduced from 495 in the tariff of 1883 to 440 in the substitute submitted."

The report also contained a most able argument for increased protective rates on wools and woolens, as a result of which the original Allison rates in this schedule were raised considerably.

The bill finally passed the Senate practically as originally drawn, except for the changes in the woolen schedule, on January 22, 1889. It was reported in the House and referred to the Committee on Ways and Means, January 26, 1889.

A comparison of the Allison Senate substitute for the Mills Bill and the McKinley Bill shows that the former was used by McKinley as the foundation or basis of the McKinley Bill, the latter, however, being more extensive in its high protective and in some instances prohibitive rates.

Appointed Assistant Secretary of the Treasury Department.

Owing to his work in framing these new tariffs and customs laws, Colonel Tichenor had by this time reached a point where he was regarded by the leaders of both political parties, and by the leading manufacturers and importers, as the greatest authority in the United States on tariff and customs matters.

Acting therefore upon the advice of the Republican members of the Senate Finance Committee and the House Ways and Means Committee, as well as other influential members of Congress and large business interests, President Harrison, soon after the selection of his Cabinet, appointed Colonel Tichenor, March 11, 1889, Assistant Secretary of the Treasury in charge of customs and internal revenue, etc.

Few appointments ever met with greater approval from manufacturing interests, the better class of importers, and the business community generally. The press throughout the country, regardless of political beliefs, united in declaring his appointment most fitting. This is shown by the following extracts from a few of the articles appearing in the papers at that time:

NEW YORK HERALD.

"The request for his appointment comes from the merchants, who have long known his prominent qualifications for this important place, and is urged by the Republicans of the two revenue committees because they had full experience of his great knowledge, in the help he had given them."

NEW YORK POST.

"He has aided in the preparation of all the tariff bills since that time. He was one of the leading experts for the Senate Committee on Finance and for Mr. Randall in the preparation of his bill."

NEW YORK PRESS.

"Colonel Tichenor has for many years been the highest authority on all tariff matters."

NEW YORK STAR.

"There has been scarcely a tariff law passed in the last fifteen years in which Mr. Tichenor's handiwork does not show."

WASHINGTON CAPITOL.

"The appointment gives general satisfaction. Colonel Tichenor has fairly won the honor by the hard work done during the past four years on the tariff."

CHICAGO TIMES.

"The choice is highly commended by men of both parties. Mr. Randall says, a man better fitted for the position could not have been found in the whole country."

CHICAGO INTER-OCEAN.

"Colonel Tichenor owes his promotion only to his conspicuous fitness."

SPRINGFIELD REPUBLICAN.

"He is regarded as the most expert tariff man in the country."

NEW ORLEANS CITY ITEM.

"The wisdom and sound business sense of this appointment cannot be questioned."

As Assistant Secretary of the Treasury in charge of customs, he prepared that part of the Secretary's Annual Report to Congress of 1889 which related to the tariff and customs revenues, etc., in which it will be seen that he again urgently recommended the adoption of those improved administrative features of customs laws for which he had contended and labored so continuously and which had been incorporated in the Allison Customs Administrative Bill, No. 977, of December 20, 1887, and in the Allison Tariff Bill of October 3, 1888, both of which had passed the Senate, but were still held by the Committee on Ways and Means of the House.

The report of 1889 reads in part as follows:

TARIFF FOR REVENUE ONLY.

A tariff for revenue only contemplates such an adjustment of duty as will yield the largest amount of revenue at the lowest rates. It means the largest possible quantity of importations consistent with the amount of customs revenue required to defray the expenses of the Government.

If, under a protective tariff, \$300,000,000 of importations would pay an annual revenue of \$100,000,000, to produce the same amount at half the rates, under a tariff for revenue

only, would require \$600,000,000 of importations. The result of this policy, in the case supposed, would be to take from American producers their home market for \$300,000,000 of products and transfer it to their foreign competitors. While it would thus deprive our workmen of employment, it would also deplete the country of gold to pay for foreign labor and material, which should be supplied at home.

REVISION OF THE TARIFF.

Whatever differences of opinion there may be with regard to the best method of disposing of the surplus revenue, and preventing the accumulation of money in the Treasury beyond the proper needs of the Government, and however diverse may be opinions as to the abstract question of taxation for revenue purposes, customs and internal, there is general agreement that a revision of the tariff and customs laws is urgently needed.

I believe it to be the dominant sentiment of the country that, in the adjustment of duties on imports, protection to home industry should be a governing consideration. While there is a wide divergence of judgment on this proposition, it can not well be denied that it is the settled policy of this Government that such duties shall be so levied as to result in the protection of labor, employed in domestic industries, from destructive foreign competition.

One of the fundamental objects in the levying of duties on imports, declared in the preamble of the first tariff act passed by Congress in 1789, was the encouragement and protection of manufactures. The doctrine thus proclaimed has broadened with our advancing civilization and growth, and its wisdom has been demonstrated by the marvelous development of those industries, protected by the high duties, demanded by the necessities of the Government incident to civil war.

It should, however, be remembered that the prime object in the imposition of these high duties was the raising of

revenue, and rates were adjusted to that end, rather than to the protection and development of domestic industries. It came about, therefore, that the measure of protection was capricious and unequal, and some industries were greatly prospered, while others, equally favored by natural resources and conditions, either languished or failed of development.

INEQUALITIES.

The tariff act of 1883 was hastily considered and passed. While intended as a protective measure, it was based on former tariffs, and perpetuated many of the inequalities and other defects with which those acts abounded, and which have not only been directly hurtful to certain domestic interests, but have afforded opportunities for evasion, and provoked constant dispute and litigation.

Certain of these inequalities and defects in the present law, arise also from the changed conditions of trade and manufacture since its enactment.

APPEALS AND SUITS.

Uniformity of assessment at the several ports, and often as between importers of like merchandise at the same ports, has not been secured. Doubts as to the meaning of many of the separate provisions of the tariff schedules have led to constant appeals to the Secretary of the Treasury. Thus domestic producers and importing merchants are deprived of a stable basis for their business calculations, and trade and commerce, as affected by the tariff, is thereby disturbed and unsettled. There were 25,349 appeals by importers from the decisions of collectors of customs, chiefly from the port of New York, during the last fiscal year, and there are now pending in the United States Circuit Court for the Southern District of New York 4,497 suits, which relate to more than two hundred and fifty different articles concerning which the classification is disputed.

As a result of this increasing practice of making protest and appeal, in all cases where the meaning of the statutes is in any sense obscure, the public has come to look rather to the Secretary of the Treasury than to Congress for relief from real or imaginary hardships attributed to the tariff. Indeed, the Secretary is constantly importuned to make rulings equivalent to tariff legislation.

All this is subversive of commercial and official morality, is destructive of legitimate trade, and appeals to the judgment of all fair-minded men for correction.

CONFLICTING PROVISIONS AND AMBIGUITIES.

It is therefore urged that in revising the tariff schedules care be taken to avoid conflicting provisions and ambiguities, which have been productive of the evils mentioned; also that rates be so adjusted as to avoid the inequalities of the existing law so hurtful to domestic industries.

EXTENSION OF TRADE.

Furthermore, in the construction of a tariff law in its broader sense, reference should be had not only to the changed conditions of our domestic commerce and manufactures since the enactment of previous tariffs, but also to the cultivation and extension of our trade relations with those countries whose geographical situation and resources are such as to make intimate commercial intercourse with them particularly desirable.

UNDERVALUATIONS—SYSTEMS OF DUTY.

In order that Congress might have the intelligent opinion of expert officers charged with the enforcement of the tariff laws at the principal ports, I caused to be submitted to them, for examination and criticism, three important tariff bills which were considered by the last Congress, viz., House

bills 8383 (Randall Bill) and 9051 (Mills Bill) and the Senate substitute for the latter (Allison Bill). The reports of these officers are contained in the appendix to this report, and are commended to the attention of Congress. Particular attention is invited to the statements therein, showing the alarming prevalence of undervaluations. As a remedy for this evil the substitution of specific for ad valorem duties, wherever feasible under our tariff system, is generally advocated. In this I concur; and this view is sustained not only by the fact that the commerical countries of Europe have discarded the ad valorem and adopted the specific system, but also by the opinions of a long line of my predecessors. Under high ad valorem rates pure and simple, or the more objectionable system of specific rates based on value, not only do discriminations occur between individual importers at the same port, always in favor of the unscrupulous, but different amounts of duty are collected at different ports upon merchandise of the same value. The inevitable result, as experience shows, is, that the honest trader is driven out of business, and domestic producers are insidiously deprived of the protection which the law intends to give them and upon the faith of which their business ventures are based.

ADJUSTMENT OF TARIFF TO CHANGED CONDITIONS.

It is obvious that as the conditions of protection and trade change, particular provisions of a tariff law may become inapplicable and even harmful. While legislative interference should not be so frequent as to unnecessarily disturb the commercial and industrial interests of the country, it is suggested that reports at stated periods, by expert officers specially designated for that purpose, upon the operations of the tariff laws, and indicating needed changes, would prove valuable.

CUSTOMS ADMINISTRATION.

The difficulties so embarrassing to the customs officers and the department, growing out of the infirmities of the tariff schedules, are intensified by the inadequacy and faulty character of the laws relating to customs administration, which also needlessly and seriously annoy and hamper our citizens engaged in foreign commerce, and in many ways operate to neutralize or nullify the purposes of the tariff. These laws are derived from two hundred and sixty-three acts of Congress passed during a period of ninety years. The act of 1799, the nucleus of the customs system, was at the time of its enactment, and has since been found to be, as has been well stated, "a marvel of clearness, conciseness, and accuracy." It was admirably adapted to the conditions of the period of its passage, and these did not materially change within the succeeding half century. But since then the course of commerce, the usages of trade, and the conditions of commercial transactions generally, have so changed, and the volume of business has so expanded, that many of its provisions are ill-suited to the present time. The introduction of steam navigation, its conduct by great companies with large fleets and regular service, communication by ocean cables, and other changes in the commercial world wrought by these and other agencies, render desirable a revision of the statutes governing customs administration so as to adapt them to existing needs.

It is true that the statutes relating to this subject were included in title XXXIV of the Revised Statutes of 1873, but this was rather a codification than a revision, as the commissioners of that revision were debarred from materially changing the phraseology of the laws, or introducing new matter. By the segregation under one title of sections derived from so many distinct laws, the revisers were unavoidably led into many errors respecting the relative arrangement of these sections, so that the imperfect character of the existing statutes is in some cases magnified by this disloca-

tion of their parts. Since the enactment of the Revised Statutes, numerous amendments and much new and fragmentary legislation have added still further to the difficulties of construction.

No matter upon what lines the tariff schedules may be revised, or whether revised at all, it is hoped that Congress will recognize the urgent need for such a revision of these statutes as will remedy the evils mentioned. The reports of the customs officers, contained in the appendix to this report, afford much information concerning these difficulties and indicate remedial legislation thought to be advisable.

INVOICES—CONSULAR AUTHENTICATION.

There is urgent need for radical reform in the system of appraisements. Under the present law it is practically impossible to secure uniform and just valuations. The provisions relating to the form of invoices and their consular authentication should be amended so as to give appraising officers in all cases more definite information of the actual transaction which the invoice is claimed to represent than is at present required. The invoice should contain an accurate description of the goods; it should be made out in the currency of the country of export, or the currency actually paid; and where goods are obtained otherwise than by purchase, the declaration should state that the invoice represents the actual market value of the merchandise in the principal markets of the country whence exported, instead of the time and place when and where procured or manufactured, as now required by the statute; so that the declaration may conform to the legal basis of appraisalment.

REAPPRAISEMENTS.

The system of appointing merchants to act as members of reappraising boards, although it may have worked satisfactorily in former years, when the volume of importations

was comparatively small, and importers owned the goods imported, and when disputes as to value were rare, has become, under present conditions, not only ineffective, but productive of serious abuses, scandal, and contention, and is injurious alike to the revenue and legitimate trade. The remedy generally suggested, and which appears to have met the approval of reputable merchants throughout the country, is an increase in the number and an enlargement of the functions of general appraisers so as to devolve upon those officers the sole duty of hearing and disposing of appeals from original appraisements. I am of the opinion that such legislation is imperatively needed.

REVISION OF CUSTOMS LAWS.

Many of the reformatory changes in the customs laws above suggested have been embodied in one form or another in bills introduced in the last Congress. These were the result of careful investigation and consideration by the appropriate committees, and their general features are understood to have had the approval of my immediate predecessor. It is not improbable that these or similar measures will be again introduced, with better promise of enactment. Believing the changes thus proposed would greatly benefit customs administration, I urgently recommend them to the early and favorable consideration of Congress.

While recommending this legislation, I earnestly invite attention to the necessity for a complete codification and revision of the customs laws, to include such modifications and new provisions as practice and experience have demonstrated are required for the efficiency of the system.

Materials for such a codification and revision have been collected and partially formulated, under my direction, by competent officers of this department. These materials are intended for and will be at the disposal of Congress.

McKinley Tariff and Customs Administrative Act.

During the winter of 1889-1890 Major McKinley, then chairman of the Committee on Ways and Means of the House of Representatives, spent much of his time conferring with Colonel Tichenor on tariff matters, which gave the latter opportunity to again impress upon him the importance of introducing the Customs Administrative Bill, which, as previously shown, had originally been introduced by Senator Allison, passing the Senate March 16, 1888, and referred to the Committee on Ways and Means March 21, 1888. It was Major McKinley's desire to incorporate these administrative features in his tariff bill, but upon the urgent solicitation of Colonel Tichenor he finally introduced the bill as an independent measure, January 14, 1890, under the title of the Customs Administrative Act, which soon was passed by both House and Senate, approved by President Harrison, and became the law June 10, 1890, thus securing at last the many improvements of our customs laws for which Colonel Tichenor had labored continuously for some seven or eight years. Notwithstanding the political changes of President and Congress and the attacks against certain features of this act, it has since remained as the principal law governing the collection of our customs revenues without any important change having been deemed necessary or advisable.

As previously shown, the Allison tariff, as passed by the Senate January 22, 1889, and referred to the Committee on Ways and Means January 26, 1889, was adopted by Major McKinley at Colonel Tichenor's suggestion as the foundation for his tariff bill, and a comparison of these two tariff measures will show that they only differed by reason of certain increased rates, particularly in the woolen schedule, and in placing raw sugar on the free list and providing for a bounty on raw sugar for our domestic producers. In increasing the rates, Major McKinley had in view still greater protection for the American producers and manufacturers, and the con-

sequent reduction of our Treasury surplus and customs revenues, by making the duties on certain classes of goods sufficiently high to practically prohibit importations thereof, the purpose of his bill being expressed in its title, as follows: "An act to reduce the revenue and equalize duties on imports, and for other purposes."

Colonel Tichenor was strongly opposed to these extremely high rates and to the general idea of reducing the surplus in the Treasury in such manner, as is later shown by his correspondence and recommendations on the subject when framing the schedules of the Dingley Bill.

Appointed General Appraiser.

As a fitting recognition of his work in framing and securing the enactment of the Customs Administrative Act, he received from President Harrison, July 16, 1890, the first appointment made thereunder as a general appraiser, and soon after went to New York, where he was selected to act as president of the Board of General Appraisers, which position he retained as long as his health permitted.

In 1894 his assistance was sought by William L. Wilson, chairman of the Ways and Means Committee, and Daniel Voorhees, chairman of the Senate Finance Committee, regarding various schedules and provisions of the Wilson Bill, as shown by the following letters:

Nov. 19, 1893.

DEAR SIR:—

Yours enclosing additional suggestions for amendment of tariff laws has reached me. The committee will give careful attention to the paper, as we have already done to your previous papers, for which, as for this, we are greatly your debtor, as we have derived much aid from it.

Sincerely yours,

WILLIAM L. WILSON.

At one time, the wording of the Wilson Bill would have legislated the Board of General Appraisers out of office, but the fact being discovered by Colonel Tichenor in examining the proposed changes, he called Mr. Wilson's attention to it, and this feature of the proposed law was therefore remedied. Mr. Wilson wrote him as follows:

DEC. 2, 1893.

MY DEAR SIR:—

The committee had no intention of legislating the Board of General Appraisers out of office, or in any way affecting their tenure under the existing law, and the final draft of the bill when reported to the House would provide against any such construction. The bill as made up simply gives the result of our labor, and several clauses of the kind you suggest are to be added.

Sincerely yours,

WILLIAM L. WILSON.

The Dingley Tariff.

In January, 1896, he began the preparation of some schedules to be incorporated by Honorable Nelson Dingley, Jr., in his revenue bill, intended to cure some of the most glaring inequalities and deficiencies of the Wilson Bill. Mr. Dingley wrote him in this connection, January 3, 1896, as follows:

DEAR SIR:—

Please forward me the suggestions in the line indicated. Many thanks for your kind offer.

Yours truly,

NELSON DINGLEY, JR.

JANUARY 6, 1896.

Hon. NELSON DINGLEY, JR.,

*Chairman Committee on Ways and Means,**House of Representatives, Washington, D. C.*

MY DEAR SIR:—

I hasten to acknowledge the receipt of yours of the 3d inst. When I wrote you on the 24th ult. I had in mind certain amendments to the present tariff act designed to correct some of its most striking inequalities, and which I thought might be embraced in the emergency bill you were then preparing. Immediately after writing you, however, I learned that it was not intended to amend any of the schedules, and therefore I decided to defer the completion of my suggestions until I could have time and opportunity to enlarge their scope for use by your committee in a more comprehensive and needed revision of the present law. This will necessarily require considerable time, for the present Wilson tariff abounds in inequalities, incongruities, and absurdities, not only hurtful to domestic interests, legitimate commerce and the revenues, but which go to preclude orderly administration and invite fraud and abuse.

It is my purpose to present my suggestions in the form of definite amendments or modifications of each paragraph, following each with the reasons therefor *in extenso*. Their chief purpose will be to simplify and prevent frauds and abuses in administration, to be supplemented only by the transfer from the free list to the dutiable list of articles that are legitimate subjects of revenue, which would yield many millions of dollars in duties. Really, the whole law should be revised, and the ad valorem rates made specific or compound wherever practicable, in the interests of common honesty. In all my experience, I have never known the honest business public so earnest and determined as it is now on this subject.

If in view of what I have said you deem it worth while

to await my action for say a month or so, please advise me accordingly.

Very truly yours,

GEORGE C. TICHENOR.

The following letter from Senator Allison, which he received about this time, showed that it would be impossible for any tariff bill to pass the Senate during that session of Congress, and he therefore decided not to proceed any further in the preparation of the bill for Mr. Dingley:

SENATE CHAMBER,
WASHINGTON, D. C., *Feb. 29, 1896.*

MY DEAR COLONEL TICHENOR:—

I have your esteemed favor of 28th inst. and note contents. It is utterly impossible for any tariff bill to pass the Senate at this session. We lack one of a majority with all our members in and all united, Populists and Democrats having one majority in any event. Every Democrat is opposed to any bill at present, and I take it the Populists also, and with the dissatisfaction among Republicans, my judgment is that it is utterly useless to make any attempt to revise the Dingley Revenue Bill or to start a new one in the House of Representatives. So believing, I do not advise you to make any preparation for it, as it would be effort lost, at least for the present.

Very truly yours,

W. B. ALLISON.

The following correspondence with Hon. G. A. Hobart shows how thoroughly convinced Colonel Tichenor was at that time regarding the importance of an early and complete revision of the tariff, that would be so adjusted as to afford proper protection to domestic producers and provide sufficient revenue for our increasing Government expenses. He first took up the subject with Mr. Hobart in March, 1896, as

shown by the following correspondence. (The allusion to "Iowa and New Jersey working together" was due to his hope, and that of many others at that time, that the Republican ticket would be Allison and Hobart.)

MARCH 6, 1896.

MY DEAR TICHENOR:—

Your interesting letter of March 4th I have just received. The question of what is best to be done in the future for honest importers and our domestic interests as to the method of levying duties is so intricate and delicate a subject that I have no personal opinion to express upon it, but I will swear by what you say about it, and when your plan of tariff revision is promulgated in 1897 it will go through. Whether it shall be Iowa and New Jersey working together in the high place or not, it will be Iowa and New Jersey as heretofore working in the lowly places.

Always your friend,

GARRET A. HOBART.

AUG. 25, 1896.

MY DEAR MR. HOBART:—

* * * * *

I make the statement with deliberation and from such careful study as few men indeed have given to the subject, that under our system of high duties it is utterly impossible to assess and collect ad valorem duties as a rule at all regularly or uniformly without the most severe inequalities at the custom-houses of the country, with the resulting injury to domestic industries and honest importing merchants, as well as loss to the revenues. With fairly and carefully adjusted specific rates of duty in place of existing ad valorem wherever practicable, together with a judicious transfer of articles from the free to the dutiable list, we can secure all needed protection and revenue without general or material actual advance in rates as would even cause a murmur from thin-skinned Republicans or reasonable low-duty Democrats.

This is not a mere conjecture of mine, nor is it the expression of an economic doctrinaire, but is the result of the most careful practical study and observation of the operations of tariffs for the past fifteen years, to which I have given practically all my attention. Major McKinley is himself aware, as are also ex-President Harrison, Senators Sherman, Allison, Aldrich, Morrill, Spooner, and others, that I urgently advised against those particularly high rates and features of the McKinley tariff of 1890 which were most criticised and caused such a revulsion in the country. I am quite as strongly averse to such legislation now. I am as certain, however, that if the Republicans should secure the passage of the so-called Dingley Revenue Act at the coming short session, and should not secure a complete revision of the tariff, or at least attempt such revision at an extra session to be called by President McKinley, or at the furthestmost at the regular session, the Republican party will be defeated at the ensuing general election and in 1900 as I am that the world exists.

In the first place, the wool-growers of the country have been promised and will demand that a duty be put upon wool, perhaps not as high a rate as they had formerly, but at least a rate of 6¢ or 8¢ a pound on better-class wool and 3¢ or 4¢ a pound on low-grade carpet wools, and the Government needs the \$10,000,000 or \$15,000,000 of revenue from this source.

To my mind our surest and only means of winning back to the party the Republicans of Washington, Montana, South Dakota, Utah, and even of Colorado, is by such revision of the tariff as will give fair protective duties upon wool, sheep, cattle, lead, lumber, and others of their products, and I believe our only sure way of recovering Nebraska and some of those Western States is by wise protective measures of some kind for their beet-sugar interests.

One of the features of the McKinley tariff of 1890 was the transfer from the dutiable to the free list of jute, manila, sisal grass, sunn, istle, and other textile grasses and fibers, for

the express purpose of encouraging and fostering the manufacture of burlaps, bags, bagging, canvas, jute carpets, cordage twine, and other articles made from these substances, and enormous plants were established for this purpose, all of which have gone to the wall and most of them are standing idle since the passage of the Wilson-Gorman Act making burlaps, bagging and binding twine free, and with ruinously low rates on the other manufactures of these substances. Furthermore, in our very liberal classification for duty by customs officers, and the courts, nearly every article under the sun, whether fine, coarse or otherwise, made of jute or other substances, is being admitted as burlaps or bagging, while every description of twine and cordage comes in either free or at the nominal rate of 10 per cent.

So it is with the free admission of braids, plaits, laces, etc., which were originally intended to be limited to those made of straw, chip, grass, etc., but under which provision all manner of braids, laces, etc., made partly and sometimes wholly of cotton and other vegetable fiber in imitation of straw are being admitted free of duty.

The provision for the free admission of paintings and statuary has been taken advantage of by the free introduction of all manner of things having no artistic quality or merit whatever, and calculated rather to corrupt than encourage art or culture, the revenues being thereby deprived of enormous sums of money and injury done to our own domestic mechanics, artisans and artists.

And so on through the whole gamut of the free list, a rigid overhauling of which would give us many millions of dollars of needed revenue, and afford protection where protection is needed.

I have in mind a tariff scheme and amendments of administrative laws which I believe would meet our needs, and which I think I could prepare and bring to completion, along with reasons in extenso for all changes suggested, within three months from this time at furthest, and which I

will undertake in case I should be assured by yourself and Major McKinley, as well as perhaps Messrs. Dingley, Allison, and Aldrich, that the same would receive proper consideration; otherwise I would not be inclined to enter upon the task, it being tiresome work and additional to my official duties, which are ordinarily sufficiently exacting.

Sincerely yours,

GEO. C. TICHENOR.

AUGUST 31, 1896.

DEAR MR. TICHENOR:—

I have received your very full and interesting letter. I have not yet had time to even digest it, but I am impressed with the importance of what you say as to the tentative scheme of tariff revision.

Just as soon as you are able to come to the Committee Rooms, do so, and we will talk it over.

Always yours sincerely,

GARRET A. HOBART.

Nov. 9, 1896.

MY DEAR MR. HOBART:—

* * * * *

In the preparation of the Hon. Samuel J. Randall's Bill, introduced by him as a substitute for the Mills Bill, the chief things sought to be attained aside from protection was the getting rid of the surplus then in the Treasury and preventing its accumulation. I prepared the measure for Mr. Randall and also most of his report on it, although differing from him as to the advisability of reducing the surplus or providing against its accumulation in that manner, and President-elect McKinley is well aware that the controlling idea in the preparation of the McKinley Bill was to dispose of and prevent the accumulation of surplus revenue. It was in that view that duties upon certain articles were made prohibitive, upon others higher than they would otherwise

have been, and that numerous other articles (proper subjects of revenue) were put upon the free list. Therefore, in constructing a new tariff these prohibitive and excessive duties should not be imposed, and the articles transferred from the dutiable to the free list should go back to the dutiable list. In this way we would not only avoid reasonable complaint of prohibitive or excessive rates, but would also secure needed revenue thereby and an addition to the revenue from articles transferred from the free to the dutiable list. This would include among other things diamonds and other precious stones, rough or uncut; drugs of various kinds, floor matting, or Chinese matting; various fruits and nuts; various oils; potash and other alkalis; acids of various kinds; sugar, and other articles. Add to this wool and goat's hair; bagging for cotton; burlaps, bags, etc.; binding twine, molasses, turpentine, lumber, and other things improperly on the free list of the present act, and we would have nearly if not quite all the revenue we needed, it being understood, of course, that specific rates should be substituted for ad valorem and the full revenue imposed by the law honestly collected and none of it unlawfully remitted or refunded.

Sincerely your friend,

GEORGE C. TICHENOR.

Nov. 18, 1896.

MY DEAR MR. TICHENOR:—

I have your valued letter of the 9th inst. and am very much interested in the facts you set forth and the remedies you propose. With your permission I will send it to President-elect McKinley unless you will send a similar letter to him.

Your letter shows such a grasp of the existing situation and you, better than any other man, understand the question more clearly and can more quickly and wisely adjust matters to the needs of all parties concerned, including the Government, that I shall be glad to give your carefully writ-

ten and exhaustive letter the practical attention and direction it deserves.

With my kindest regards, I am,

Very sincerely yours,

GARRET A. HOBART.

DEC. 9, 1896.

MY DEAR COLONEL:—

Your letter of Dec. 7th received and read with interest. I hope your expressed determination will not interfere in any way with the plan outlined in your former letters, which I have sent to Major McKinley with the request that he communicate with you if your views coincide with his own. He certainly ought to appreciate the value of your long experience in tariff matters and special knowledge of that complex subject. I do, to the fullest extent.

Yours very truly,

GARRET A. HOBART.

As Colonel Tichenor's idea on the subject met with the hearty approval of President-elect McKinley, Vice-President Hobart, and other Republican leaders, and on their assurance that his general plan of tariff revision would receive their support, he went ahead formulating his schedules along the lines proposed, communicating later with Hon. Nelson Dingley, Jr., upon the subject, as shown by the following letters:

HOUSE OF REPRESENTATIVES,
WASHINGTON, D. C., Dec. 24, 1896.

MY DEAR SIR:—

I was about to write you on the subject to which your letter refers, and to ask you to do just what you suggest. I wish you would go through with the schedules just as you have stated and send them to me before the hearings of the same if possible.

I wish you would give particular attention to devising a specific basis for clothing, wool and woolens.

If you could do so I should like to have you come over here next week, or if not then by Jan. 12th, and sit down privately with members of the subcommittee and suggest and explain, and stay here part of the time at least for several weeks.

I am heartily with you in the effort to make our tariff specific. The iron and steel schedule and also the cotton schedule is now nearly all specific.

Very truly yours,

NELSON DINGLEY, JR.

DEC. 26, 1896.

HON. NELSON DINGLEY, JR.,

Chairman Committee on Ways and Means,

House of Representatives, Washington, D. C.

MY DEAR SIR:—

I hasten to acknowledge the receipt of your letter of the 24th inst.

In accordance with your suggestions, I will send you the remaining schedules (and free list) as rapidly as possible, and they will be accompanied, as those already sent you were, with as full explanatory notes as my time and data will permit.

I will do the best I can with the wool and woolens schedule. However, I see what appear to be insuperable difficulties in the way of carrying out my ideas with respect to it. While I am an earnest advocate of the rights of our western wool-growing friends, I realize that most of them are thoroughly unreasonable in their demands. In times past, as you are perhaps aware, I gave a good deal of thought to the subject of wool, and had the benefit of some little experience abroad concerning it, with the result that I have imbibed the notion that the duty on wool, "class 1" and "class 2," especially, should be compound, namely, say 4 or 5 cents per pound specific and an ad valorem feature to make one average rate, say 7 cents to 8 cents per pound, and that this rule should

apply to the article when washed or scoured, as well as in the grease. The rate on the wools of class 3 might be wholly specific, say 3 cents a pound, or it might be like that of classes 1 and 2, compound, say $1\frac{1}{2}$ cents per pound and the remainder ad valorem. As to yarns, I hope our manufacturing friends will be able to furnish a proper basis for duties according to spinners' numbers. As to dress goods, woolen cloths, knit goods, ready-made clothing and wearing apparel generally, and the small wares, I can see no way now other than to make the rates compound, to wit, per pound and ad valorem, but we must make them as simple as possible, avoiding if we can the system of progressive ad valorems, that is to say specific and ad valorem based on different values. The simpler the rates can be made the better, for these progressive rates really furnish more opportunity for undervaluation than straight ad valorems, and the Lord knows, the latter are intolerably bad. Then again, we must avoid differentiation as much as possible. We have done too much of that in the past, thereby affording opportunities for evasion, disappointment to our domestic people, and hurt to the revenue.

I shall be pleased to visit Washington and to render your committee all the assistance I can, after I have got through with formulating and sending you the schedules, etc., but fear I shall be unable to do that and to finish some necessary official work so as to be there before about the 10th to 15th of January. Meantime if you should find it convenient to ask Assistant Secretary Hamlin to authorize me to visit Washington on public account, and to have my private secretary, Mr. H. J. Webster, accompany me, I shall be very glad.

The partially paralyzed condition of my hands makes it necessary for me to have my own private secretary with me if I am to do any work.

Wishing you the compliments of the season, I am,

Very truly yours,

GEORGE C. TICHENOR.

DEC. 29, 1896.

HON. NELSON DINGLEY, JR.,

*Chairman Committee on Ways and Means,**House of Representatives, Washington, D. C.*

MY DEAR SIR:—

I enclose herewith proposed schedule for silk goods, with quite copious explanatory notes attached. This schedule has involved an amount of labor that I scarcely apprehended at the outset; consequently was unable to send it along with the others in time for the hearing today. I desire very much to subject the articles embraced in the proposed paragraphs 413 and 414 to specific or compound rates, or at least to a small specific rate, combined with ad valorem, and hope to have the data to enable me to make a recommendation in that direction by the time I shall visit Washington. Meantime, however, I can say that the enclosed schedule is a vast improvement on anything that we have had heretofore, and we can get along with it if we cannot do better. I have made my explanations quite full, at the risk of wearying you and your brother Republican members of the committee.

I enclose also the cotton cloth paragraphs from the act of 1894, modified and changed in certain respects, to which attention is fully called in explanatory notes attached. This enclosure was omitted from my letter of yesterday.

I enclose Schedule D, wood and wooden wares, but slightly modified in two or three particulars, and not sufficient to require, I think, any "explanatory notes."

I had hoped to be able to send you the paper schedule (Schedule M) today also, but was unable to get certain desired data respecting the same. I shall try to send it to you tomorrow, together with the sugar schedule, which latter I hope to make purely specific.

I will hurry forward the other schedules as rapidly as I can, but you must not be impatient if they are delayed some little time. I want to make them as complete as possible.

Sincerely yours,

GEORGE C. TICHENOR.

JAN. 1, 1897.

DEAR SIR:—

I am in receipt of yours enclosing suggestions as to silk, cotton, wood and paper schedules, for which I thank you.

We shall not be ready for you as early as I hoped, as we desire to take time first to look over the hearings.

Truly yours,

NELSON DINGLEY, JR.

HOUSE OF REPRESENTATIVES,

WASHINGTON, D. C., *Jan. 8, 1897.*

HON. GEORGE C. TICHENOR.

DEAR SIR: Enclosed find the silk and cotton schedules which you desired to have returned for revision. Please return as soon as possible.

Truly yours,

N. DINGLEY, JR.

JAN. 18, 1897.

MY DEAR SIR:—

I am in receipt of yours enclosing jute schedule and accompanying papers, and also your new cotton and silk schedules, for which accept thanks.

I hope your suggestions as to specifics in jute schedule will prove all right. The woolen schedule is the one that needs specifics the most. We want to give about 50 per cent protection outside of compensatory duty for manufacturers of wool. If we could get specifics that would not fall anywhere below 40 per cent nor above 60 per cent the plan would answer.

I think you had better keep on working on your schedules until you complete them, and then come over here. If we need you before then, I will write or telegraph you.

Very truly yours,

NELSON DINGLEY, JR.

JAN. 29, 1897.

MY DEAR SIR:—

It is understood that the present Wilson law was satisfactory to iron and steel industries, with the exception of tin plate, cotton ties, and some advanced manufactures of iron and steel, on the basis of 40¢ per ton on iron ore. Indeed, the schedule was made by iron and steel men. Nearly all the iron and steel men we have met have said the present schedule is satisfactory with these exceptions, although a few wanted pig iron increased. 1½¢ will probably do all right on tin plate.

Hastily yours,

NELSON DINGLEY, JR.

JAN. 30, 1897.

MY DEAR SIR:—

Yours enclosing suggestions as to tobacco schedule just received.

I send you by this mail the hearings on metal schedule. You will notice by these hearings that the manufacturers ask only 1½¢ on tin plate and generally few changes. The Eastern manufacturers want iron ore kept at 40¢ and the Western ore men want it advanced to 60¢. We expect to cut nearly all our duties considerably below those of the act of 1890. The metal and cotton schedules of the present law (Wilson Bill) were really made by the manufacturers, except as to a few items.

Your sugar suggestions received. It is claimed that German beet sugar cannot be properly tested by the polariscope exclusively and that it must be treated differently from cane sugar. What do you say as to that? The New York importers claim that 3/100¢ is the proper increase of duty for each degree. Can you send us the foreign value of sugar for each degree from 75 degrees to 96 degrees?

It is perhaps better for you to do your work at present in New York until you get through your schedules, and then come here.

Very truly yours,

NELSON DINGLEY, JR.

FEB. 1, 1897.

MY DEAR SIR:—

I have been thinking over the tobacco trouble and possibly a remedy for the existing evils might be found in placing so-called Sumatra wrappers in one classification with a high duty, and Havana wrappers in another with a duty of \$1 to \$1.50. I understand the value of Sumatra wrappers is two or three times that of the Havana wrappers. The tobacco growers are insistent on the high duties of the Act of 1890 on Sumatra wrappers but care little for the Havana. How would that work?

When will you be able to send me your suggestions as to the earthenware schedule?

Yours very truly,

NELSON DINGLEY, JR.

FEB. 5, 1897.

DEAR SIR:—

It will be in time to take up any changes in the chemical schedule when you come over. It would be well for you to come over if practicable by the middle of next week, or if it is necessary for you to remain at New York longer to complete your schedules you could do so. We would like to have you here however by Wednesday if possible.

Truly yours,

NELSON DINGLEY, JR.

FEB. 8, 1897.

DEAR SIR:—

Yours saying you desire to complete the schedules before coming here is at hand.

If you prefer to wait in New York a week longer we will accommodate ourselves to the situation. Try and be here by a week from Monday or Tuesday.

I am in receipt of your suggestions as to Schedule B (earthenware).

Yours truly,

NELSON DINGLEY, JR.

FEB. 10, 1897.

DEAR SIR:—

I am in receipt of yours enclosing agricultural schedule and sugar schedule.

Will see you at the Hotel Cochran, in Washington, on Monday.

Yours truly,

NELSON DINGLEY, JR.

The above letters show that Colonel Tichenor had by this time redrafted every schedule of the tariff and had forwarded them to Mr. Dingley, together with his "Explanatory Notes," a preamble of which reads as follows:

Explanatory Notes.

"The following suggestions relative to the revision of the tariff are made with the view of avoiding especially inconsistencies and incongruities:

"The act of 1890 is adopted as a framework, and the explanations will only cover material changes therefrom in phraseology and rates or the addition of new articles; no reference will be made to slight changes in phraseology or rates. As a general rule, the variations from the act of 1890 are for the purpose of simplification, the conversion of ad valorem into specific or compound rates, or the reduction of rates due to the decline in values since 1890, or for the reason that they were unnecessarily high in that act. The system of serially numbering all paragraphs should be carefully adhered to, and fractional numbers, such as frequently appear in the present act, should be carefully avoided.

"This system of properly numbering paragraphs was first introduced in the Randall, Allison, and McKinley bills, and has proved most convenient and advantageous in administration. In previous acts, sections only were designated by numbers, and the numbering of paragraphs, as in the act of

1883, was done by the Treasury Department, and hence lacked legislative sanction."

As this mass of valuable data and information would fill a large volume, no attempt will be made at this time to reproduce it in detail.

Although badly broken in health, he went to Washington February 12, 1897, as suggested by Mr. Dingley and others, and took rooms at the Hotel Cochran, where the Ways and Means Committee were in daily session reviewing and considering the requests of various interests affected by revision of the tariff. Here he was in constant conference with them, and few changes were made in any of the schedules during this time without consulting him. He remained there working with them day and night until the bill was ready to be introduced, March 19, 1897.

It will be recalled that the controlling idea in the preparation of the McKinley tariff was to dispose of the surplus revenue and prevent its future accumulation. It was in that view that the duties on certain articles were made prohibitive. Colonel Tichenor was strongly opposed to such tariff legislation, believing it harmful to all interests except the few excessively protected manufacturers, who were thereby directly benefited. Therefore, in framing the Dingley schedules, while using the McKinley tariff as a framework, he endeavored particularly, not only to readjust and equalize the rates of duty upon a fairer and more equitable basis, but at the same time to provide more revenue by fixing the duties at points well below the prohibitive rates of the McKinley Bill, but somewhat above those of the Wilson-Gorman Bill, where they were too low for fair and proper protection. As "The metal and cotton schedules of the Wilson Bill were really made by the manufacturers" (as shown by Mr. Dingley's letter of January 30, 1897), few changes were made in these schedules, and the duties on most items were allowed to remain as in the Wilson-Gorman tariff.

That Colonel Tichenor's ideas and recommendations met with the approval of Mr. Dingley and other Republican members of the Committee on Ways and Means is clearly shown by the above correspondence, and by their adoption of many of his schedules as originally drawn, as well as his general plan of revision. This is further shown by the following extract from Mr. Dingley's report to the House of Representatives, accompanying the introduction of the bill:

"RANGE OF DUTIES PROPOSED.

"In revising the several dutiable schedules, as a rule the duties have been fixed at points between the tariff of 1890 and the present tariff (Wilson Bill), it having been found that on account of changed conditions, in a large part of the articles duties lower than those of 1890 would be equally protective.

"The metal and cotton schedules are in large part the same as in the present tariff (Wilson Bill), the increases above those rates being in the more advanced articles. The agricultural, earthenware and glass, and the silk, liquor, and wool and woolen schedules are substantially the same as in the tariff of 1890, the duties on fruit having been increased. The manufactured lumber, which was put on the free list by the tariff of 1894, has been transferred to the dutiable list as an act of justice to this large industry and in the interest of revenue, with little change in duties except on white pine, which has been restored to the duty of 1883.

"The duty on wrapper tobacco has been restored to the rate of 1890 and the rate on filler tobacco increased, partly for purposes of revenue and partly to better equalize the duties on wrappers and fillers. The general policy pursued has been to raise the duties on luxuries.

"While the duties on more than three-fourths of the articles on the dutiable list are lower than those provided in the act of 1890, yet converted into the delusive terms of ad

valorem they will in many cases appear to be higher, notwithstanding the actual rates are less.

“SPECIFIC DUTIES.

“The aim has been to make the duties specific, or at least partly specific, wherever practicable, not only to protect the revenue against undervaluation frauds, but also to give our own industries the protection carried on the face of the tariff, and in carrying out this policy we have had the sympathy and aid of reputable importers. This has been done for the most part in the chemical, glass, iron and steel, lumber, sugar, tobacco, agricultural, liquor, cotton, flax and jute, woolen, silk, paper, and sundries schedules—in the silk for the first time, notwithstanding ex-Secretaries Fairchild and Manning most earnestly recommended this some years ago.

“TRANSFER OF ARTICLES FROM FREE LIST.

“Several articles, like argols, opium, asphaltum, chicory root, feathers and downs, paintings and statuary, Chinese floor matting, lemon juice, mineral waters, hatters’ plush, straw ornaments, sago flour, etc., have been transferred from the free to the dutiable list for revenue purposes, while such articles as wool, lumber, burlaps, bags, and salt have been restored to the dutiable list, from which they should never have been removed.

“Several paragraphs in the free list, originally inserted for some commendable object when the revenue was abundant, have been productive of such wholesale abuses—abuses which it has been found impossible to avoid in administration under decisions of the Board of Appraisers or the courts—that on recommendation of customs officials they have been removed entirely from the free list in order to protect the revenue against wholesale evasions.

“These comprise the paragraphs admitting free of duty books that have been printed more than twenty years and

books for scientific research—under which books have been printed with a special date to fit the law, and scientific books have been made to cover an indefinite range; books printed in foreign languages—of which we publish an abundance; silk bolting cloths, under which a great variety of silk goods have successfully sought free admission; the paragraph relative to books for libraries, which has proved to be wonderfully elastic; and ‘antiquities,’ under which establishments have been set up in Europe to make furniture, drapery, and other luxuries so as to imitate old articles that could be successfully brought in free of duty. A new provision has been incorporated in reference to the free admission of wearing apparel and personal effects of tourists, which it is thought will put a stop to the serious abuses which have existed, and at the same time increase the revenue.”

When the bill passed the House he was urged by Vice-President Hobart and Senators Allison and Aldrich and others to remain in Washington and assist the Subcommittee of the Senate Finance Committee in reviewing the bill and in making such amendments as they believed necessary. He therefore remained as requested, and was in conference day and night with the Republican members of the Finance Committee, in their room at the Capitol, and at the Hotel Arlington (where they met at night), and on the floor of the Senate, where his advice would be immediately available.

Owing to the very narrow Republican majority in the Senate at this time (due to the split in the Republican ranks on the “Silver question” and the new populist Senators), it at one time looked as though it might prove impossible to pass any tariff bill, and in order to do so it was found necessary to further increase the rates of duties on many articles, particularly on sugar, raw wool, woolen goods, etc., again proving how difficult it has always been to properly readjust the woolen schedule.

While the bill was in conference, Senator Allison and Mr. Dingley constantly sought Colonel Tichenor’s advice regard-

ing many disputed points. Owing to the exceedingly divergent views of certain interests regarding some of the features of the new classifications and specific rates which had been adopted for the first time in the silk schedule, an exceedingly warm debate thereon took place on July 15 between Vice-President Hobart and Mr. Dingley, in the Vice-President's room at the Capitol, where it was finally agreed to accept such revised schedule as Colonel Tichenor might prepare, and which upon completion was adopted in conference the following day, July 16th.

The day after the enactment of the Dingley Bill, Senator Allison wrote to Colonel Tichenor as follows:

SENATE CHAMBER,
WASHINGTON, D. C., *July 25, 1897.*

MY DEAR COLONEL TICHENOR:—

I will see that all your letters, papers and recommendations are segregated and preserved in my Committee Room on Appropriations, and will at some time return them to you if you desire.

I cannot refrain from expressing our deep obligation to you for your valuable assistance, and I especially want to speak for myself in this regard.

Sincerely yours,

WILLIAM B. ALLISON.

It clearly appears that the general plan of tariff revision proposed by Colonel Tichenor was adopted, as were also many of his new classifications of specific instead of ad valorem rates, and that most of the duties were fixed at points between those of the tariff of 1890 (McKinley) and the rates of the Wilson-Gorman Bill. In other instances, however, the rates were fixed at higher points than was deemed necessary by those charged with framing the Dingley Bill, principally through the demands from large and influential interests and also as a result of the compromises usual in maturing and passing all tariff measures.

Believing that most of the McKinley rates should be reduced, Colonel Tichenor invariably recommended that the rate of 60 per cent ad valorem, wherever found in the McKinley Bill, should be reduced to 50 per cent in the Dingley tariff, as in his opinion quite as much, if not more, revenues would result from such a change. His recommendation to this effect referred particularly to the duties upon laces, embroideries, trimmings, jewelry, etc. It was decided, however, to re-enact the McKinley 60 per cent rate on most of these articles, in order to permit sufficient margin or leeway to lower these rates in accordance with the reciprocity feature of section 4 of the Dingley Bill, permitting the President, with the consent of the Senate, to reduce the duties 20 per cent through reciprocity treaties. It will be readily seen that in order to allow a reduction of 20 per cent on the rates upon such articles, particularly laces, embroideries, trimmings, gloves, etc., largely made by the foreign nations with which trade treaties were contemplated, duties thereon had to be fixed about 20 per cent higher than under ordinary conditions. During a debate in the Senate in 1903, upon the proposed treaty with France, which the President at that time desired to effect under section 4 of the Dingley Bill, the statement was made by Senator J. P. Dolliver (who as a member of the Committee on Ways and Means participated in the framing of the Dingley Bill) that many of the rates of duty were made higher than necessary at that time with the express purpose of lowering them through reciprocity treaties.

It will also be recalled that during the hearings before the Ways and Means Committee many domestic manufacturers claimed they could not successfully compete against importations of such goods as they manufactured here unless the duties were fixed considerably above the points really needed for protection, owing to the "enormous undervaluation" of the imported goods. In many instances the rates were accordingly made considerably higher than necessary to cover the amount of undervaluation claimed. The "enormous

undervaluations," of which so much complaint is heard, amounted in 1907, according to Government estimates, to \$174,000 on total dutiable imports of \$773,448,833—an amount almost too small to show the percentage. Providing half this total dutiable amount is subject to specific duties, the \$174,000 "additional duties resulting from undervaluations" based on imports of, say, one-half the total, or about \$386,724,400 subject to ad valorem duties, would have amounted to the enormous figure of about .0004½ per cent.

At the time of Colonel Tichenor's first investigation of undervaluations, about three-fourths of our importations were consigned to agents here of the foreign manufacturers, and as many of the goods were claimed to be "made especially for the American market," and were not freely offered for sale in the foreign markets, it was very difficult for our appraising officers to ascertain the foreign "market value" thereof. In his early reports, therefore (especially in that of 1882), Colonel Tichenor recommended the adoption of the "home-market value" in the United States as a proper basis for ascertaining the dutiable value of such importations.

Owing to the great improvement in the administration of our customs laws (particularly since the enactment of the Customs Administrative Act of 1890), and because of far better steamship service, and various other reasons, there has been a large increase of imports of goods "actually purchased" abroad and a corresponding decrease of importations of "consigned goods." In the year 1906 only about 20 per cent of the importations at the port of New York were of "consigned" goods, and many of these were of articles subject to specific duties or free of duty, and consequently not undervalued. It will be readily seen, therefore, that the percentage of "consigned goods" which might be undervalued is at present very small in comparison with the large importations of such character in the earlier days, and consequently there appears to be little need at present to make our "home market values" the basis for appraisement. Many European firms prefer for various reasons to consign

their goods to their agents, bankers, or commission houses, and if correctly invoiced at the "market value" in the country of production, at the prices paid for similar goods, it would be manifestly unjust to appraise such consignments on the basis of the "home market" here and appraise similar goods "actually purchased" upon the basis of the "foreign market" value. The adoption of two bases for finding the dutiable value of similar goods imported from the same markets at the same time, and invoiced at the same prices, would be manifestly unfair, and entirely out of harmony with the basic principle of uniform taxation.

In 1897 Colonel Tichenor recommended that section 11 of the Customs Administrative Act be amended so as to permit appraising officers to take into consideration the "home-market value in the United States" as a means of determining the dutiable value of merchandise which was not freely offered for sale in the country of origin, and when the foreign market value was not ascertainable. This recommendation was adopted and incorporated into the Dingley Bill. It will be seen that this method of appraising imported merchandise is permissive instead of mandatory, and operates fairly and equally to all, whether such goods are "consigned" or "purchased."

While in his earlier work he found what he termed "a regular carnival of fraud" existing in the way of undervaluations of imported articles of every description, he believed in his last years that such frauds upon the revenue had been reduced very materially, if not to a minimum, through the adoption of many of his recommendations, including the substitution of specific duties in place of ad valorem in many of the tariff classifications; by improvement in the personnel of the appraiser's department under better civil-service regulations, and because of the clearer and better customs administrative laws, for the enactment of which he had continuously worked and for the enforcement of which he had conscientiously labored as Assistant Secre-

tary of the Treasury and President of the Board of General Appraisers.

As further proof of the great falling off of undervaluations generally in later years, it is proper to herewith call attention to the fact that Colonel Tichenor, in a report to the Secretary of the Treasury in 1886 (reproduced in the Secretary's Annual Report to Congress of that year), showed that the "additions to invoice values" at the port of New York alone for 1885 amounted to \$2,121,617, and for 1886 to \$3,352,037, whereas, according to the statement of "Imports and Duties," lately compiled for the Ways and Means Committee of the House of Representatives, the "additional duties on articles undervalued" in the year 1898 (the year following the enactment of the Dingley Bill) amounted to but \$174,362 on total dutiable importations of \$295,619,695; and in 1907 to only \$173,975 on total dutiable importations of \$773,448,833, thus indicating a constant decline in undervaluations.

Reviewing Colonel Tichenor's career and work generally as outlined herein, it will be seen that although a Republican in politics and a firm believer in the theory of protection, he never belonged to the extreme or ultra-protectionist school. It will be recalled that he expressed his views upon the subject in his report of 1882 as follows:

"I am an ardent believer in the theory of protection; but protection ceases to be protection when carried to the extent of pampering an industry into slothfulness and beyond the whip and spur of competition."

His consistent adherence to this belief is abundantly shown by his letters and recommendations upon the subject, and by analyses of the schedules framed by him for Randall, Allison, and Dingley, and further from the fact that, notwithstanding his admiration and friendship for Major McKinley, he did not hesitate to advise against and most urgently oppose the extremely high protective or prohibitive duties adopted in the tariff of 1890. In his opin-

ion, Senators Allison and Aldrich and Congressman Dingley were by far the best informed of any of our leaders in Congress upon the tariff question. Mr. Dingley had given the subject most careful study for many years, and Senators Allison and Aldrich, from their wide experience in the revisions of the customs laws and later tariffs, acquired great practical knowledge of these subjects.

Regarded by many as the greatest authority in the country upon tariff and customs matters, it will be seen that Colonel Tichenor's advice and assistance was sought by the leaders of both political parties upon these questions, for from long study of the tariffs of this and other nations, and wide and practical experience in administering tariff and customs laws, he had reached a point where he could view the subject without any political bias. It was conceded by all who knew him that his recommendations were based solely upon what he deemed best for the welfare of the entire country.

All who came into contact with Colonel Tichenor recognized him as a man of peculiarly powerful personality and strong individuality. An indomitable will and energy (notwithstanding his incurable illness) gave him in full measure the courage of his convictions and made him ever ready to fight for what he believed was right. With these convictions and an experience greater than that of any other one man of his time in framing and enforcing our tariff and customs laws, he often became disgusted with the selfish and unreasonable demands from various interests, particularly with those pirates in politics, who, owing to political influence, and belief in the old rule of "to the victor belong the spoils," demanded that utterly unwarranted and prohibitive duties be applied to imported articles entering into competition with those goods they were engaged in manufacturing. Such demands he never hesitated to oppose, regardless of the political power behind them. It is therefore

hardly necessary to state that he made many enemies, but his many friends and warm admirers who feel and mourn his loss happily far outnumber all such foes.

Tariff Commission.

As Colonel Tichenor was for so many years practically the only expert upon whom the leaders in Congress relied for information and assistance in the drafting of these various tariff bills, he became thoroughly convinced of the importance of creating a Tariff Commission or Board of Customs and Tariff Experts, to investigate costs of production, wages, etc., abroad and at home, and to obtain such other information as might prove necessary for the more scientific readjustment of our tariff schedules in the future.

In 1888 it will be seen that Senator Allison and the other Republicans of the Senate Finance Committee agreed with him in this respect, and provision was accordingly made in sections 55, 56, 57, 58, and 59 of the Allison Bill of October 3, 1888, for the appointment of such a Tariff Commission.

In the Annual Report of the Secretary of the Treasury of 1889, as previously shown, he suggested that "reports at stated periods, and by expert officers specially designated for that purpose, upon the operation of the tariff laws and indicating needed changes, would prove valuable."

From his further experience and study of the tariff, and as President of the Board of General Appraisers, he came to the belief that the members of the Board of General Appraisers, owing to the nature of their work of interpreting the tariff laws and investigating or reappraising values of imported merchandise, etc., were particularly well fitted to act as tariff experts in obtaining necessary data, etc., and with this idea in mind, and while working on the Dingley Bill in Washington in 1897, he prepared for Senator Spooner certain sections to be introduced in the Senate incorporating his ideas of creating a tariff commission of expert customs officials, and providing that the Secretary of

the Treasury should designate three members of the Board of General Appraisers to act in such capacity, etc. These new sections providing for such a commission of experts were accordingly introduced in the Senate July 5, 1897, by Senator Spooner, and would probably have been adopted had it not been for the opposition of several Democratic Senators who wished to be heard on the subject, and as all concerned were anxious that nothing should be added to the bill at that late day which would delay its passage in the Senate, it was deemed advisable to withdraw the amendment, which was done.

In introducing this amendment, Senator Spooner expressed his own and also Colonel Tichenor's views upon the subject as follows:

"We cannot leave it to any other body than Congress to prepare and enact tariff laws. It is a delicate and a difficult duty. We can, however, and should secure all possible information which could aid in wise legislation. The people, I think, are tired and have a right to be tired of frequent general revisions of the tariff. It will be a happy thing, I think, if the day will come when there shall be, based upon intelligent information, a gradual revision of the tariff, taking up here a schedule and there a schedule, producing some uncertainty, of course, as to the particular business covered by that schedule, but saving the whole business of the country from that uncertainty which amounts almost to paralysis, occasioned by the too frequent revisions of all the schedules of the tariff law."

Speaking further, Mr. Spooner said:

"How many are there in the Senate so fully advised of the details, with accurate information, essential to proper judgment, that they can intelligently debate the various items of this Dingley Bill. I have read with the utmost care the hearings before the Committee on Ways and Means of the House of Representatives. These hearings are utterly un-

satisfactory. There is no careful cross-examination, but the statements are mainly the statements of interested parties. . . . I have felt that while Congress is not in session it would be a benefit if we could have a careful investigation of separate schedules by officials of the Government, men of experience belonging to each political party not permitted to engage in any other business, to go through this great bill, or law as it will be if it shall be passed, to analyze it, to point out the inconsistencies and defects in it, and to report to the Secretary of the Treasury the result of their investigation."

Honorable James S. Clarkson, for many years a prominent leader in the Republican party and at present United States Surveyor of Customs at the Port of New York, in an article on "The Life Work of Colonel Tichenor," published in "The Register and Leader" of Des Moines, Iowa, August 3, 1902, soon after Colonel Tichenor's death, wrote in part as follows:

"As Tichenor, in his intellectual stimulus and evolution, was largely an Iowa product, it is fitting that an Iowa paper should recall the great leaders of the Republican or Protection party to a remembrance of the great debt that they, the party, and more than all the country itself, owe to him for the unequalled service that he, with his great brain and equally great patriotism and honesty, so quietly and yet so completely rendered to the American people; for it was Tichenor who gave, not only the long reach and the wide grasp of commercial wisdom and patriotic intention that made the McKinley and the Dingley bills prove so great a boon as to put the United States at the front in the whole wide business world, but Tichenor also who matured this great practical wisdom into its vast detail, of schedule and classification in enactment into law, and of system and certainty in the collection of the vast revenues that have come in such flowing tides from the operations of the acts both to the Government and the people.

"This may seem a broad assertion to the great mass of the people, who never know in the first instance much of the actual facts of the inside of great legislation; but to all those who are currently informed it is not only the truth, but a truth fully capable of being proved; for to all those who have been near to Congress for fifteen years, and especially to those who have been close to the committees of Congress that framed the famous tariff bills of the generation just now closing its stewardship, Colonel Tichenor is known to have been not only the main counselor and guide of these congressional committees and the main architect of the great tariff acts, both in matter and in spirit, as finally enacted by Congress, but also equally the main counselor of the President, of the Secretary of the Treasury, and of the whole vast customs service under them in the successful enforcement of the acts and in the faithful collection of the billions of dollars of revenue collected under their provisions.

"In 1886-88 the Republican leaders, under the inspiration of the great spirit of Blaine, who, although then out of office, had so intrepidly called the people forward to overthrow the free-trade administration of President Cleveland, and under the necessity of the Republican party to prepare a tariff bill on which to carry the country in 1888, were all actively engaged in trying to devise the legislation that would satisfy the country and bring the Republican party back to power. In 1887-88 Colonel Tichenor prepared for Senator Allison and the Senate Finance Committee, under Allison's suggestions, what was first known as the Allison Tariff (and finally as the McKinley Bill), as the Senate substitute for the Mills Bill. Thus the Allison Bill and the Mills Bill were officially placed in Tichenor's hands for final examination as to the actual merits of each before a bill was finally submitted to Congress. The Allison Bill, as Allison in some degree and Tichenor in a larger degree first drew it, as modified by Tichenor after he had compared it with the Mills

Bill, was finally agreed upon as the bill of the Republican party, and finally became known in 1890 as the McKinley Bill, taking his name instead of Allison's from the fact of McKinley then being Chairman of the Ways and Means Committee for the House, or the committee charged with preparing and maturing such a measure and with presenting and defending it in the House. A comparison of that tariff bill, as finally presented in the House by the McKinley or Ways and Means Committee, with the original Allison Bill, as drawn and matured by Allison and Tichenor, and in fact as to detail mainly by Tichenor, and with the McKinley Bill as enacted into law, will show to any one who cares to examine into it that the two bills vary but slightly, and only in the fact that the Allison or original measure was more conservative in the rates of duty. Thus in fact Tichenor prepared in 1887-88 the bill that was passed in 1890 as the McKinley Bill and that made Major McKinley President. Tichenor, knowing that whoever got the credit for the protection act that the Republican Congress was sure to pass, had coveted the credit for his long-time personal friend, Senator Allison, and therefore drew the bill as a labor of love in the hope and belief that it would make Allison President.

"The meed of McKinley, the praise of Dingley, the homage to Wilson, will in a few years have all faded away with the great following that they had; and the candid historian, seeking for the truth and finding it, will give to the name of Tichenor its proper place as the author of the great public acts that gave to the United States from 1890 to 1900 such a splendor of prosperity and such a world-wide power based on superiority of statecraft and commercial thrift, as the people of no other nation have ever known. He had the greatness of mind to create legislation of the widest and most practical statesmanship, and the greatness in genius of organization to enforce such legislation to the benefit of his Government and the enrichment of its people.

“In a very carnival of wealth and a fairy-like creation of great fortunes, that sprung into sudden being in every State and in nearly every neighborhood, with thousands of men passing one day in poverty and obscurity, and celebrating the next as millionaires and as great figures in political or commercial life, this man whose genius largely gave to all these their fortune, and to American labor constant employment and comfortable incomes, himself neither shared in nor desired any of it at all. His family are content as it is, and prouder of him for it being so, while the great mass of the American people, as they shall come to know that this great work was his own and not of the other men who were given fame and power by simply having their names attached to the acts that he created, will in the end give to him and his name that sufficient honor and praise for which alone he sought. The high example that he set in the public service will long remain to excite and inspire the public servants of the future to great deeds from honest motives and to great lives from honest purpose, and the Republic will bear in its destiny much of good for its future from the great and noble and modest and unselfish work of George Tichenor.”

The following letters show the esteem in which Colonel Tichenor was held by some of the leading men of the nation who knew him best and with whom his relations had been very close and friendly for many years:

WASHINGTON, D. C., *July 20, 1890.*

MY DEAR MR. TICHENOR:—

In transmitting the formal acceptance of your resignation of the office of Assistant Secretary, which you have so ably and worthily filled, I beg to assure you that I consent to your retirement with great reluctance. Nothing could induce me to sever the extremely pleasant official relations existing between us but the fact that you are about to enter

upon duties equally important and I trust more profitable and agreeable than those you have resigned.

Permit me in all sincerity to say that I cannot adequately express my appreciation of the ability and zeal with which you have invariably discharged every duty, nor my admiration for the heroic loyalty which has sustained you in your difficult and perplexing labors, performed under physical conditions which would have compelled surrender by almost any other man.

Your personal and official devotion have greatly lightened my own labors and placed me under lasting obligation, and your zeal and efficiency have contributed very largely to whatever measure of success may be ascribed to the present administration of this department.

I am sure the country will have cause for gratitude to the President for your promotion, and I trust you may find your new duties as agreeable to yourself as your past labors have been profitable to the Government.

Hoping that prosperity and happiness may attend you through life, I remain, as ever,

Sincerely your friend,

WILLIAM WINDOM.

This letter was written soon after Colonel Tichenor's resignation as Assistant Secretary of the Treasury on promotion to General Appraisership.

WILLIAMSTOWN, MASS., *Sept. 28, 1890.*

MY DEAR MR. TICHENOR:—

I am pained to learn through letters from Mr. Hendley that you are still suffering from the attacks of your old enemy. My hope was that when you laid aside the burdens of Treasury work you would rapidly improve in health. I do not wish you to write me when the effort to do so will cause you one additional pain, but if Mrs. Tichenor or your son will keep me advised of your condition I shall be greatly

obliged. I need not assure you, my dear friend, that no one outside of your own family feels a keener interest in you than I do. Our association in the department was much closer than usual official relations, and I shall always think of you more as a brother than as merely a friend. I beg to extend to you my warmest sympathy in your heroic struggle with disease, and earnestly hope for your early and complete recovery.

I have been absent from Washington about three weeks, but the financial troubles and the incessant rains have cheated me out of much of the benefit I anticipated from my outing. I am now feeling pretty well and shall return to my work next Tuesday or Wednesday.

My report will be a much lighter task this fall than it was last year. The tariff and silver questions having been disposed of for the present, my duties will be mainly formal.

With kind regards to Mrs. Tichenor and with best wishes for yourself, I remain,

Your devoted friend,

WILLIAM WINDOM.

U. S. SENATE,

WASHINGTON, D. C., *Dec. 22, 1900.*

MY DEAR COLONEL TICHENOR:—

Your letter would not have remained so long unanswered but I have been away, owing to the illness of my mother, and have been very little in Washington.

I appreciate the cordial and friendly expressions your letter contains, and I heartily reciprocate them. Ever since I had the pleasure of knowing you well, during those hearings on the Dingley Bill, I have looked upon you as the ablest and most efficient officer which this Government had, and I have ever since cherished for you a warm friendship.

Some of these days when I come over to New York, I mean to hunt you up and have a good talk with you. I trust

you are not suffering as you used to and that life is more pleasure than pain to you.

With sincere regards and best wishes and thanking you again for your letter, I am,

Yours sincerely,

E. O. WOLCOTT.

Senator Wolcott was one of the Republican members of the Senate Finance Subcommittee at the time of the Dingley tariff legislation.

U. S. SENATE,
WASHINGTON, D. C., *Jan. 8, 1901.*

DEAR COLONEL:—

I have your favor of 10th ult., which came at a time when it was impossible for me to catch up with my mail. I have often thought about you and often asked about you. It was a great compliment which was paid to you by the Chamber of Commerce of Boston, and I know that the compliment was well deserved. The fact is, I think everything you think and everything you say deserves to be given to the world. I have the highest possible opinion of your ability, as I have of the loyalty of your friendship.

I hope that within the next two weeks I can have an hour or so with you in New York. I trust the New Year will be in every way a good year to you and yours.

With best wishes, always your friend,

JOHN C. SPOONER.

The compliment mentioned in the above letter was the publication by the Boston Chamber of Commerce of a report upon the administration of the customs laws of the United States, prepared by Colonel Tichenor at the request of the Secretary of the Treasury for use at the American Embassy at Berlin.

UNITED STATES SENATE, WASHINGTON, D. C.

DUBUQUE, IOWA, *July 23, 1902.*

MR. HENRY DODGE TICHENOR,
Orange, N. J.

MY DEAR MR. TICHENOR:—

I have read with deep regret and sorrow of the death of your father. I feel that one of my oldest and most-valued friends has passed away. He was a most valued friend in the early part of my career, and rendered me great personal service with an unselfishness that has characterized his whole life. I know of no man in the public service who has really been of more value to his country than has your father. Having an intimate knowledge of the affairs relating to our finances and great ability to analyze questions of great importance presented to him for solution, he rendered this great service with absolute uprightness of character.

Please make my affectionate regards to your mother and every member of your family.

Very truly yours,

W. B. ALLISON.

1 BROADWAY, NEW YORK, *August 7, 1902.*

HENRY DODGE TICHENOR, ESQ.,
125 Walnut Street, East Orange, N. J.

MY DEAR SIR:—

On my return to the city I saw the accounts of the death of your father, and extend my deepest sympathy to you and the entire family in your great loss. He is not only a loss to the family, but to the country, for since he has been in civil life his services have been of unaccountable value to the country, especially in the line of business he has followed of late years. His great experience made him very valuable to all who have drafted tariff bills, and I have heard them all say that his great knowledge was of incalculable benefit.

But I desire to write more fully of his personal services with me during the war. For over three years he was upon my staff, and was confidential aide. No one ever served more faithfully than your father did me. It is impossible to speak of such services fully or in detail. It requires one who has received such services to fully appreciate them, and I want to assure you, and I think your father knew, that I appreciated most fully his faithful and valuable service to me. He has been a great sufferer, and has had the sympathy of every one who knew him personally. It has always been a great regret to me that I could not see more of him in civil life, as my connection with him in the war had made me very fond of him.

Please extend to the family my heart-felt sympathy, and say to them that nobody except members of the family regrets his loss more fully than myself. I am sorry I was not here at the time so I could attend his funeral.

Truly and cordially,

GRENVILLE M. DODGE.



In thus publishing the views and work of Colonel Tichenor on the tariff and customs administration, it has not been my purpose to criticize or in any way detract from the reputation or work of any of the great tariff leaders of Congress whom he assisted in framing various tariff bills. They all had their own ideas and theories regarding the tariff question generally, to which some of them had given considerable study. It is well understood, however, that they did not possess the great general experience and expert knowledge of Colonel Tichenor, which were necessary to properly analyze the numerous demands and suggestions regarding proposed changes in the tariff schedules; neither did they have the practical or expert knowledge, possessed by him in so great a degree, regarding the many details needing most careful attention to avoid as far as possible inconsistencies and incongruities and confusing and conflicting classifications, which are bound to occur in all tariffs, unless more time and expert advice is given in readjustments of the tariff schedules.

Tichenor

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