

(ADVERTISING.)

GIVE TOBACCO FARMERS A SQUARE DEAL.

Judge Walter Clark, Candidate for United States Senate, Demands Repeal of Tobacco Tax.

Judge Clark spoke on Saturday at Bain's Store, in Caswell, and at Mebane and at Burlington. At all three places he earnestly advocated the repeal of the eight cents per pound tax upon tobacco. He said in substance:

We owe to the farmers and the working men everything we eat or wear or use, yet the entire weight of government is made to rest upon them and they receive none of its favors. There is an especial discrimination made against the farmers in the tobacco section of North Carolina. When the illegal tobacco trust was formed at Durham and which has been operated ever since in open and contemptuous defiance of law, both State and National, the tobacco section of North Carolina was the most prosperous on the planet. Lands were going up and the people had more money than they knew what to do with. That trust was formed and blight fell upon this section worse than war, famine, or taxes. The chief means by which that trust has maintained its strangle hold upon the farmers has been by maintaining the unjust and discriminating tax upon tobacco.

No other agricultural product pays any tax. Corn, wheat, hay, butter, cotton, are all free. There is a bonus on sugar. There was a tax of three cents per pound on cotton, but it was removed as unjust. The tax on tobacco was removed once from eight to six cents. But the trusts promptly sent enough Senators and members to Congress and a sufficient lobby to put the tax back to eight cents. At Creedmoor recently when I spoke there, a prominent farmer told me that taking all kinds of tobacco and the prices, the average sum received since the trust was formed the average price has been eight cents per pound. The manufacturer therefore has been paying on an average of sixteen cents per pound for tobacco, eight cents to the farmer who takes all the risks of the seasons, of labor and of the prices and eight cents to the Government who thus practically has worked on shares with the farmers getting one-half of the proceeds of the tobacco crop without paying one cent. This has been done not out of any love that the trusts bore the Government, but because by means of it the Government was practically made to forbid any manufacturer of tobacco by the trusts. A farmer who made \$1,000 worth of tobacco at an average price of eight cents per pound could not raise another \$1,000 in cash to pay the Government tax. The result was to break up all manufacture and sale by the farmers. Suppose the tax of eight cents per pound on cotton had been laid and the farmers before he could gin and sell his cotton had been compelled to pay it. A cotton mill trust would have been speedily formed which would have controlled the cotton of the South and the farmers would have been getting on an average of 4 to 5 cents per pound for cotton, or any other price that they thought would have been sufficient to induce the farmers to make another crop. This is what they have been doing to the tobacco farmers. Suppose a tax of 50 cents per bushel had been laid on wheat and corn, an elevator trust would have been formed that would have kept the price of those articles at the dictation of the men who would have

had the capital to control the business.

The tax upon any agricultural product is odious and unjust and it is especially so when one article is singled out for taxation. Tobacco is as legitimate an article of commerce as any other product. There is no cause to discriminate against it and it would have long since been repealed except for the enormous power exerted by the Tobacco Trust and its allied industries over national legislation.

I have been told by men who know that before the trust was formed that in Granville there was 157 tobacco factories and now there are none except under the control of the trust. I have been informed by men who know more about the business that I do that putting the average price of tobacco at eight cents and the tax at eight cents, that the cost of manufacture is a cost of three cents, a total of nineteen cents, and that the manufactured article is sold at an average of between forty and fifty cents. The difference between the two accounts for the \$200,000,000 that Buck Duke owns and for the hundreds of millions held by others who belong to that great trust. The loss to the farmers is even greater than these hundreds of millions which the trust has made because there is the eight cents per pound on tobacco which the Government has taken as its share and the restriction upon production by reason of the business having been made unprofitable to those who raise tobacco.

Some will say that the Government must have revenue and therefore there must be a tax on tobacco. If this were true and the Government must raise money upon raw products, why was not the burden shared and two cents put on sugar, two cents on cotton, twenty cents on the wheat and corn of the Northwest and \$5 per ton on their hay? But a tax on production is the most unjust of all taxes because it falls upon the farmers and working people who already pay far more than their fair share of the burden of government, because they are less able to organize and to resist oppression of the taxation thrown upon them by the classes who are better able and ought to pay taxation. The truth is, this very taxation of eight cents per pound can be replaced three times over if the tobacco tax is repealed by putting it on those who ought to pay it. There are two sources to which we should turn.

(1) In England where they have a graduated and inheritance tax one-third of the revenues of the Government are raised from that source. This tax ranges from one per cent on small estates and incomes up to 15 per cent on larger. If Rockefeller was to die in the United States the Government would receive no income tax from his \$1,000,000,000 to reduce the taxation on the people. On his annual income of \$200,000,000 per year in the United States he pays to the Government not one cent of income tax. If he were living in England he would pay his \$30,000,000 of income tax, and he is but one of over 1,000 men in the United States who own between \$5,000,000 and \$1,000,000,000. Indeed the graduated income and inheritance tax would produce far more here than in England because by reason of the control of our national legislation by

the Trusts since the war we have a far larger aggregation of the wealth of the country in a few hands than in any other country in the world.

Indeed I should favor not only substituting this tax for the tax on tobacco and the burden of other taxes which falls upon the wealth producers of the country, but I should make the graduation much steeper, for I believe that when a man's income exceeds \$10,000,000 per year, or the bulk of his estate exceeds \$50,000,000, the taxation ought to be 100 per cent, for every man knows that these vast sums could not be acquired honestly, but that they have been accumulated by the dishonest control and manipulation of legislation in the interest of the few and against those who created that wealth and to whom it should properly belong. To them it should be returned by a heavily graduated system of taxation that would discourage and end such wholesale injustice against the great mass of the people.

(2) A tariff for revenue only means such a rate of tariff that will produce the greatest revenue for the Government. That would mean a moderate rate that would permit articles to come in such quantity as would produce revenue. It requires of course some skill and experience to fix that rate on each article. But that is what ought to be done honestly and fairly. What is really done is that the Tariff Barons by their control of legislation fix the rate on such articles as they see proper so high that almost none of those articles are brought in and thereupon the tariff barons add that rate to the price of their goods. They form trusts to prevent competition among themselves, the high tariff prevents competition from abroad and the result is that while the Government gets about \$300,000,000 per year from the tariff, the tariff barons are said by experts to receive six times as much, or \$1,800,000,000, from the American people in the added price of their goods. Put down the tariff to a revenue basis, without any protection, and the Government would still continue to receive \$300,000,000 revenue and the people would save \$18,200,000 which they are now paying annually to the tariff barons and the higher prices given by protection.

Take off eight cents tax on tobacco and the farmer would not merely receive sixteen cents instead of eight cents on an average, but he would be free as in former years to manufacture and sell his own tobacco either by himself or by forming companies in each neighborhood, and get a large part of the difference between the sixteen cents and the forty odd cents which the Tobacco Trust now takes for its profits.

Even if you look at the consumer as paying the tax or a part of it is grossly unjust, for tobacco is taxed without regard to quantity. A millionaire consumes about the same quantity a year as a man in overalls with the result that Pierpont Morgan who smokes cigars at \$1.00 a piece pays exactly the same tax per year as a laborer using the same number of the cheapest quality of tobacco.

Ought such a tax to stand? Such a tax would not have stood if one of you who raised tobacco or myself who have never used it, but knows what justice means, had sat in the Senate for the last twelve years. If I had sat in the House for twelve years as a member from finest tobacco districts in the known world, I would not have been silent at this injustice. It is urged that Mr. Simmons is in the Senate and he ought to remain there. It is because of such records as this that other States are rapidly retiring their members and putting in new ones, and the sooner you do it here in North Carolina and can put a man in the Senate who will stand for the interests of those who till its fields, the better it will be for the State.

Repeal this iniquitous tobacco tax and set the cultivation of tobacco free and you will have the most prosperous farming section in all the world. Your lands will go up to four times their present value. Every farmer, or at least every neighborhood, can manufacture their own tobacco as they used to do and get the profits of manufacture as well as of raising tobacco. A no less benefit will be that the graduated tax upon income and inheritance if graduated heavily enough will stop the manufacture of millionaires and paupers—a consummation most devoutly to be wished for.

To the Tennessee Brotherhood.

The Carolina Union Farmer has Been Adopted as Organ of the Tennessee Union.—A Stirring Appeal from President Rhodes to Put the Organ in Every Members' Home.

At the close of the best year's work of the Tennessee State Union, in State Convention at Chattanooga, September 6, 1912, we adopted The Carolina Union Farmer as our State organ. We are to have a Tennessee page, or pages, and I most earnestly request State and county officials and other Union members all over the State, to write to our Tennessee department. Write short, readable letters; tell what you are doing, when your County Union meets and what kind of meetings you are having. Make the Tennessee page a red-hot live wire, sparkling with unionism every week.

Let every Local make a special effort to get every member to take this paper. Every Local Secretary should send in a club at once. Let us put The Carolina Union Farmer in every farmer's home in Tennessee. North Carolina, the foremost State in the Farmers' Union, and Tennessee, one of the foremost, can certainly get out a paper that will interest, encourage, strengthen and enlighten every farmer who reads it. We must be up and doing. So let Tennessee and North

Carolina join hands across the mountains and make The Carolina Union Farmer the greatest farm journal and Union paper in the whole country.

Every farmer should read it and treasure up its truths, for knowledge is power, and practical intelligence, properly applied, is the most productive force on earth. But the power of knowledge exercised by the few and neglected by the many, has mocked equity, dethroned justice and torn the Golden Rule into shreds. Farmers, we must take no backward steps until intelligent methods of production, scientific methods of marketing, and co-operative systems of rural credits transforms our country into a nation of happy and prosperous homes and our farmers from industrial slaves to industrial masters.

Our slogan is double the membership in Tennessee this year. And my motto has always been, "A purpose once fixed, then death or victory."

Fraternally,

L. M. RHODES,
State President.