

DAILY PEOPLE

VOL. 10, NO. 275.

NEW YORK, FRIDAY, APRIL 1, 1910.

ONE CENT.

EDITORIAL

AN OPEN LETTER TO H.S. HERRING, SECY, NEW ORLEANS BOARD OF TRADE.

By DANIEL DE LEON

TO H.S. Herring, Secy, New Orleans Board of Trade.

Dear Sir:—After a careful perusal of your letter of March 24 requesting the assistance of the *Daily People* for the Ship-Subsidy Bill now before Congress, and also perusal of the documents which accompanied your letter, we fail to see in what way the success of the Bill would “help the whole country,” of course understanding by “the whole country,” all people in the country.

That the merchant marine of the country is in a way needs no argument; neither does it need any argument to prove the desirability of improvement in that line. The question is, Would a subsidy improve matters for the people? We hold a subsidy would not.

The *Daily People*, being the organ of the Socialist Labor Party, is no blind advocate of Free Trade. While the raising of artificial impediments to the exchange of commodities between nation and nation is a relic of barbarism; while trade should be free, yet, notwithstanding, given the existing conditions of capitalist rule, Free Trade, or a lowered tariff, in no wise accrues to the benefit of that largest portion of our population which is made up of the working class. We know that a lowered tariff means lowered prices and that that means proportionally lower wages. Only the capitalist would profit: the workingman not at all. It does not from this follow that, therefore, we are Protectionist. On the contrary, for parity of reasoning we hold Protection to protect the capitalist only, the working class not at all, hence we care for Protection as little as for Free Trade. We hold that the one and the other is an issue that does not concern the working class.

What has that to do with a Ship Subsidy? Everything. What is a subsidy but a scheme which is tarred with the identical stick that tars Protection?

Protection consists in levying a duty on articles of foreign importation most of which are either raised, or produced, in the country, or go into articles produced here. The theory is that the duty levied, and which enables the domestic producer to raise his price proportionally, protects the home working class. The theory is that the difference between the price which the importer could sell for, in the absence of a tariff, and the price below which, in the presence of a tariff, he could not afford to sell, covers the difference between “foreign wages” and the “higher American wages.” The implication is that the workingman pockets that difference. The fact is that the employer alone pockets the whole protection. He alone takes the “difference” in wages: his wage workers remain where they were—merchandise that is bought and sold in the Labor Market obedient to supply and demand. The tariff, accordingly, is a “bonus,” it is a “subsidy” for the capitalist only. So would the subsidy, proposed to be given to American ships, be just so much money donated to shipowners and builders. As far as their employes are concerned, the wages of these would remain unaffected: the large supply of them in the Labor Market would continue to determine their price, that is, their wage.

Political economy teaches that Protection, no more than Free Trade, does, or can, of itself and automatically improve the condition of the wage slave, or working class; social science supplements the teaching by establishing that the heart of the capitalist is not softened towards his workers because of any support they may give him in the pursuit of his private schemes. Workingmen have carried Free Trade capitalists to victory with their votes, but never did these capitalists share the spoils of victory with their employes by allowing them to retain even a small portion of the difference between the former higher and the subsequent lower prices—down, uniformly came the wages. So with the Protectionist. Although repeatedly voted into triumph by the workers, there is no instance on record of the victorious Protectionist capitalist dividing the “bounty,” or “bonus,” of Protection with his wage slaves—the share of Labor in the product of its toil remained, afterward as before, dependent upon the supply and demand in the Labor Market, and, consequently, went down, all things considered.

Accordingly the Ship Subsidy Bill does not, and can not have in contemplation “the whole people”; it can have in contemplation only a small fraction thereof—the

Capitalist Class, hence the Bill is one that nowise concerns the mass of the people, and, therefore, is not entitled to support from the organ of the Socialist Labor Party.

Yours, with distinguished consideration,

ED. DAILY PEOPLE

Transcribed and edited by Robert Bills for the official website of the Socialist Labor Party of America.
Uploaded April 2011

slpns@slp.org