

*The Packers' View.*

How this whole cycle of events looks to those within the inner ring was made plain when Mr. J. Ogden Armour wrote his book "The Packers and the People." The invention of the refrigerator-car was that of the packers, and they have reaped no more than the reward of the man who conceives a great idea. They were compelled to own the cars privately because the railways would not speculate the money; they had to retain absolute control of the movements of the cars, because inefficient management on the lines meant a shortage here and a surplus there, which were ruinous to those who were handling perishable goods. By making possible the centralisation of the killing and the utilisation of by-products, the car enabled the butcher to sell a superior cut at a lower price than he would have to charge for an inferior "cut" if he killed in his own slaughterhouse. The branch houses, with their stores of meat, have eliminated the middlemen and the commission agent, who preyed alike upon grower and butcher. The route-cars have insured to the small man a source of supply that is always certain and efficient. They are less an advantage to the packers than to the people whom they supply with meat that is always fresh and certain in quality. As for the cattle-breeder, who is supposed to be helpless in the stockyards, he is well aware of the fact that the great houses must be kept going, that the plant cannot stand, and the contracts must be filled; and so he is assured that the price offered him is in fair relation to the supply of meat "on the hoof" at any particular time.

In the foregoing an endeavour has been made to set out fairly the two points of views, for an understanding of what has been done in America is necessary to comprehension of what is happening, somewhat less surely, in this country. The campaign of the trust here has been on much the same lines, with modifications to suit local conditions. Its effect in America has been such as to make its operations here a big problem for consideration. Last year 33 per cent. of the total of the beef consumed in this country was sold by the firms whose working arrangement constitutes the trust. In 1900 the proportion was only 25 per cent. By means of their agencies in various parts of the country, and particularly by the hold they have obtained of Smithfield Market, the trust firms are able to fix the price of meat for practically the whole country.

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THE BEEF TRUST.—HOW POWER WAS GAINED.—CAPTURING THE ARGENTINE.

Volumes have been written upon the operations of the Meat Trust in America, but its work in this country has been carried on without exciting that fierce blaze of opposition that has gradually flamed out in the United States. Probably that is so because it is only within the last few years that the four houses of Chicago which supply the English market have been able to do as they will here. There have been formidable competitors striving for a proportion of the trade, and it is only of late that circumstances have given the trust the power to control the operations of these.

Importations of live cattle from the United States for slaughter in this country began in 1873. The trade rapidly developed. In 1877 11,523 animals were landed. By 1883 the number had grown to 154,982, and in 1894 to 381,657. In the meantime Argentina had begun to ship cattle here, and this double invasion of our markets rapidly diminished the number of cattle coming from continental ports, until the passing of the Diseases of Animals Acts of 1894 and 1896 finally killed an old trade. These Acts were rendered necessary by the frequent outbreaks of foot-and-mouth disease introduced by cattle from abroad to the flocks and herds in this country, and they provided the Board of Agriculture with powers to prevent the landing of cattle from any country in which the disease was known to prevail. Still, Argentina and Canada remained as competitors against the Beef Trust, until in 1900 an outbreak of foot-and-mouth disease in Argentina led to the prohibition of importations from that country. In the two years between 1899 and 1901 the importations from the United States bounded from 320,000 to 405,000. The trust had taken full advantage of the disaster that had befallen its competitor.

*Effect of Home Restrictions.*

Importations from Argentina were resumed in 1903, but in a few months a further order closed our ports to the South American animals, because suspicion had fallen upon seventy-five cattle that were landed at Deptford. The only places that were still free to send us live cattle were New Zealand, Australia, Canada, and all but six exempted States of the United States. Neither New Zealand nor Australia sends us live cattle, so that the trust remained in practical possession of the field, for, excepting the four or five months of the year during which the Canadian shipping ports are ice-free, the Canadian cattle must come to us through the States, where the railways and the cattle carried upon them are alike under the thumb of Chicago.

One may note in passing that a considerable proportion of the trade that was done in live Argentine animals with this country has been transferred to Antwerp, where abattoirs were quickly established. In 1905 over fifty thousand head were slaughtered there, the greater part of the meat, hides, and by-products being subsequently shipped to this country.

With the prohibition of the importation of the live animals and the failure of many attempts to get the restrictions removed, Argentine shippers fell back on the chilled-meat trade. In this branch the United States had had a monopoly for some years. They began shipping here in 1877, and during 1906 they sent 121,332 tons of meat. The Argentine, which had sent us only 4,232 tons in 1897, rapidly increased its shipments in the first five years of the present century until in 1906 139,796 tons were landed, or nearly 20,000 more tons than came from the trust firms. The States, with their shipments of live animals, still remained the chief source of supply, but Argentina was again a serious competitor, even though the Argentine beef, coming as it does from animals fed on grass that produces meat that will not stand refrigeration or chilling like that of cattle fattened on corn or hard grass, was of an inferior quality and had to be marketed at a lower price.