Previous to the war all the non-American companies had been rendered virtually bankrupt, and the price of stock had fallen, while only such quantities as the "Four" would permit were allowed to be purchased or shipped. Instead of American trust methods being favourable to the increased production of stock, we find that in the United States, with all the circumstances of extensive territory, varied climate—from semi-tropical to temperate—cheap foodstuffs, there has been a steady decline in cattle of over ten millions, equal to 20 per cent., and a decrease of five million sheep, equal to 10 per cent., all within the last ten years, and carries fewer sheep and cattle than any meat-producing country in the world. Further than this, the United States of America has a highly paid population, able to pay high prices for meat.

The danger and dominance of the American trust to the Empire's supply of meat dates from their entry into the Argentine. This was made possible by the American system of finance and their position as large freight contractors. Being combined, they were in a position to demand special freight facilities, and on their entry into the Australian trade they openly stated that they would only buy free on board, as they had freight at ⅛d., equal to 20 per cent., below other shippers.

In regard to finance, American banking methods differ vitally from British or colonial banking. American banks take an active and direct interest in placing the shares, debenture, and stock of their important clients, and encourage their customers and others throughout the States to subscribe to the same. The stock is kept open and not closed, and is constantly augmented. Swift's are daily selling new shares. The American method enables the trader to have abundant capital, while the bankers are constantly on the outlook for fresh business which can be brought under control. Apart from providing capital, American firms are placed in a better position than British firms, exactly as the Germans were, by the extensive use of British banking credit. The American banker opens extensive credits with and through British and colonial banks. The drafts against these credits are drawn at long currency, usually ninety days' sight. These, with the documents, are handed over to the American bank on acceptance, who on their part transfer to their customer. The American firm gets the goods with something like ninety days' credit, and as meat is sold for cash against the delivery order, his business is largely carried on by British capital.

In contrast to this British and colonial banks only hand over documents for cash, whether the draft has matured or not. The British or colonial firm has to work entirely on his own capital, and obtains no advantage of long-dated credit, while his foreign rival by a different banking system carries on his business with British credits—*i.e.*, British capital.

The following table gives the shipments from the Argentine and Uruguay of the American trust and of the British and native companies, showing the enormous preponderance of the American control, representing 66·43 percentage of beef for the Army, 62·33 per cent. mutton, 65·73 per cent. chilled beef—free meat sold at prices far in advance of Government-controlled meat. The profits which the Americans have made are enormous, and represent a tax on the Empire, for which they make no return.

SOUTH AMERICAN EXPORTS OF FROZEN AND CHILLED BEEF FROM ARGENTINE AND URUGUAY.

Companies.	Year 1916.			Year 1915.		
	Frozen Sheep and Lambs.	Quarters Frozen Beef.	Quarters Chilled Beef.	Frozen Sheep and Lambs.	Quarters Frozen Beef.	Quarters Chilled Beef.
American.						
La Blancas, S.A.	326,978	611,323	128,392	115,208	504,778	216,699
La Plata Cold Storage Company (Swift) ..	409,724	1,082,456	217,348	427,970	1,052,492	330,500
Frigorifica Argentine Central	229,672	289,717	64,689	117,597	241,781	134,864
Frigorifica Armour de la Plata, S.A. ..	274,486	700,656	103,518	26,014	327,849	28,996
Frigorifica Montevideo (Swift)	101,322	717,020	99,174	91,275	726,214	170,451
	1,342,182	3,401,172	613,121	778,064	2,853,114	881,510
Percentage of total ..	62·33	64·43	65·73	49·91	64·84	67·35
Other Companies.						
Compania Sansinena de Carnes Congeladas	395 494	292,247	68,574	490,283	315,402	47,025
Las Palmas Produce Company	291,200	806,788	178,484	190,185	557,529	251,575
The Smithfield and Argentine Meat Company	71,533	289,826	55,330	56,137	202,411	100,017
La Frigorifica Uruguaya	52,852	329,210	16,997	44,149	471,387	28,643
	811,079	1,718,071	319,385	780,754	1,546,729	427,260
Percentage of total ..	37·67	33·57	34·27	50·09	35·16	32·65
Las Palmas Produce Company (on account British Government)	..	551,000	..	..	57,000	..
SUMMARY.						
American companies	1,342,182	3,401,172	613,121	778,064	2,853,114	881,510
Other companies	811,079	1,718,071	319,385	780,754	1,546,729	427,260
Total	2,153,261	5,119,243	932,506	1,558,818	4,399,843	1,308,770
On account British Government ..	..	551,000	..	..	57,000	..
		5,670,243			4,456,843	