

rade of the last century. They represent an enormous increase and they are a fair index of what has been brought upon the American people by the great combination popularly known as the beef trust.

ADMINISTRATION'S CHANGE

"Right at this point, I desire to call attention to the change which has come over the policy of this administration in this regard. Beginning in 1902 there were evidences of a gigantic combination among great packers to raise the price of their products and depress the price of live stock. The complaint became so general that the administration was forced to take notice and in May, 1902, caused a petition for injunction to be filed in Chicago to restrain the packers from combining to restrain trade in violation of the Sherman law. That case went to trial, proof was introduced and the result was the judge issued a permanent injunction restraining these packers from pursuing the policy which they had before pursued, which resulted in buying live stock at their own price in the great markets which they control, and then selling their products at their own price in these same markets which they also controlled. The case was brought to the supreme court of the United States and in 1905 the supreme court sustained the decision of the lower court and a permanent injunction was granted. Simultaneously, however, other proceedings had been going on. This house had voted the Martin resolution instructing the department of commerce and labor to investigate the beef combine. Mr. Garfield went to Chicago to make this investigation. He promptly fell into the traps set for him. He walked into the lion's den. He fell into the hands of Mr. Dawes, who banked for the packers, Mr. McRoberts and Mr. Louis Krauthoff, one of the most astute, accomplished and smooth men of the combine.

"The history of the rise of this man, Louis Krauthoff, reads almost like a romance. He began life, I believe, out in Kansas City as the son of a saloonkeeper and his first duties were to clean out the saloon in which his father did business. Today he lives in New York in apartments for which he pays a rent of \$60,000 a year and his greatest achievement in life is having taken Mr. Garfield into camp, fooled him, and put the government into the hands of the packing house trust.

FOOLED MR. GARFIELD

"Mr. Garfield went to Chicago, and as I said, fell into the hands of Mr. Dawes, Mr. McRoberts and Mr. Krauthoff. They dined and wined and they gave him the information wanted in making up the report published in 1905; information, however, which the packers themselves used when the attorney general brought an indictment against them as criminally conspirators in 1904.

"The Garfield report, which is very interesting reading and very favorable to the packers, created amazement. This report had taken the information that they chose to give and came as a sort of an apology for the existence of the combination protesting that the profits were reasonable—only about ninety-nine cents for each steer turned into packing house products.

"That was so preposterous that the country was amazed and disgusted. Every man who ever had anything to do with the packing interests and every man who had observed the great packing markets and the packing house procedure knew that profits have been so enormous that they have made the packers millionaires in the span of a short lifetime. Modern packing is only twenty-five years old, yet six of the great packing concerns having a capital of something like \$100,000,000, practically all ground out of the business, control not only the live stock market of the United States, but to a very large extent the cost of food to the American people.

PROFITS ON A STEER

"It is not alone by controlling live stock marketed at stock yards and controlling also the sale of the products that these fortunes have been made. I caused a friend of mine, well posted in such matters, to make me a statement of what became of a thousand pound steer at the South Omaha live stock market. Such a thousand pound steer will be purchased by the packing house for about \$64 today. It will yield about 580 pounds of meat, now selling at wholesale at ten cents a pound, or \$58. The tallow, call-fat, ruffe-fat and trimmings at six cents a pound, the present market price, would be \$6; the liver sixty cents; the heart a little over ten cents; the tongue at forty-four cents; the hide \$5.50; the feet fifteen cents; the head ten cents; the brains five cents; the bones ten

cents; tripe thirty-five cents; blood fertilizer, twenty-six and two-fifths cents; casings, bungs, middle and rounds at twenty-five cents; a total of \$72.10.

"We have there, made up by a practical man, the products of a steer converted into modern packing house products, and the cost of killing, dressing and chilling is only thirty-five cents. We have a \$64 steer converted into \$72.10 worth of products and yet Mr. Garfield has come before the country with the claim that the profit is only ninety-nine cents on each steer.

"I will be the last man to discredit the packing industry. In my district, at South Omaha, there has been built up the third largest live stock center of the world. Last year the packing houses of that city butchered practically 800,000 cattle, 2,000,000 hogs and 1,000,000 sheep. I believe 10,000 men are employed in that industry. I would like to see the industry prosper. But I do believe that the time has come when the people of the United States are entitled to protection. I do believe the administration should renew the efforts which it abandoned two years ago.

"Why this silence and indifference that followed that furor of indignation when the immunity bath was given? Why was it that the administration, after bringing those men into court and forcing them to admit that it was in possession of evidence which might send them to the penitentiary, abandoned any further effort to protect the people from their exaction? Has it been because the price of live stock or products has changed? Why, no, Mr. Chairman, not changed for the better. In 1906 when the administration abandoned these attempts, beef was selling at wholesale at the packing houses at a cent a pound less than it is selling now. The cattle were practically the same price. Let us glance at the figures of the last few months of the last year to show the power of this combine.

ADVANCE OF A YEAR

"April 1, 1907, the Chicago price of cattle was \$6.60. April 18, this year, the Chicago price of cattle is \$7.45, an advance of thirteen per cent. That advance is justified. Cattle are higher this year because of the scarcity. When the panic struck this country in October last it became impossible for cattle feeders to borrow money to feed their cattle. They became alarmed, and did not feed them. The result is a smaller quantity to market this year, and the advance of thirteen per cent is reasonable.

"But what has happened to the price of provisions, to the product from these cattle? Has that advanced thirteen per cent? Yes, Mr. Chairman, according to the figures published by Bradstreet's this month the price of beef at wholesale, the whole carcass, sold at once, has advanced twenty-nine per cent, as against an advance in cattle of only thirteen per cent. Thus, while all business interests are suffering, this beef combine not only maintains but actually raises its price to the wholesalers and that is why the retailers are compelled to advance their prices to householders.

"So I say there is no reason why this administration should for two years have abandoned the American people to the grasp of the beef trust.

"I know it is not to prove a trust, but even if we take Mr. Garfield's statement alone, we find that in fourteen of the leading markets of the United States these concerns pack and slaughter ninety per cent of the cattle. We find that one of these concerns, the National Packing company, is owned by three others—Armour, Swift, and Morris. While it is claimed that there are six packing concerns that divide up the earth and control these products, there are actually only five. It is reported on what seems to be such reliable authority it is hard to doubt it, that once every week representatives of these packers get together—I think it is Thursday in most markets—and fix the price they will pay during each day of the following week for the cattle, sheep and hogs that go to market, and the prices they will charge for provisions to wholesalers and retailers, yet this government does not make seemingly any effort to look into this matter.

"I telephoned the bureau of corporations the other day, asking whether there was any additional information since the Garfield report was issued, and was told substantially there was nothing doing. Yet the bureau of corporations, as Judge Humphrey said, was created for the purpose of giving information to congress, and great appropriations are made every year for maintaining it. We heard here a few days ago a rather heated controversy between the gentle-

man from New York (Mr. Sulzer) and the gentleman from Illinois (Mr. Mann) as to who originated the bureau of corporations. It has occurred to me and to some others that if I were in danger of being held responsible for its creation I would endeavor at once to disclaim responsibility, judging by results."

Mr. Harrison: "Will the gentleman not admit that the bureau of corporations must be very useful to the administration around campaign time, when they want to shake the plum tree?"

Mr. Hitchcock: "Well, I will say to the gentleman"—(Here the hammer fell.)

The Chairman: "The time of the gentleman from Nebraska has expired."

NEW JERSEY CONVENTION

The democratic state convention for New Jersey met at Trenton April 28. The Chicago Record-Herald's report follows: "The democratic state convention today refused to instruct its delegates for the Denver convention for William J. Bryan, and the delegation goes without instructions.

Former United States Senator James Smith, Jr., who is an anti-Bryan man, was in full control of the convention, and succeeded by a large majority in defeating the aspirations of Robert Davis, of Hudson County, and James E. Martine, of Union County, the latter a personal friend of Bryan, who wanted to go to Denver as delegates at large.

The delegates at large chosen are: Senator John Hinchcliffe, Passaic; Frank S. Katzenboch, Jr., Mercer; James Smith, Jr., Essex; Howard Carrow, Camden.

The proposition to have the delegates governed by the unit rule was adopted by a viva voce vote, those favoring the proposition being largely in the majority. This was interpreted at the time as an anti-Bryan movement, as only four of the twenty district delegates were known to be Bryan men. These were the four from Hudson county, where Robert Davis had declared for the Nebraskan.

Just before the convention adjourned and after half the delegates had left the hall former Congressman Allen Benny offered a resolution instructing the delegates to Denver to vote for William J. Bryan's nomination for president. Senator Smith moved to table the resolution and this was done on a viva voce vote.

CONNECTICUT DEMOCRATS

The democratic state convention for Connecticut met at New Haven April 29. The Associated Press report of the convention follows: "Not many minutes were needed to dispose of the business of the democratic state convention today. Immediately prior to call to order the committee on resolutions voted down a resolution instructing the delegates for William J. Bryan. When the convention was called to order Temporary Chairman Comstock yielded the gavel to former Governor Thomas M. Waller.

John J. Walsh, of Norwalk, a former state committee chairman, and Alexander Troup, of New Haven, one of Mr. Bryan's most intimate friends, were unanimously chosen delegates at large.

The other delegates chosen are: Henry C. Ney, Farmington; Louis A. Fisk, Branford; Frank P. Fenton, Windham; Melbert B. Cary, Ridgfield; Henry J. McManus, Hartford; Thomas Noono, Vernon; William Kennedy, Naugatuck; Rollin U. Tyler, Haddam; Tyron Robertson, Montville; Oscar Ross, Thompson; T. M. Cullinane, Bridgeport; James L. Farley, of Torrington.

The platform, which was adopted unanimously, is as follows:

"We, the delegates of the democracy of the state of Connecticut, in convention assembled, re-affirm our allegiance to those principles of government enunciated and expounded by the great democratic statesmen, Thomas Jefferson, Andrew Jackson, Grover Cleveland and William J. Bryan.

"We believe in a strict construction of the constitution, the preservation of the integrity of the three departments of government, home rule and local self-government, and calling for equitable revision of the tariff with special privileges to none, and we assert that in this time of commercial depression consequent upon twelve years of republican misrule, the best welfare of all the people can be secured only by returning to democratic principles."

"The vote by which the resolutions decided against Bryan instruction was 19 to 13."