THE OPERATIONS OF THE PACKING COMBINE at Barnstable, gradually branching out to Brighton and Watertown, and later to to Brighton and Watertown, and later to to Brighton and Watertown, and later to cent and exclusive than J. Ogden Artermination which later discourage of a car costs \$45, about the same as the

CONDITIONS THAT HAVE MADE ITS REMARKABLE GROWTH POSSIBLE.

PART OF THE REFRIGERATOR CAR LINES.

Humble Beginnings of the Men Who Built This the Largest of American Industries-Their Interesting Personalities.

BY CAMERON LANDON.

italization of \$200,000,000.

a century ago.

This is a page from the Arabian tries of the American people lies in the Nights tales, with Aladdin outdone; the ability of the beef trust to fix the prices story of the rise of the Armours, the of the products of the ranchman and the Swifts, and the Cudahys-the Armours farmer, throughout every state and terfrom the farm barn yard near Stock- ritory of the United States, the price of bridge, N. Y., the Swifts from the killing hogs, cattle and sheep, and consequent- rick Cudahy came to America in the pen of a butcher shop in Barnstable, ly the price of wheat, corn and oats. Mass., the Cudahys from the peat bogs | This blow is aimed at every home and at Callan, in county Kilkenny, in Ire- every merchant of the hamlets, towns land, to the height of an ability to or- and cities, for the old days of competiganize an industrial combine with caption have been relegated to the past by the big packing interests. The em-Less than half a century has seen the pire of the great Chicago combine decomparative poverty of the beef trust fies the law and has the public at its magnates transformed to an opulence mercy. At every turn of the wheel it later, when he had opportunity. When beyond the dream of king or courtier of grows stronger and greater, more insid- he was 19 he went to work in a packing ious and more far-reaching. The beef

in 1866 the packing industry in Chica- trust owns steam and electric railroads, go, which the giant intellects of Gus- it owns factories, stockyards, mills, GUSTAVUS SWIFT ARRIVING IN WORKING ON HIS FATHERS FARM:

Armour, now dead, and of Michael Cudahy have developed to the industrial mammoth of the present, had its small gressmen. beginning in the slaughter of 613 head

of cattle. A Billion-Dollar Business In 1904 the product of the beef trust amounted to over a billion dollars. In 1903 the combination slaughtered 5.521,-

697 head of cattle. seems certain.

Founders of the Trust.

they were the founders of the present beef combine; that Michael Cudahy was a powerful aide-de-campand that Nelson Morris, George H. Hammond and others of the Cudahy brothers had been able assistants. The great advantage of the combine over the independent packers was, like that of the Standard Oil comdoing business at a loss. The grip of the beef trust is upon so many more people and affects the three meals per day Oil empire is likely to be outdone unless the present federal inquiry and the recent decision of the United States supreme court sustaining Judge Grosscup's injunction against trust methods results in the enforcement of the laws

oil and its products, and its profits are a packing plants, and ledger figures of menace to the independence of the millions. The control of the business is American people. The beef trust goes into far more homes and names the Armour, who began work for his father price, not only for the fresh meat, the at \$10 a week as clerk, and who now is salt meat and the smoked meat, for the the dominant factor in meats, grains, lard, the glue, the hides, the fertilizers, fruits and dairy products in the United all the products of the beef and hog "but the squeal," but it also fixes the prices for the fruits of California, because the beef trust owns the refrigerator cars necessary to move that fruit. It names the price for the cotton grower of the because the cotton grower is dependent on the beef trust for fertilizer for his plantation or his ten acre field. The fruit growers of New York state and of Texas, of Colorado and of Cuba look to Chicago for the figures by which to determine their prices, and by the refrigerator car rates hundreds of producers have been made and hundreds have been ruined.

Public at Its Mercy.

tavus F. Swift, now dead, of Philip D. | warehouses, elevators, and the state ment was recently made that it also owned politicians, legislators and con-

GUSTAVIIS F SWIFT

Birth of Chicago Stockyards. Chicago didn't have a cattle market until John T. Alexander, of Jacksonville, ill., the biggest shipper of cattle in the country at that time, in 1866 was offered special inducements in railroad rates if he would bring his cattle and hogs to So well laid were the plans of the Chicago. Thus it was discrimination founders of this monopoly that it has in freight rates which started the indusgained a momentum beyond the power try, as it is unequal rates which built of its heads to control; the ever growing up the beef trust. Alexander accepted stream of its immense profits pours in the offer, moved to Chicago and his inupon the beef trust from sources which crease of cattle shipments stimulated are so resistless that the downfall of rivalry between the Pennsylvania rail-Standard Oil supremacy among trusts road and Jay Gould's road, the Erie, which, in 1868, resulted in a cut-throat rate war on livestock, which gave a It is a tribute well earned by Gustavus | great uplift to the livestock interests in F. Swift and Philip D. Armour to say Chicago. From that time on the packing house business grew in Chicago, and when Gustavus Swift in January, 1875, arrived there to engage in livestock business, a new page in the history of the industry was begun.

Colossal Achievements. Swift Bros. & Co. established its main slaughter house in Chicago, and estabpany, rebates from railroads which gave lished branch houses in New York, them immense profits when others were | Pennsylvania, Connecticut, New Hampshire. The annual business of Swift & Co., when the combine is said to have organized, was \$200,000,000, and the of all of them so vitally that Standard value of its capital stock was accepted at \$75,000,000. It has branch houses all over the east and west, and in Europe. It has packing houses in St. Paul, Kansas City, St. Joseph, St. Louis and other cities. The death of Gustavus Swift and Philip D. Armour did not take place until both men had seen the re-The Standard Oil company deals in sults of their achievements in mammotia virtually now in the hands of J. Ogden

States. A Chapter of Beginnings. Only America can furnish examples of stockmen, have broken banks, have pre- the yards, which had rapidly grown to right to claim the title of fruit trust such personal achievements as the life cipitated strikes, and have caused suistories of Swift, Armour and the Cuda- cides, have ruined towns and cities, but hy brothers disclosed. Sandwich, Mass., the personality of J. Ogden Armour is south at which he may sell his product is a small town, and Gustavus Swift's that of an interesting, manly and fine parental home near there was a stony type of American manhood. At his sugand unprofitable farm. When he was gestion railroads may dismiss the genborn, June 24, 1839, there seemed no eral manager, and commission merprospect for the child but to live the pro- chants may be blacklisted and ruined, saic life of a farmer, such as his father for the beef trust is insatiable and reand his father's father had been. He morseless, but J. Ogden Armour is regrubbed amongs the stumps and the spected and cordially liked by the emstones and fought with nature for a ployes who know him, and although he meager crop until he was 22 years old. is hated in Wall street, among his present day. He could see that if meats Then he moved to Barnstable, full of friends and business associations, and could be shipped east dressed there When the refrigerator cars were first confidence that the ability he had shown | fellow members of his clubs, he is popu- would be a great saving over the method | used there was no "icing" charge made;

living than he could expect from farm-ing in New England. He bought cattle at Barnstable, gradually branching out Albany. In 1869 he discovered there was mour. Living within a few miles of the ments showed nothing could break to freight. There are instances where the more money in western cattle; then he birthplace of Gustavus F. Swift, he lives moved to Brighton, thence to Clinton, in Massachusetts. His dealings had been small, and his field had been limited, when he moved to Chicago in 1875. Neither he nor anyone else guessed his rides in automobiles; his father, as a latent genius for large affairs, for or- boy, drove a butcher wagon. His income ganizing and constructing, which in a and resources are like those of an emvery few years in Chicago had become peror of the east; his father grubbed a and he would furnish the dressed beef interests in the hands of the beef trust conspicuous by growth of business until his reputation was national.

eph F. Armour, the younger brother of country in equippage and comfort, Philip, was in charge, and it was owing to his failing health that Philip D. come familiar with every detail of pork in the packing, and had himself done all phases

Back in the fifties there was a potter a Callan, Ireland, by name Patrick Cuda hy, whose four boys ran barefoot mos the time, and who begged for fresh meat as a luxury. This family of Patsteerage, with their carpet bags and slender purses, in 1849, and settled a Milwaukee, Michael Cudahy was old enough to do chores around the slaugh ter houses where his father found employment, and by attending school in spare hours he acquired a simple education, which he always improved upon house, and at 25 he went into business for himself as a retail butcher. Bu Plankington & Armour offered him charge of their packing plant, which was worth perhaps \$35,000-considerable in those days, a mere bagatelle in these days of big trusts. His success as manager brought out an offer from P. D. Armour in 1873 for Cudahy to pecome a partner in Armour & Co. He did so, and for 20 years had the practica management of the stockyards end o the business. He was rich, both in mon ey and in good will of Mr. Armour, and in reputation, when he established the Cudahy Packing company, which was taken into the merger at a valuation of \$15 000.000.

Trust Magnates Live Simple Life. . All through their lives both Gusatavsimple habits of their youth, of early all their wealth they cared little for sobut particularly Armour, were very approachable by any of their men, ready in ympathy and prompt to assist in times of trouble.

The business of the Swifts descendbut J. Ogden Armour, the only surviving son of P. D. Armour, is the nominal and practical head of the packing interests. Like his father, he is simple in his taste and without aristocracy or snobbisnness, as genial and unaffected with an underling as with a head of a depart-

What the profits of the beef trust are cannot be estimated although Commissioner of Commerce Garfield, in his report to congress, after investigation of the beef trust, gave them at 99 cents a head for every creature killed. This did not take into consideration the rebates paid to the railroad, which rebates are not questioned.

Present Leaders of the Beef Trust. Whatever may be said in denunciation

& Co. corporation than of the Armours, because Louis F. Swift's home has alin a mansion which costs a fortune, while the farmhouse in which his father was born, which still stands, is small and devoid of all modern comforts. He

meager living from his farm. J. Ogden Armour has a home Philip D. Armour, who started life as Michigan avenue which cost \$125,000. blithe and barefooted country boy in His wife is a beautiful woman, and a so-New York state, went to Milwaukee when | ciety leader, who takes much interest in he took Horace Greeley's advice to outdoor sports and driving, who in an young men to go west. A brother, Her- unassuming and modest way is liberal man O. Armour, had a grain commission | in her charities. At Oconomowoc, Wis. business there, and to this in 1868 the industry of hog packing was added. Jos- to be one of the most complete in the

Value of the Plants in Combine The following are the figures at which moved to Chicago in 1875. He had be- the various packing plants were valued

S	beef trust:	
	SWIFT & CO.	
t	Capital\$ 25,000,000	
	Annual business	
t	Stock value in merger 75,000,000	
1	ARMOUR & CO.	
-	Capital \$ 20.000,000	
e	Annual business 200,000,000	
d	Stock value in merger 60,000,000	
t	NELSON MORRIS & CO.	
d	Capital \$ 5,000,000	
1-	Annual business 25,000,000	
-	Stock value in merger 15,000.000	
n	CUDAHY & CO.	
	Capital \$ 5,000,000	
n	Annual business 15,000,000	
n	Stock value in merger 15,000,000	
g	Stocks and securities repre-	
s	senting purchase from	
n	Hammond & Co. and Oma-	
h	ha Packing company by	
	Armour & Co 7,000,000	
n	Value in merger 21,000,000	
-	Stocks and securities repre-	
r	senting purchase from Fowler & Son Packing Co.,	
0	the Anglo-American Pro-	
e	vision company, by Swift	
1	& Co 5,000,000	
f	Value in merger 15.000,000	
-	Total capitalization of beef	
d	trust	
e		
3	Remarkable Display of Genius.	
ť	The story of how the present gigantic	

power of the beef trust was born and nurtured has its beginning in the character and personal achievements of Gusis Swift and P. D. Armour retained the tavus Swift. However much P. D. Armour contributed of sagacity and enerrising, and of going to bed early. With getic constructiveness, the present condition of supremacy of the beef trust ciety and were rarely seen. Both men, and of subservience of the railroads, the fruit growers, the farmers and the stock raisers of the United States would never have come about but for the rawboned. money-loving Yankee, Swift the elder. An idea that was his and to which he ed to Edward C. Swift and L. F. Swift, clung with the tenacity of an inventor, and upon which he staked his all, brought it to pass.

We have said that Gustavus Swift left the cattle buying business in Brighton and other Massachusetts towns when he discovered how superior western cattle were over those of the east, and how owning and shipping in refrigerated much more money there was for him in dealing in westerns.

Although he later gave evidence of the innate genius for organization and mon- more than an experiment Swift realized ey making, he had not up to his removal to Chicago been successful except in he had more of them built. Morris, too, a very small way. Utmost frugality and and others at the Chicago yards had reincessant attention to business had giv- frigerator cars constructed for them. en him a slender bank account. He was Dressed beef could be shipped to eastern as result of the Armour inroad had still matters for proof. Even J. Ogden able to merely hang on the skirts of the points at such a great saving over ship- gone to smash, and then by a quiet mumuch they were, and his statement is content with insignificance. Occasion- to consumers, which stimulated the deally he picked up a carload of cattle at a mand for dressed beef, and a big profit bargain and shipped them east. He for the packers. The refrigerator cars grew more and more successful in this. had come to stay, and Gustavus Swift of the system of the beef trust, no He found there would be a saving to him managed to maintain the lead he had secharges are made of lack of integrity, or in having a butchering place in Chica- cured by his nerve and faith in the extruthfulness, or of immorality against go, and in a few years he had established periment. J. Ogden Armour. The operations of the one. It was a small concern, which cut

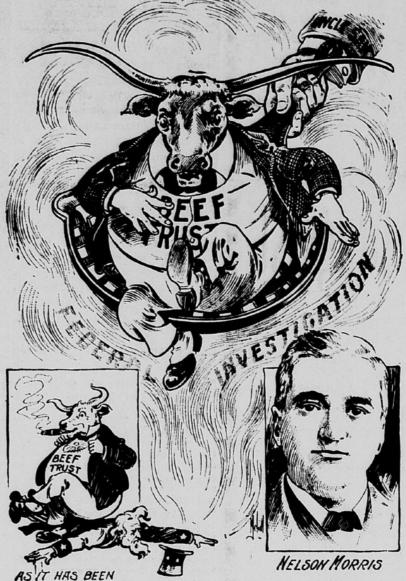


trusts have impoverished farmers and ; but little figure in the transactions of considerable proportions.

The First Refrigerator Cars. Nelson Morris, who was rated as one of the "cattle kings" in the Chicago yards even then, had been experimentcars packed with ice. These experiments had been very crude and not entirely satisfactory to Morris, but Swift had watched them with keen interest. He

succeed in shipping dressed beef.

Less is known of the head of the Swift the hoof.' 'He realized that the beef sent to Boston. When the idea was on business would surely grow and that the | iginated of charging for icing the charge economy of the new method would mean | was fixed at \$20 for the trip. Later it ways been in Boston. He is more reti- a great deal of money. He formed a de- was advanced to \$30, and now the icing charge for icing and for mileage is About that time an inventor by the greater than the tariff freight. But the name of Tiffany had invented and pat- railroads are bound to collect the trust's ented a refrigerator car which promised | charges, fight to get them, go into courts to be successful. He tried to get back- at the railroads' expense to get them, if ing. and Morris refused it. Gustavus need be. The railroads are absolutely Swift, practically unknown, asked the mastered by the beef trust, partly for railroads to furnish some of those cars | the reason that there are large railroad for the east. The railroads refused. To magnates and they make the other



build and own such cars would (ake sev-) stockholders of the railroads suffer that eral thousand dollars, and Swift could they may get the rake off. not well spare it from his business. which was growing so fast that it kept him cramped for capital. His associates in the packing business told him he would "go broke" if he put any money into the Tiffany cars, but he risked failure and consequent ruin, and plunged in, having three cars built. The railroads were to haul these cars, and Swift had no thought of asking pay for the mileage traveled by his cars. He was satisfied to have the advantage over competitors of

Growth of Private Car Line Evil. When the trial of the cars had become it was a success, and as fast as he could

The various packers during the seventies found that success or failure depended on whether they had refrigerator cars. They were content to keep within the legitimate advantages and profits of the meat trade, but the smaller packers were soon put to death by the big ones who had the refrigerator lines

to club them with. The fact that the refrigerator cars were first used by the Chicago packing houses is one of the great reasons for the great growth of the Chicago livestock and packing business which centralizes the beef trust of the present at Chicago.

This explains the growth of the refrigerator lines until there are in operation 54,000 cars for which every railroad pays mileage, and which the Armours-Swifts-Cudahys own or control, from which they derive an enormous annual revenue.

It is the ownership of these refrigerator cars which has put the price of fruits and vegetables for the tables of the American people up 10 to 25 per cent.

Railroads Held Up. It is the ownership of the meat busi ness of the country which enables the beef trust, the favored few, to dictate to the railroads and make them pay for the use of the cars and act as agents for the car line owners in holding up the shippers of freight for the mileage of threequarters of a cent a mile east of Chicago. except in Canada, where it is one cent, and one cent a mile west of Chicago. The railroads dare not protest, for when they do the beef trust says in a menacing voice that it will give the protesting railroad no more of its freight. The tonnage shipped by the beef trust is enoromus, and no railroad dares contemplate getting out of the good graces of such a shipper. One can easily see that with 54,000 cars traveling the iron highways of the country daily the mileage would be a great big income on the investment. The actua! figures, as shown by interstate commerce reports, are that these cars earn at least 25 per cent.

The Fruit Trust. It is the ownership of these refrigerator cars which has given the beef trust also: the fruit business is wholly at its mercy. When the fruit shipper of California or Tennessee has a carload of oranges or strawberries to ship, he calls for a car, and by the terms of the beef trust the railroad cannot do else than ing with the shipment of meats in box | send for a trust car, which rolls down from Chicago, earning mileage at every click of the wheels, and into this car the fruit is loaded. At the destination the consignee pays the freight and also the bill of the beef trust for the mileage, and also another bill for "icing" the car. The most serious blow to the indus- in buying and selling cattle, and swap- lar and a companion eagerly sought for. of the day, shipping live cattle, "beef on for instance for the Michigan peaches learn."—Cassell's.

At the Throats of the Railroads. The packers have been at the throats of the railroads since the early eighties. when the Chicago, Milwaukee & St. Paul railroad built to Kansas City and Omaha, and to secure the meat business offered to pay a mileage charge for the use of the packers' refrigerator cars. This was an offer which the other Missour river railroads had soon to follow, and thus was the mileage "graft" saddled upon the railroads of the country.

There was a time when the California Fruit Transportation company was supreme in the California fruit trade. But the Armour interest got a contract with one of the two great fruit shipping houses by promising that house \$10 a car rebate on every car of fruit; then the Swifts bought the rival concern, which by reason of the decline of its business Armour declared he did not know how | Chicago cattle market and had to be ping live cattle that there was a saving | tual agreement the Swifts and Armours had things their own way.

The contracts with the railroads require of the roads that they use no other refrigerator cars than those of the beef trust, called by 20 different names; they require that the cars shall be returned as speedily as possible, and in fact the railroads give the preference to the beef trust cars over their own few refrigerator cars. The minimum loading weight is as low as possible, so that the 'shipments shall require as many refrigerato cars as possible, with consequent in crease in the mileage.

<u></u>~\$ SUMMARY OF FACTS ABOUT BEEF TRUST.

Statements taken from report of Commissioner of Commerce James R. Garfield: Profits from dressing beeves. 99 cents each.

Profits additional from byproducts, 50 cents per head. Number of cattle killed during 1903, 5,521,697 head.

Percentage of total number o

cattle slaughtered in United States, 45 per cent. Average price paid per hundredweight, \$4.45. Average live weight in 1903

was 1,115 pounds. Average profit from operation of private refrigerator car lines.

Profit from refrigerator cars. 14 to 17 per cent. on investment. Profit on slaughter of cattle, 13.1 to 13.5 per cent. on invest-

Number of refrigerator cars operated, 54,000. Profit from charges for "icing" these cars, not considered in re-

Industries controlled or practically controlled by the "beef trust:" Fresh meat, salt meats, smoked meats, canned meats. fertilizers, melons in Colorado, Colorado fruit, poultry, hides, bristles, horn products, bone

Efforts toward breaking the monopoly. Injunction granted in Chicago by Judge Grosscup, sustained by United States supreme court,

products, refrigerator cars, Mich-

igan fruit, tropical fruits, eggs

opinion unanimous. Eleven indictments under the German anti-trust law and in various states under state laws. In Missouri packers found guilty as a trust and fined \$5,000. Federal government investigated "beef trust" and no prosecution is yet begun for violating injunction or Sherman law.

Man Overboard—Help! Help! Stranger-Whoy don't yez swim? "I don't know how." "Sure an' ye've got a fine chance to

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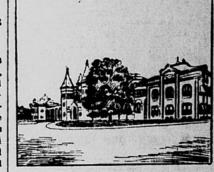
Recently in the Sn tion at Washington was p ceremony of sealing the to founder of the institution, the I

This institution, which has high place in the scientific world, which our nation points to with greatest pride, was given us by a foreigner, James Smithson, son of the duke of Northumberland. Smithson was himself a scientist of note; early in life showed interest in this field of human effort, and all his life was "an associate of the leading men of science, and devoted himself to research." Though belonging to the great house of Northumberland and, through his mother, a Percy, related to kings, yet it is thought he was in full sympathy with our republican form of govern perhaps because of the greater needs of a new land for such a gift as he had in his mind's eye, he gave to America the great legacy.

In these words was the gift bestowed: "I bequeath the whole of my property to the United States of America to found at Washington an establishment for the increase and diffusion of knowledge among men.

And how did the United States accept the rich offering? It is almost incredible to believe that her attitude for some time was not only ungrateful but also ungracious. There was much hesitation about stooping to take a foreigner's gift, there was great opposition in congress to its acceptance. Statesmen declared it beneath the dignity of the United States to receive presents, said the donor was in this manner striving after immortality for his name. But the proud citizens were finally prevailed upon to look at the matter in the light of its value to the country, the name of John Quincy Adams prominent among those enthusiastically laboring to bring about this attitude.

At last public opinion granted we might accept, and a representative was sent over to England to obtain the money. He entered suit in the courts of



NEW MUSEUM BUILDING

chancery; received the money and brought it to this country in the form of 104.960 gold sc. zelkus. But not yet was there the right feeling toward the projected institution. There ensued eight long years of wrangling as to the best disposal of the sum. "Schools of every grade, from a national university to an agricultural school, a normal school, and a school for the anical garden, an observatory, a chemical laboratory, a popular publishing house, a lecture lyceum, an art museum, any and all of these and many more were proposed and advocated by this voluntary congress of many men of many minds."

It was in 1846 the Smithsonian Institution was formally established by act of congress, and the following year that building was begun. The ornate structure which bears the name of Smithsonian Institution stands in a conspicuous position in the "Mall," which quends from the capitol to the Washington monument. Additions have been made to the original building, and "visitors to the city of Washington carry away pleasant memories of the quiet group of buildings among the trees of the Mall, filled with wonders of nature and art, and the trophies of scientific discovery.

The plan of organization adopted was that proposed by Prof. Joseph Henry, the man who gave to the world the electromagnetic telegraph. The chief features of Prof. Henry's plan were, to quote his own words, to assist men of science in making original researches, to publish them in a series of volumes, and to give a copy to every first-class library on the face of the earth.

The publications of the Smithsonian Institution by now are very numerous, and are authoritative. Its library, which is a portion of the congressional library -for half a century the government and the institution have been closely associated, to mutual advantage is a wonderful collection of scientific works. The institution is custodian of the national museum. Space allows only mention of the bureau of exchanges, the astro-physical observatory, the national zoological park, and the bureau of American ethnology

HENRY HEYWORTH.

Not a Housekeeper. "So you're married, eh? I hope you've got a good housewife." "Well, she's only been a fashionable hotel wife so far, and I guess she hopes to continue so," replied the young be dict.—Philadelphia Press.

Not That Young. Mr. Goodley-Her age really surprised me. She doesn't look 28. does

Miss Snappe-Not now; but I pose she did at one time.-P phia Ledger.

The Birth Bate. Myer-It's still true that there's a fool

born every minute. Guyer-Worse than that. Wall str proves that the birth rate of fools is a in twins and triplets.—Brooklys Life.

But, pa, what is an 'idle just'?"
"There are no idle justs, my n they are all working all the Brooklyn Life.