

MEAT PACKERS A MENACE

Warning of an approaching domination of all important foods in the United States and international control of meat products by the "Big Five" Chicago meat packers, is given in the first section of the report of the federal trade commission to the President on its investigation of the meat industry. The report deals primarily with the "Extent and Growth of Power of the Five Packers in Meat and Other Industries," and is said to be only a small portion of the findings of the commission. It is declared that present laws are not sufficient to handle the situation. Full publicity as to the corporate ownership of all industries, in order to prevent secret control, is urged.

The report sets for that the "Big Five"—Swift & Co., Armour & Co., Wilson & Co., Morris & Co., and the Cudahy company—jointly or separately wield controlling interests in 574 companies, minority interests in 95 others, and undetermined interest in 93, a total of 762 companies, and that they produce or deal in 775 commodities, largely food products. The report concludes that a fair consideration of the course the five packers have followed and the position they have reached indicates that they threaten the country's food industries and the by-product industries linked therewith.

Features of Packer Invasion

The packers are charged with having invaded the banking interests of the nation to provide funds for their own operations and to control loans made to independent concerns.

The packer invasion of the leather industry indicates that, in 1917, the stocks of hides held in the United States by the "Big Five" ranged from 90.7 per cent of a total of 96989,851 on January 31, 1916, to 88.6 per cent of 143,921,858 pounds on July 31, 1917, at no time dropping below 87.1 per cent.

The Armour grain corporation of Chicago controls 90 country grain elevators and handles all kinds of supplies for farmers.

More than half of the butter, eggs, poultry and cheese handled in interstate commerce is said to be controlled by the "Big Five," with the packers having a virtual control on the butter market.

"Big Five" in South American

More recently the packers have entered into the canned goods and vegetable market and into the handling of groceries. In these lines they follow the methods adopted in the meat business and are making great headway in the American market.

They handle 82.2 per cent of all meat slaughtered in the United States, and now are invading South America and are gaining control of the meat in Uruguay, Argentina, and other South American countries.

They control railroads, street railway lines, refrigerator cars, fruit farms in Hawaii and in the United States, and have invaded virtually every line of business in the United States, according to the records of the trade commission investigators.

Packers Deny all Charges

Louis F. Swift, of Swift & Co., speaking for all Chicago packers, has issued a statement denying all charges made by the trade commission, and insisting that the packers are ready and eager to aid the government in any effort to carry out a fair investigation and to determine the reason for the high cost of food. He declares the packers are making a profit of less than one cent a pound on beef, and that their business is conducted efficiently.

Swift asserts that the federal trade commission is filing its reports at the present time merely as a part of the propaganda intended to inflame the public mind and to force Congress to pass drastic laws that will place the packing industry under the arbitrary control of subordinate officials through a license system.

HIGHER FREIGHT RATES INEVITABLE

That further increases in freight rates will be necessary in order to enable the railroads of the country to restore their former equipment, is the opinion expressed by the Republican Publicity Association, in a statement given out through the President of that organization, Hon. Jonathan Bourne, Jr. The statement says:

"From facts already developed in the study of the problem of re-establishment of our transportation systems under private management, it is clearly evident that the people of America must make up in one form or another, the depreciation in railroad equipment suffered in the past few years because of inadequate railroad revenues. Upon an efficient transportation system the prosperity of every industry and enterprise depends. The short-sighted and unbusinesslike policy of railroad regulation by the Federal Government has

afforded the means of attaining the desired end and turning the properties over to their owners for efficient and competitive management with such governmental regulatory encouragement as will insure the peak of service, and prevent the exploitation of either the public or the stockholders."

"The present condition of the transportation facilities may be better understood if we review briefly the changes that have taken place in the past few years.

"The great prosperity of the railroads was between the fiscal years ending in June, 1918, and June, 1907. During this period the railroads showed continuous increases in their gross revenues year by year, and, as a result of that prosperity, the physical condition of the railroad properties was raised to the highest peak.

"In the autumn of 1907 the panic occurred, and from July 1, 1907, the beginning of the fiscal year 1908, the financial and physical conditions showed, with two exceptions, continuous depreciation up to the time the railroads were taken over by the government at the close of the calendar year, 1907. Between 1907 and 1914 twenty-eight major railway corporations and over fifty minor corporations went into bankruptcy.

"During the period above stated the railways had only two prosperous years, viz: the fiscal year 1910, during which there was a quick recovery from the paralysis which followed the panic of 1907, and again in 1913, following a year of banner crops in practically all lines of agriculture. During those years the railroads were fully maintained and probably some gain was made, but the fiscal years 1911, 1912, 1914, 1915 and 1916 were all lean years, and in order that the roads might meet their interest and dividend obligations, expenses were reduced beyond a safe limit and the properties depreciated.

"In the year 1917 railroad revenues reached a very high level, but due to the high cost and scarcity of labor, and the unusual increase in the cost of materials, the depreciation of the physical properties continued.

"At the close of the fiscal year 1914 there were in service on Class I and II railroads 2,325,647 freight cars. Of that number 847,000 cars were of the capacity of 60,000 pounds, under, and were practically all of wood construction. If it had not been for the meagre earnings of the railroads in the period from 1907 to 1914 and the loss of credit due to their impoverished condition, probably all of those cars would have been renewed with modern cars within that time. As the railroad disabilities extended to 1917, it is fair to assume that very little was done in the replacement of those cars up to the time the government took over the properties. Those wooden cars were uneconomic, being deficient both in carrying and cubic capacity, too weak to meet the strain when interspersed with cars of modern construction, and further loss of efficiency was suffered in the time consumed in making frequent and extensive repairs. The pre-war cost of maintaining those inefficient cars averaged about \$130 per annum, as against \$60 per annum for modern steel under-frame or all-steel cars. It is safe to say that all those 847,000 cars, except those that were no longer fit to run, are still in service, and that their war cost of maintenance is in the neighborhood of \$300 per annum.

"There was a deficiency of \$446,000,000 in car replacement in the period from 1908 to 1914, inclusive. At the prices current in the year 1915, those cars could have been replaced new at a cost of \$847,000,000. At current prices the cost would now be \$2,445,600,000.

"An expert estimate was made in 1915 of the depreciation of permanent way, bridges, buildings, etc., and the conclusion was reached that the depreciation had been up to that time \$2,000 per mile of main line. As that condition has not been improved since then, it is a safe assumption that it will require \$3,000 per mile of main line to bring the railroad structure up to the required status at this time, or \$780,000,000 on the basis of pre-war cost. Assuming the present cost, the amount would be double or \$1,560,000,000.

"Notwithstanding the increase of twenty-five per cent in freight rates and approximately fifty per cent in passenger rates, ordered by the railroad administration, effective June 25, 1918, there is a deficit to the government under its guarantee, up to and including May of this year, amounting to \$451,000,000. It is thus evident that there must be another increase in rates, and the public cannot have much hope of any reduction in these rates until the depreciation of the physical properties which has occurred in the past thirteen years has been made good. The experience of the past few years has doubtless convinced the public that the greatest assurance of the prosperity of the country is an efficient transportation system, and that

afford the means of attaining the desired end and turning the properties over to their owners for efficient and competitive management with such governmental regulatory encouragement as will insure the peak of service, and prevent the exploitation of either the public or the stockholders."

ESPIONAGE CONVICTS SEEK AMNESTY

Attorney Clarence S. Darrow, of Chicago, visited Eugene V. Debs, former Socialist candidate for president, at the Federal prison in Atlanta last Saturday. While in Atlanta, Attorney Darrow stated that efforts are under way to secure a general amnesty for all persons who have been convicted under the espionage law.

Shepherd wants eggs at market price.

STATE OF NORTH CAROLINA COUNTY OF HENDERSON IN THE SUPERIOR COURT J. K. Carlisle vs. Mamie Carlisle SERVICE BY PUBLICATION—NOTICE

The defendant above named will take notice that an action entitled as above has been commenced in the Superior court of Henderson county for the purpose on the part of the plaintiff of obtaining a divorce absolute from the defendant; and the said defendant will further take notice that she is required to appear at the next term of the Superior court of said county to be held on the 29th day of September, 1919, at the court house of said county in Hendersonville, North Carolina, and answer or demur to the complaint in said action, or the plaintiff will apply to the court for the relief demanded in said complaint.

This 28th day of July, 1919.
C. M. PACE,
Clerk Superior Court.

NOTICE OF ADMINISTRATOR

Having qualified as administrator of the estate of A. M. Meace, deceased, all persons indebted to the estate are hereby notified to present their claims to me at Arden, N. C., by the 24th day of July, 1920, or this notice will be pleaded in bar of their recovery. And all persons indebted to the estate will make payment to me.

This the 24th day of July, 1919.
JOHN W. MEACE,
Administrator.

THE TIME TO BUY

Is When You Can Get the Goods!

How About Your Coal?

The Boston News Bureau says:

"Warning of danger of coal shortage, C. E. Leshar, an official of the United States Geological Survey, told House Committee on Rules that while 50,000,000 tons of anthracite coal were available at this time last year, there is now only 40,000,000 tons. Bituminous supply is also short, there being available now only 220,000,000 tons, against 294,000,000 last year at this time.

We have some on hand now \$8.00 While It Lasts

Hendersonville Laundry, Ice & Fuel Co.

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Opera House

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MATINEE, WEDNESDAY

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HORTENSE NIELSEN as ROSALIND

Assisted by 50 Asheville High School Students

Best Trained Students in the South

Magnificent Production!

Special Music! Enlarged Orchestra!

ENTIRE PROFITS DONATED TO PATTON MEMORIAL HOSPITAL

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