

The KIDNAPPED COFFEE TRADE



Coffee Pickers at Work in Brazil.

The Unique "Corner" that Brazil Engineered to Steady the Market

DO YOU remember, in those days when it was the accolade of adolescence if not of maturity that you were allowed to have a cup of real coffee at dinner, how you traveled a couple of miles on that wearisome weekly errand to the distant tea and coffee store where they still sold "genuine government Java"?

Mother usually, father oftentimes, unearthed the place where that precious cache of genuine government Java lay hidden. Once it was tasted, the Laguayras and Marcacibos, that had so palled on the family's delicately attuned taste, were hastily forsaken, whatever the moderate prices at which they obligingly met the family purse.

What if real old government Java did cost 48 cents per pound; we could always better afford to skimp on something else.

Your doled cup of coffee per diem seemed but poor recompense for the morning you had to sacrifice out of Saturday's holiday for the errand. But suppose, now, you could get real, old government Java, with the honest age on it—wouldn't you gladly give that half day for the sublime fragrance it exhales?

Well, this is no punishment of Tantalus. "Old government Java" bids fair to come again—via Brazil instead of Java, it is true; but with the age upon it as of yore.

Brazil, having cornered the world's market, having kidnapped the coffee trade in its entirety, having put an end to coffee gambling as summary as New York's ban on race-track gambling, is saving up \$,000,000 bags. It has been saving them for a year, and it is carrying a debt of \$,45,000,000 in order to keep on saving them.

And every day the rich, delicious flavor of the contents of those bags improves.

TWO-THIRDS of the world's coffee supply is ordinarily produced by Brazil. The coffee year is all the year. Beginning officially July 1, it ends officially on June 30.

The crop of 1902-3 was borne on such marvelously good winds that they blew everybody bad fortune. The usual crop, of from 10,000,000 to 11,000,000 bags, was nearly doubled.

Other countries had been doing their share of the world's production, in previous years, as steadily as had Brazil. The world had enough coffee.

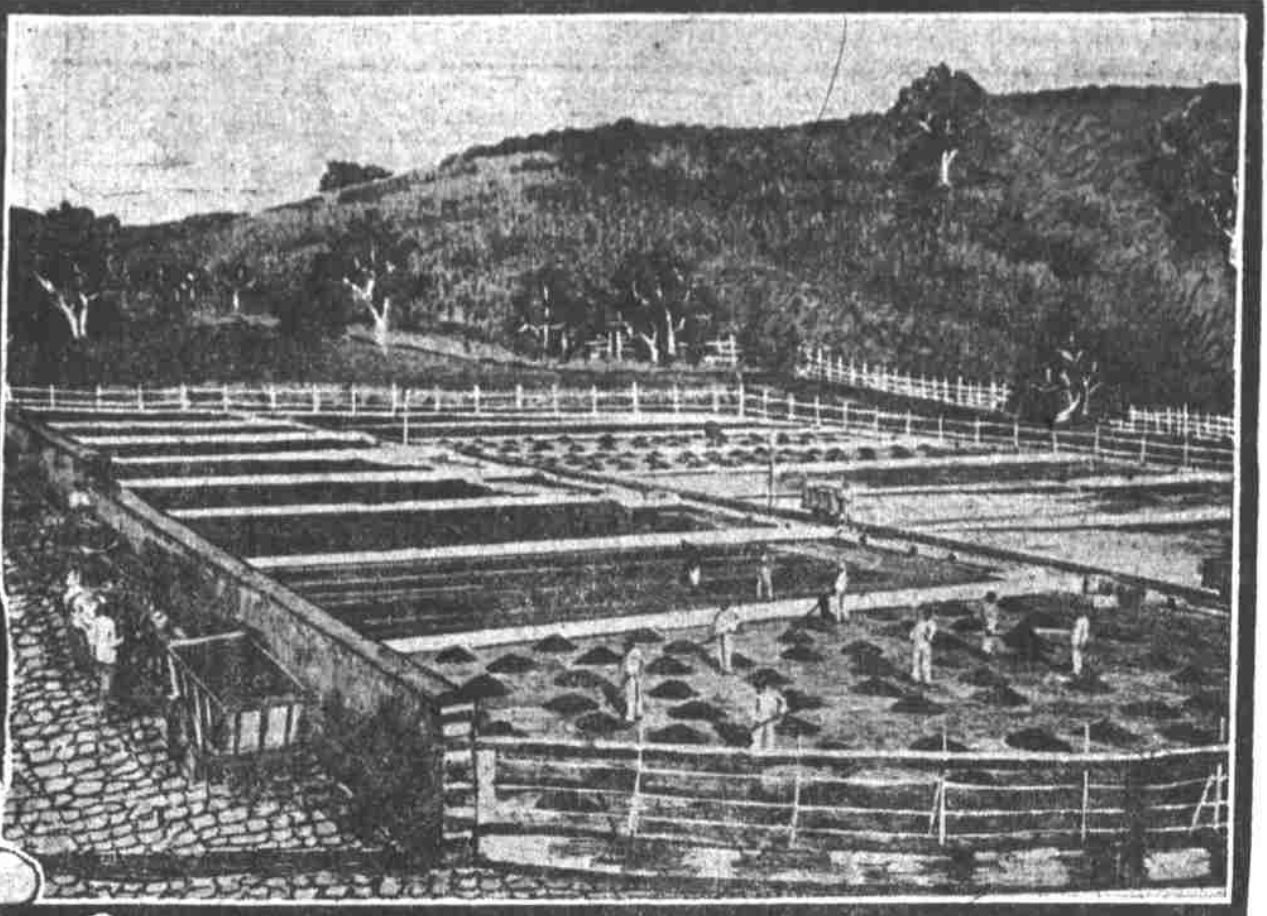
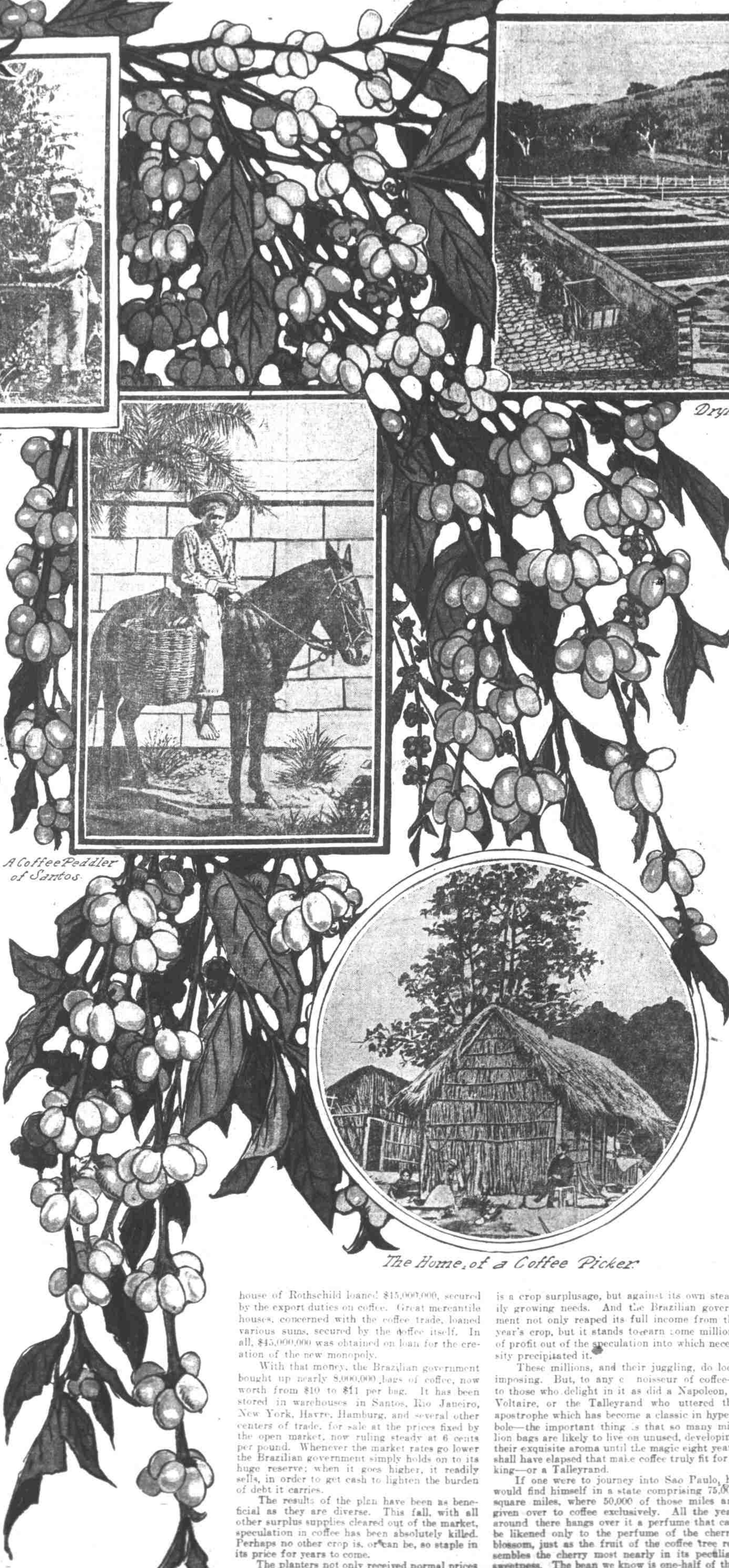
Now, however, with Brazil garnering a crop of 20,000,000 bags, there is such a repletion that, if it were dumped upon the market, the prices would fall to almost ruinous levels.

It is far from being a simple trade issue with Brazil. No country, anywhere, has its prosperity so vitally bound up in the profits of a single crop. The very government faced poverty, if the world's coffee prices should be cut in half.

Brazil was in the position of a man invested with a monopoly who confronted bankruptcy or commanded wealth, as he chose to decide. The history of wholesale coffee prices showed a range from 12 cents to 21 cents per pound, with a lot of speculators enjoying fluctuations varying from 1/4 of a cent to 5 cents on the pound, as a year's prices were high or low.

Brazil did not hesitate long. The state of Sao Paulo, backed by the federal government of Brazil, became the financial agent assuming the responsibility for the most unusual "corner" known in any crop. That was because Sao Paulo was the leading coffee-growing state in the republic.

Legislation was enacted which empowered the government to borrow money to buy from the planters the surplus of their crops. The



Drying the Beans on a Cement Floor.



A Coffee Peddler of Santos.



The Home of a Coffee Picker.

Within a quarter of a century, the capital city has expanded from a place of 20,000 persons to a commercial and educational center whose inhabitants number a quarter of a million. It is the "college town" of Brazil, and it has nearly 800 educational institutions.

Out among the plantations there are "fazendas," such as the Dumont tract, owned by an English syndicate, containing over 100,000 acres, with 6,000,000 coffee trees under cultivation. The laborers may be Indians or Italian immigrants, with never enough of them to supply the plantations' steadily increasing needs. But the residences of the proprietors—of planters like Barao Ceraldo de Rezende, with their half million trees adorning verdant hillsides—are magnificent "casas," with gardens showing wonderful collections of orchids and hundreds of varieties of roses. They are the palaces of the coffee kings, surpassing many of the palaces of the new, as well as the old, world in the florid luxury of their appointments.

We drink Java now, and Mocha, and fondly imagine they come from Arabia and the island of Java. They come from Brazil.

The best qualities and grades of that splendid Sao Paulo coffee, carefully selected, are shipped to Europe, thence to Egypt, thence to Arabia. They start as a fine grade of "Santos," because the port of Santos, in Brazil, was their point of departure. They end as real Arabian Mocha, returning to this western hemisphere duly packed, as was the original Mocha of Araby the Best, and costing 45 cents per pound, instead of the 5 cents they cost at the port of Santos.

WORLD-FAMOUS FLAVORS

The world has found their flavor as delicate, their aroma as inspiring, as the qualities which were enjoyed by the older generation, when it drank the original Mocha and Java. But, until the bumper crop of 1902-3 impelled the government of Brazil into the byways of finance, the world carried no reserve which could acquire the age so indispensable for the true flavor relished by the connoisseur. Indeed, it is in Brazil alone that the traditions of coffee are respected and observed, and there only by the great landed proprietors whose resources enable them to age their coffee as the very rich of Europe age their wines.

To them, then, has fallen the lost heritage of the world—the bliss of a cup of good coffee—such coffee as you grudged your half Saturday for when you had to travel those distant blocks to the store for the real, old government Java.

Always in a perfectly dry atmosphere, kept for a period of eight years, the home coffee of the Brazilian planter compares with the Arabian Mocha of the world's commerce as wine of the comet year compared with the wines vaunted by amateurs of vintages that followed.

Who has the rare fortune to be the guest at a famous fazenda, finds himself in a settlement which is, in effect, a town. The hundreds of work people have their homes separate for individual families, while lord over all is the proprietor and host. He dispenses an almost feudal hospitality to his visitors, and their enjoyment of the viands set forth is taken in the midst of a luxury of nature and art such as the wildest extravagance of Indian potentates could not overpass.

There, to the true coffee lover, is the only fit setting for the cup that cheers. The host will offer only coffee that has had its due allotment of years, according to his particular bias of opinion—the ultra nice in taste condescending to nothing younger than the eight years esteemed as giving the full flavor.

He has heard, perhaps, of the northern practice of buying coffee already roasted and ground and then kept for a week or two. He is not worth over the heresy; he is merely pitiful.

For you, his guest, the beans are roasted and ground at the time the noble drink is to be offered. They are reduced to a fine powder, and never, never boiled. Compressed in a woollen bag, the powder is subjected to a pouring of hot water, which slowly percolates, drawing from the powder the finest, most delicate flavors that have been released by the previous roasting.

That is coffee—to be drunk reverently, thankfully, as one takes a boon made to renew the appetites of youth and to renew the rosy radiance of its dreams.

Today, by the grace of the good wind that blew no one good, and by dint of that enterprise of Brazil's which has made it good at last to every one, the minimum of two years, at which the expert will consent to use even the best qualities of coffees, is being rapidly rounded out by these 8,000,000 bags yet in the warehouses.

house of Rothschild loaned \$15,000,000, secured by the export duties on coffee. Great mercantile houses, concerned with the coffee trade, loaned various sums, secured by the coffee itself. In all, \$45,000,000 was obtained on loan for the creation of the new monopoly.

With that money, the Brazilian government bought up nearly 8,000,000 bags of coffee, now worth from \$10 to \$11 per bag. It has been stored in warehouses in Santos, Rio Janeiro, New York, Havre, Hamburg, and several other centers of trade, for sale at the prices fixed by the open market, now ruling steady at 6 cents per pound. Whenever the market rates go lower the Brazilian government simply holds on to its huge reserve; when it goes higher, it readily sells, in order to get cash to lighten the burden of debt it carries.

The results of the plan have been as beneficial as they are diverse. This fall, with all other surplus supplies cleared out of the market, speculation in coffee has been absolutely killed. Perhaps no other crop is, or can be, so staple in its price for years to come.

The planters not only received normal prices for their bumper crop, but they received profitable rates for all of it. The world was protected, for a long period, against not only those crop shortages which are as likely to occur as

is a crop surplusage, but against its own steadily growing needs. And the Brazilian government not only reaped its full income from the year's crop, but it stands to earn some millions of profit out of the speculation into which necessity precipitated it.

These millions, and their juggling, do look imposing. But, to any connoisseur of coffee—to those who delight in it as did a Napoleon, a Voltaire, or the Talleyrand who uttered the apostrophe which has become a classic in hyperbole—the important thing is that so many million bags are likely to live on unused, developing their exquisite aroma until the magic eight years shall have elapsed that make coffee truly fit for a king—or a Talleyrand.

If one were to journey into Sao Paulo, he would find himself in a state comprising 75,000 square miles, where 50,000 of those miles are given over to coffee exclusively. All the year around there hangs over it a perfume that can be likened only to the perfume of the cherry blossom, just as the fruit of the coffee tree resembles the cherry most nearly in its peculiar sweetness. The bean we know is one-half of the pit of the fruit, two beans being commonly united by a tough, parchment-like skin, broken and whiffed away by machinery in the course of preparation for the market.