

The Monetary Times

AND TRADE REVIEW,

With which has been incorporated the "Intercolonial Journal of Commerce" of Montreal, the "Trade Review" of the same city (in 1870), and "The Toronto Journal of Commerce."

ISSUED EVERY FRIDAY MORNING.

SUBSCRIPTION—POSTAGE PREPAID.

Canadian Subscribers.....\$8 a year.
British ".....10s. sterling a year.
American ".....\$2.50 U.S. Currency
Single Copies10 Cents.

BOOK AND JOB PRINTING A SPECIALITY

Office—Nos. 64 & 66 Church St., Toronto, Ont.

EDWD. TROUT, MANAGER.

TORONTO, CAN., FRIDAY, OCT. 5, 1883

HARVEST ESTIMATES.

One fact in connection with the harvest deserves to be kept in mind: under a deficient harvest, prices fail to rise. The reason can hardly be that the fact of deficiency in the harvest of 1883 admits of doubt. But if the new harvest is deficient, the old stocks, left over from last year are large. According to some estimates the stocks held over from last year's harvest, are much greater than the deficiency of the present. *Le Fermier*, a French journal, makes an estimate of what each importing country will require to import and the amount which exporting countries will be able to export. The figures given are in hectolitres, as follows:—

	Importations. hectolitres.	Exportations. hectolitres.
France	20,000,000	.....
United Kingdom	47,000,000	.....
Belgium and Holland ..	5,000,000	.....
Spain and Portugal..	4,000,000	.....
Italy	7,000,000	.....
Germany	2,500,000	.....
Switzerland	2,900,000	.....
Austro-Hungary .....	.....	3,500,000
Roumania .....	.....	2,000,000
Russia .....	.....	10,000,000
India .....	.....	15,000,000
Australia .....	.....	2,250,000
New Zealand.....	.....	1,750,000
United States .....	.....	40,000,000
Canada .....	.....	3,000,000
Chili .....	.....	2,000,000
West Indies	3,000,000	.....
South America.....	3,000,000	.....
	94,400,000	79,500,000

The deficiency of 14,900,000 hectolitres is about 500,000,000 quarters or 40,000,000 bushels. Against this deficiency, *Le Fermier* places 18,000,000 quarters or 144,000,000 bushels of old stocks, held over from last year. The difference between the deficiency of this year and the surplus of last year is possibly not so great as this.

A correspondent of the *Shipping List* is of opinion that *Le Fermier* has underrated the exporting capacity of Russia, and understated the quantity which France will require to import. He points out some other probable errors in the table. The surplus of old grain is probably much greater than has been generally supposed. That of the United States is put at 50,000,000 bushels; and whatever may have been the effect of speculation on prices, in that country, it is not likely that large surpluses are not to be found elsewhere. Shipments of grain, as a rule, bear some proportion to the current demand for it; and the current demand being supplied, the surplus would naturally remain in the country of growth.

If this be anything like the true state of

the facts—and there must always be great uncertainty connected with estimates of the world's harvest and the quantity of stocks held over from one year to another—it is not a matter of surprise that prices do not rise. For it would seem, if any reliance may be placed on this statement, that in spite of the deficiency in the harvests of 1883, the world has an ample stock of wheat on which to draw, greater than the possible demands of the consumption of the year.

While we do not accept these figures as definite, we cannot altogether ignore them. There is in them sufficient to supply food for reflection and to form a basis of enquiry. Meanwhile they may be taken as a probable explanation of the otherwise inexplicable phenomena that, in the presence of a deficient harvest, prices do not rise.

A GREAT MERCHANT'S CAREER.

The Honorable Isaac Buchanan, at one time a member of the largest mercantile firm in Upper Canada, has just died at Hamilton, at the advanced age of seventy-three. A full review of the career of a merchant who came to Canada fifty years ago, and during the greater part of that time was engaged in business, would be full of interest, and perhaps some useful lessons might be learned from its contemplation. What changes have taken place in that time! Fifty years ago there was not a single wheat buyer in Upper Canada, the crop of which was taken by Montreal houses. Mr. Buchanan did not suddenly make a definite choice of the town in which his business was to be carried on. For a while he was in Montreal, then in Toronto, and finally he made what at a later period was found to be the mistake of settling down in Hamilton. Toronto was the best centre from which the large business of his firm could have been conducted, a fact which he realized when too late. Though he was unfortunate in business, and went through two failures during his career, his honor was never impeached or questioned. Morally he was a man of the highest type, generous to a fault, and too indulgent to creditors who fell into arrears. At one time, there was owing to his firm, so he told the present writer, a sum no less than \$3,500,000. A business conducted on the scale which these figures imply ought to have brought the firm a handsome fortune. But in those days, credits were exceptionally long, and the farmers poor. Other great mercantile houses, such as that of Ross, Mitchell & Co., toppled over like nine-pins. It is probable that Mr. Buchanan, looking back upon the experience of his mercantile life, could have avoided the quicksands into which his firm was lured; but it may be that some want of business capacity tended to bring about the catastrophe.

One mistake which Mr. Buchanan made, in common with many others, was in making heavy ventures, beyond the line of his own business. Having made money by furnishing iron to the Great Western Railway, when it was being built, he thought it important to get control of the projected Woodstock and Lake Erie Railway. To obtain that control, he paid to unscrupulous and jobbing promoters no less a sum than

\$160,000. But, like a great many other projected railways, the Woodstock and Lake Erie was not then built. The whole of the money which Mr. Buchanan put into this venture proved an absolute loss. Under this blow the firm staggered, and after some time a composition was obtained. He received a bequest of \$500,000 on the death of a relative; and this sum was, in the end, destined to go with the rest. At length, this firm which had displayed unprecedented push and energy, went under: the great, honorable, enterprising merchant was a bankrupt. In this disaster, Mr. Buchanan had the sympathy, not quite barren, of a large number of friends.

If the history of a mercantile career, such as this, could be given in adequate detail, it would doubtless yield many valuable lessons. Mr. Buchanan could not be accused of neglect of business; for in truth no one was more diligent in that respect than he. Liberal and open-handed, he was yet free from the sin of reckless extravagance. He served the public in many capacities, besides attending, with however little success, to his private affairs. He was first elected to the Legislative Assembly of Upper Canada in 1841; and about a quarter of a century afterwards he was, for a short time, a member of the Government. He was several times elected to the Legislature. Did these public distractions lessen his chances of business success? It is not improbable that they did. But it ought not to have been impossible, successfully to carry on a business so long established, even with the occasional absence of the chief partner of the firm. No doubt the knowledge of the fact that devotion to public affairs endangers the success of a man's private business, causes many to abstain from taking a personal interest in matters of public concern. It is this indifference of influential private men which renders the success of "Tweed rings" possible. Mr. Buchanan faithfully discharged all the public duties which could be required of him as a citizen, and it is almost certain that he did so to the detriment of his private fortune.

When protectionists were few in Canada, Mr. Buchanan was an ardent protectionist. His views on the subject were extreme, and like all extreme views passed the bounds of reason. He used to say, half jocularly, half seriously, that to come to a rational conclusion on questions of international trade, a man must commence by "burning the books" on political economy. Even from this extreme view, something to be avoided may be learned. Mr. Buchanan made the great mistake, and he made it in all sincerity and good faith, that individual experience could guide a man in matters that have taxed the greatest intellects, who have treated them theoretically and philosophically. If we "burned the books," we should find ourselves in utter darkness, as soon as the flame had gone out.

On currency, too, Mr. Buchanan held views different from nearly all his Canadian contemporaries. He committed the great mistake of supposing that the cure for hard times was in the Government's issuing large amounts of inconvertible paper currency. His views on the currency question were not always well defined, and there was about them