

STATE OF THE CORN MARKETS—LATE HARVESTS IN EUROPE.

A late number of the *London Economist* contains a most important article on the subject of the harvest and the Corn Markets. The editor of that paper has for several years past paid particular attention to these questions, and his productions have, we believe, without fail, been borne out by actual results. It is, therefore, most important to know what his opinion is on the present state of the home market, and what supplies Great Britain is likely to require from this continent.

We will state, in the first place, the facts the *Economist* furnishes, and afterwards the consequences he is led to deduce from these facts.

In the first place, the editor of the *Economist* refers to the large stock of wheat and flour on hand on the first of September last year—a larger stock, he states, than was existing in the country in any former year whatever. This accumulation had been the result of the abundant harvest of 1844, and the large amount of wheat and flour imported in addition to the home supply. A knowledge of this fact induced the editor of the *Economist* at that time to take a different view from that entertained by persons usually best informed on these questions, as to the effect the great deficiency in the harvest of the year was to have upon prices; he then stating his belief that “the country stocks will be sufficient until the approach of next harvest (when new considerations will come into the calculation) to prevent any such rise as is likely to derange the general current of commercial and financial events.”

Our readers are aware that this prediction turned out to be a true one. Although the crop of 1845 was fully as deficient as had been represented, yet the large amount of stock on hand prevented any permanent advance in prices, and finally entailed heavy losses upon parties both in this country and at home, who had speculated on a different result.

This was the state of things on the 1st of September, 1845; and the editor of the *Economist* next proceeds to show how matters stood on the 1st of September, 1846. Here just the reverse is presented of the former year. Whilst the stock of wheat on hand on the 1st of September, 1845, was unusually large, on the same day this year it was smaller than for many years past. “For several months prior to the passing of the Corn Bill,” says the *Economist*, “the stocks in millers’ and dealers’ hands had been gradually reduced to the lowest possible state. A very large consumption had been going forward, but the sales from the farmers were to a smaller extent than in any recent year; not that they held back their stocks for any motive, for, with a repeal of the Corn Law certain, every motive would rather have induced them to press their stocks upon the market; but that their produce was really deficient in quantity.” And this is shown by the returns made to the Corn Office of quantities of wheat sold in numerous towns, upon which the weekly averages are computed. These exhibit a difference of a million of quarters between the sales of 1845 and 1846,—the sales decreasing in amount as we approach the termination of the corn year; thus showing plainly, as the Editor of the *Economist* observes, the exhausted state of the stocks, as contrasted with the same period last year. In August alone, the sales of the two years thus compare:—

	August, 1845.	August, 1846.
Sold,	758,854 qrs.	424,700 qrs.

“We therefore think it a most conclusive fact,” says the *Economist*, “that neither in dealers’ hands, nor in those of the growers, have the stocks of old wheat for many years been so small as on the 1st September, 1846. And this we think constitutes one of the great differences between our prospects at this moment, compared with those at the same period in 1845.”

This fact, then, being pretty well established that, on the 1st of September last, the stock of wheat and flour in England was unusually small: the next question which arises is, how far the deficiency is likely to be made up by the harvest which has just been got in? On this, of course, turns the whole question of prices, and it is therefore a most important point for the people of this continent to be fully informed upon. The editor of the *Economist* has gone into it most fully, and we will state briefly the conclusions he has come to.

And, first, as to the wheat crop. In most of the southern counties of England, says the *Economist*, there can be no doubt that, taking into account quality and quantity, the yield of wheat is nearly as possible an average one—understanding by that vague term that the crop is as good as can be looked for under an average of favourable circumstances; and, certainly, it is infinitely better in quality, and fully equal in quantity, to the crop of 1845. In the north, however, and especially in Scotland, the difference between the wheat crops of 1845 and 1846 is very much less in favor of the latter year, if, indeed, it be so at all. In 1845, the wheat crop in the north was rather better than in the south; whereas, in the present year, the crop in Scotland has sustained injury by wet, and, in some places, is not only light, but has been harvested in a very indifferent condition. On the whole, how-

ever—taking quality and quantity—the wheat crop of the United Kingdom, for 1846, is computed to be considerably larger and better than the wheat crop of 1845. But against this increased quality, there is to be placed the fact, that the crop of 1845 was very late, and from the large quantity of old wheat in stock, and the soft quality of the new wheat, was not brought into consumption till late in the autumn. In the present year, the harvest was a month earlier, the quality was dry and good, and the bareness of stocks caused it to be brought immediately into consumption. The lowest estimate that can be made on this account, is, that the crop of 1846 has been begun for general use at least two months earlier than that of 1845 was; and this, it is stated, will fully balance any superiority of the yield of the present compared with that of last year.

With respect to all other crops, the comparison of the two years is stated to be very greatly in favor of 1845. The potato crop, although attacked with the same disease as in the present year, was so abundant that even computing one-third to have been destroyed, nearly an average quantity was still left behind. The disease, moreover, did not make its appearance in 1845 so early as in the present year by at least two months. Then, with respect to oats, barley, and other spring corn, the crops of 1845 were much above an average. In Scotland and Ireland, the oat crop of 1845 was the largest in the memory of man; and aided more than any one other circumstance to mitigate the distress arising from the potato rot. In 1845, moreover, the winter was mild and open, the turnip crop was so abundant as to be in some places almost without value; and in many of the English counties, winter vegetables were cultivated to such an extent, in anticipation of a deficiency of food, that the markets were better supplied and at lower prices than in usual seasons. As far as the parallel circumstances of the present year can yet be judged, they are all the reverse of this picture of 1845. The oats, barley, and other spring crops are generally inferior, and in the chief districts where they are grown, are considerably below an average. The turnip crop is good in some districts, but in others very indifferent. Moreover even where it has been most promising, it is now threatened with a disorder as serious as that of the potato, causing complete rotteness. The potatoe crop, too, is nearly entirely destroyed: In Ireland and Scotland it is completely; in England it is fast going. †

Under this unpromising state of things, it becomes important to learn how other countries are circumstanced.

“In 1845,” says the *Economist*, “it is true, the crops of wheat on the continent of Europe were all less or more, as in England, defective, and offered but little assistance to this country. But the wants of Europe, as well as those of England were then rather prospective than present. The deficiency of the crops of 1845 was not really felt until the stocks were found to be nearly exhausted within the last two months. This state of old stocks, being followed up by thin and very inferior crops throughout the whole of the Southern division of Europe, where wheat is chiefly consumed, has led to the most extensive demand for France, and all the countries in the Mediterranean. In the North of Europe, the wheat crop more resembles that of this country, but the old stocks are also there exhausted. Then as to the rye crop, which forms the chief food of Belgium, Holland, Germany, and the rest of the North of Europe, and which, like the oat crop in this country, was abundant in 1845, it is with some few exceptions, everywhere very defective in the present year, so much so, that large importations of wheat are now taking place into some of the provinces of Germany to supply the deficiency of rye, the latter being as dear as the former.”

“In America, the crops both of wheat and Indian corn are admitted to be extremely good; and although the United States has every year a larger portion of consumers, who are not producers of food, to maintain, yet the best accounts we possess induce us to believe that a larger quantity of grain and provisions will be shipped to Europe in the coming season than in any former one. We doubt very much, however, whether any quantity that can possibly be spared will produce an important or visible effect upon the markets of Europe, with their old stocks everywhere exhausted, and with the general supply of food for the coming season, we fear, below the usual rate of consumption. It was to such a probable crisis at this time, when the effect of a bad crop would leave no surplus on hand, with the possibility of its being followed by another inferior crop, that we alluded when we wrote, on the 27th of Sept. 1845,—‘Put, towards the autumn of next year, we shall, in all probability, approach an eventful period.’”

“America is the only country to which Europe can look for a supply of grain this year, if we except some parts of Poland; and when we consider that France and other continental states will be equal competitors with ourselves for the flour and wheat of the United States, we cannot conceive that it will be wise, even if it be possible, for the government to maintain through the winter the duty which even the present law imposes. We look forward to a time when State necessity will compel us to abandon all duty upon the importation of food, which, however small it may now be, will be quite sufficient to give a preference to the markets of other countries over our own. Whatever might have been considered the emergency of last year for opening the ports, we are clearly of opinion that it will be found, sooner or later, to be much greater during the coming winter.”

We do not think it necessary at the present moment to offer any lengthened comments on the facts here presented. Our readers will perceive how little they agree with the predictions of those who foretold in the new Corn Bill an overwhelming influx