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SURPLUS AND PRICES OF WHEAT.

The probable surplus of the world's wheat for the year is engaging the attention of experts; but the estimates are often colored by the special interest by which the figures are grouped. The British millers make the surplus as large as possible, while the commercial world of London tries to minimize it. The London *Miller* figures out a surplus of 15,523,951 quarters, while Beerbohm's *Corn Trade List* makes the surplus less than 2,000,000 of quarters. South of the equator, the crop will not be harvested till from January to April next, which greatly increases the difficulty of making an estimate. Beerbohm's estimate of the combined surplus of the United States and Canada is 20,000,000 quarters; while that of the *Miller* is 25,817,351 quarters. A difference of 40,000,000 of bushels from a single country, in which the harvest has been reaped, shows that one of these estimates is wild and both may be. The universal impression that the crop is very large, perhaps unprecedentedly large, taken in connection with the low price, affords the best general indication of the true state of the facts. The following prices per quarter of wheat, 496 lbs., at the same date in the two consecutive years, shows the exact state of the universal decline that has taken place within twelve months:

Wheat—	Oct. 6, 1884.	Oct. 6, 1883.
Dantzic	33 to 36s	44 to 48s
Rostock, Wiemar, Strausund	33 to 36s	43 to 47s
Petersburg, Saxonka, Kubanka	30 to 34s	38 to 42s
Odessa and Polish Ghorka	28 to 32s	35 to 38s
American—Red Winter	32 to 33s	42 to 43s
California and Oregon	34 to 35s	43 to 45s
Australian	36 to 37s	44 to 46s
New Zealand—Sound	29 to 34s	40 to 44s
Heated	20 to 26s	28 to 36s
Calcutta, 1884 crop—No. 1 Club	31 to 32s	38 to 39s
No. 2 Club	29 to 30s	36 to 37s
Soft and Red Club	28 to 30s	36 to 38s
Bombay, crop 1884—No. 1 Club	32 to 33s	42 to 43s
No. 2 Club	30 to 32s	40 to 41s
Jabbulbore	30 to 31s	39 to 40s
Soft Red	31 to 32s	38 to 39s
Persian Gulf—Bushire Ex. clear	32 to 33s	38 to 4s
Bushire 2d sorts	27 to 28s	35 to 36s
Bushire Common	25 to 26s	32 to 34s
Bussorah Good	29 to 30s	35 to 37s
Bussorah Medium	25 to 27s	33 to 34s
Bussorah Mixed	22 to 24s	31 to 32s
Kurrachee—Fine White	31 to 32s	38 to 39s
Soft Red	29 to 30s	34 to 35s
Maize—Mixed American	25 to 26s	25 to 26s
Odessa, Galatz	24 to 25s	26 to 28s

The places here mentioned are all situated in wheat exporting countries. Some of the low-priced wheats are inferior and are cheaper than Indian corn for feeding purposes. It is clear therefore that a point has been reached at which the inferior wheats of some countries can be used for feeding

stock, a new employment which will tell on consumption; but as it will tell at the expense of Indian corn, the whole quantity of breadstuffs will not be diminished in this way.

COMPETITION AND COMBINATION.

To a greater extent than at any previous time Rings and Combinations are formed to check the natural course of competition. Even when legislation does not interfere with the operations of trade, they are often far from being subjected to automatic government. Royal monopoly, except in tobacco and some few other things, in some European countries, is dead. It no longer takes the form of great corporations, such as were previously formed in England and France for colonization, and in Holland for carrying on the fisheries. The last of these great corporations, the Hudson's Bay Company, has parted with its monopoly and is now obliged to prove its right to existence by its ability to hold its own against opposition in the fur trade. But while monopolies which originated in royal grants have ceased to exist, and monopolies carried on for the benefit of the public revenue are few in number, new forms of monopoly have come into being amid the struggles, sometimes mutually destructive, of competition.

There are two kinds of competition, normal competition, and destructive competition: the first is careful not to get on the wrong side of the line of no profit, the second, turning business into war, sacrifices present profit in the hope of enjoying the future sweets of monopoly. The war period is to those engaged in it a destructive period; profits are sacrificed and capital is impaired that the enemy may be made to succumb in the industrial or commercial war. In this game, one powerful player can always either force others into abnormal courses or oblige them to submit to heavy losses by a curtailment of business. No defensive attitude, in presence of such an attack, is capable of saving the assailed from loss. Weak corporations fall in the struggle against strong ones, or are bought up and absorbed. Whatever the process may be the end is the same. In this way, the petroleum trade, in the United States, has become a huge conglomerate monopoly. But sometimes, the energy of competition, when subdued in one form, reappears in another. The new apparition may be subjected to the same process, and conquest, purchase, absorption may occur, several times in succession. This experience has been gone through by all the Atlantic cables except the most recent; and it remains to be seen whether the new companies will retain their separate existence. Even when what seems a final conquest is attained, the victors may realize that their victory has cost them dear, if they find themselves, as they generally do, burthened with an enormous weight of capital, representing in part the losses of the past war, in part surplus apparatus, and perhaps a liberal allowance of water which, at some stage in the process, has got into the wine. When monopoly is really established, the public will be made to pay all that can be wrung out of it.

The railway systems of to-day are always shivering between the extremes of ruinous

competition and threatened or actual monopoly. By the processes described, capital is so swollen that earnings cannot keep pace with it, and innocent investors are sacrificed. A single monopoly of the trunk lines is no longer possible, it never was possible; and the efforts at combined monopoly meet very poor success. Though rates may be fixed and the aggregate traffic distributed on paper, a short time generally suffices to show that the giant competition has been able to snap in secret the cords by which he was bound in public. Each company is interested in getting all the traffic it can; rates are cut under the pretence of pre-contract or no pretence at all. That is the tendency. Business is oftener done at non-paying rates than at monopoly profits which combination would establish if it could. But in the railway system more, perhaps, than any where else the struggle between undue competition and combined monopoly is best seen.

We are now told that the whole grain of the North-Western States is tolled by monopolists. The St. Paul correspondent of *Bradstreet's* journal, in an elaborate review of the conditions under which wheat is marketed in the North-Western States, says:

"The whole system of marketing grain in the North-west is wretchedly wrong. There has seldom been more provocation for an anti-monopoly movement than there is among the farmers of Minnesota. Practically the only markets for grain are the elevators established by the several lines of railroad. Several powerful private corporations control these elevators, and many of them are operated in the interest of the Millers' Association. As a result there is arbitrariness in fixing grades and prices, and the absence of competition prevents redress. Outside buyers are seldom able to compete with these great organizations, and the local elevator man is dictator of grades, as the association which employs him is of prices, at all points where there is no railroad competition. The complaints of the farmers are loud and long. They declare that their wheat is frequently undergraded and undervalued; that dockage for dirt is excessive; that freight rates are out of all proportion to service rendered, and that in the difference between the St. Paul and Minneapolis price of wheat and the price paid at the local elevator several cents are unjustly taken by force from the price of every bushel of wheat raised in the North-west. Undoubtedly there is some truth in these charges. The purchase of wheat is in the hands of a monopoly, and there is no way of establishing uniformity or of punishing injustice in the matter of grading. Each elevator man is a law unto himself, subject only to his superiors, who are interested in obtaining the most of the best wheat for the smallest amount of money."

One result of this state of things will be that an out-and-out Granger legislature will be elected in Minnesota; and it is quite possible that some irrational remedy may be tried.

Combinations to secure monopoly prices are not unfrequently tried under the shelter of protective duties. Any competition there may be among domestic manufacturers, under the operation of high duties, must be in an artificial sphere, in which the force of foreign competition is broken. This is competition with one hand tied and that the hand which knows most cunning. But even this competition not unfrequently gives way