

The Commercial

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INDIAN WHEAT COMPETITION.

Bradstreet's of October 29th, contains a letter from Mr. Edward Atkinson, of Boston, containing explanations concerning his recent arguments before the British Association for the advancement of Science, upon the cost of producing Indian wheat, and placing it in Mark Lane, London. We regret that lack of space forbids our giving the letter in full, but the following extract will be sufficient to show the assumption from which Mr. Atkinson starts, and shadows the conclusions he rather indefinitely points out:

"It is doubtless true that there is a very large area of land in India which may be devoted to wheat. It is not doubted that the people of India are as a rule too poor to subsist themselves upon wheat to any great extent. It remains to be seen whether or not with the increasing prosperity of India, due mainly to the construction of railways, their consuming power may not be greatly increased, in which case the domestic consumption of wheat may be substituted for that of rice.

But, assuming that the whole production of wheat may be exported, the conditions appear to be about as follows:

The area of possible wheat cultivation is extensive, but it is from 700 to 1,000 miles from the seaboard; it is in a hot section where the supervision of Europeans is necessary but very costly; without such supervision the wheat cannot be prepared for export, even in the rude manner in which it is now prepared. It is cultivated by prehistoric methods, or by scratching the soil with a pointed stick for a plow, reaped with a sickle and winnowed by hand by people who earn barely enough to keep life in their bodies; therefore, although the wages are very low, the crop per acre is small and the cost of production relatively to the rate of wages is very high, corresponding therein to the conditions of all hand work devoted to agriculture, viz., low wages and high cost. The wheat is dirty; when it reaches the seaboard at a heavy charge by rail it has to be re-packed, dusted and put in fit condition for export. The railways are subject to the disadvantage of government subsidies, lack of competition and want of sufficient volume of traffic to enable them to reduce the rate of transportation to anything even approaching the cheap transportation of this country. When the wheat reaches Bombay it must be carried by the Suez Canal and by sea a distance of about 6,000 miles. Its quality when it reaches London is subject to much uncertainty, and merchants are said to have met many costly reclamations for low quality. It is at least doubtful whether anything less than 34s. per quarter will leave any margin whatever at the point of production for the payment of the laborers under the present condition of the trade. At that price the supply appears to be diminishing."

If we could only accept Mr. Atkinson's conclusions regarding the price at which Indian wheat can be laid down in London, the wheat raisers of this portion of the American continent could afford to rest quite satisfied as to their ability, to make competition in the British market pay

them. But we must remember that Mr. Atkinson is an American dyed in the wool, possessed with all that gushing faith in the ability of his own countrymen, and mistrust of the ability of other countrymen, so peculiar to Americans. Indeed these pardonable vanities are possessed by people in all the progressive countries of this continent, and that Mr. Atkinson is an ultra in this respect is evident from the above extract from his letter. It commences by an unwilling admission of something as possible, that the grain interest of this continent and Europe have long ago admitted as an unquestionable fact, namely, the large area of wheat growing country in India. Then through all his letter he takes care to magnify all the obstacles that may arise to hinder the development of Indian wheat raising and exporting, while he only half admits the few advantages in its favor, which he mentions. To be plain in the matter, Mr. Atkinson has furnished a newspaper letter in which the reader can clearly see the strained argument which indicates the writer's wish being farther to his thought in every conclusion he arrives at.

It is the worst kind of folly to imagine that the wheat grower of India, far behind as he may now be in his ideas of civilized agriculture, is forever beyond the reach of progress in that respect. The very progress, which has already been made there under such difficulties, is a convincing proof, that an era of advancement has set in, and that modern ideas and appliances will steadily if not rapidly supersede those of a past age. The same rule will undoubtedly apply to transportation facilities, and although changes may come slowly, compared with what they do in the New World, they will come with sufficient rapidity to wipe out the supposition, that at thirty-four shillings a quarter in Mark Lane, London, Indian wheat has touched the bottom figure at which its production can be made to pay.

Taking this minimum figure fixed by Mr. Atkinson for Manitoba wheat in London, present prices paid here to the producer, would allow a very liberal profit to the middlemen. It is now generally acknowledged, that wheat raising at present prices will pay here, although five years ago the belief was general, that it could not be profitable unless at prices ranging from ten to fifteen cents a bushel higher. No man acquainted with the facts of the case is foolish enough to think, that the ingenuity of our agricul-

turists has exhausted itself, in cheapening production down to its present level, and that further progress in this direction is impossible. Nor can we find a man foolish enough to assume that we have made any material approach towards the minimum price at which our wheat can be carried to a European market. And it would be equal folly to assume that in both these directions progress cannot be made in India. Of course the soil and climate of that country never can and never will produce the quality of wheat produced here. But this fact is accepted as an axiom by all who look forward to competition from the great tropical peninsula, and in no way affects the progress which can be made in other particulars.

There is but one light in which American wheat raisers can base calculations on Mr. Atkinson's conclusions, and that is by assuming, that our progress from where we now stand will be as steady and rapid, as that of the Indian wheat raiser will from where he now stands. Which means that the American wheat raiser cannot afford to lull himself into any fancied security, or allow himself to become a non-progressive mortal. As matters stand he is pretty much on a level with his Indian competitor in the markets of Europe. He has certain advantages in the quality of the grain he produces and other details; but he requires them all to balance other advantages in cheap labor and such like, which the Indian producer will always possess, and which he never can secure. His only course to hold his own in the markets of Europe is, to recognize in his Indian competitor a dangerous rival, whom he cannot afford to under value, and to successfully compete with whom, he must be ever watchful and progressive. As a basis of calculation for such a course Mr. Atkinson's conclusions as to Indian wheat production may be of some value to the American grain raiser, but it would be foolish if not suicidal to accept them in any other light.

"SAVE ME FROM MY FRIENDS."

In its issue of October 28th the *Montreal Journal of Commerce* expended most of its editorial power in proving to itself, (certainly not to anyone else,) that the present monetary stringency was due almost entirely to its prophecies to that effect, made as far back as June last. In its issue of Nov. 4th it varies the show a little, and with undiminished egotism supplies a short lecture to the people of