

THE ECONOMIC RESULTS OF THE SPECIALIST PRODUCTION AND MARKETING OF WHEAT

THE increase of population in western Europe, especially in Great Britain and Germany, during the past fifty years and the contemporaneous advance in the general standard of comfort have led to an increased consumption of wheat, absolutely and *per capita*. The increased consumption of wheat has promoted, and it has been promoted by, the enlargement of the area devoted to wheat production. The list of countries exporting wheat to western Europe has now become a long one and the effect of wheat importation into Europe has been to increase the allocation of agricultural capital to wheat production in these countries and to check it in Europe. Although the yield per acre of wheat in England and in Germany is very much greater than the yield in other countries, the growth of wheat upon lands where, which do not need or do not receive enrichment in general kept the price of wheat down, in spite of the vast increased demand for it, and has thus rendered wheat farming in western Europe unprofitable. Two factors, however, seem to be making either for a check in the increase of demand in Europe, which would mean a change of diet or a diminution of comfort, or, alternatively, for further advances in the price of wheat, which would probably be accompanied by commercial and industrial readjustments and crises.

(1) The first of these factors is the increase in the wheat-producing areas themselves. This is of special importance in the United States and in Canada where population has been increasing rapidly; and it might be of importance in Russia, if in that country there came to be a higher standard of comfort among the peasantry or the government changed its railway policy with regard to wheat exports.

(2) The second factor is the limitation imposed upon production (a) by the limitation of the area, no matter how large it may be assumed to be, which can be devoted to wheat cultivation;