

has assumed more than ordinary prominence, it may not be out of place to attempt some explanation of the causes that have led to the fall, and of the reasons why it is unlikely that former prices will obtain again.

Average price of wheat, London and New York, 1871-1887.

281. During the week ended 1st October, 1887, the price of wheat in London was the lowest touched for 125 years, viz., 28s. 5d. per quarter, or 86 cents per bushel. And the steady fall of late years is shown in the following table which gives the average price of wheat in London, and the average export price in New York for 15 years from 1871:—

LONDON.				NEW YORK.			
Year.	Price.	Year.	Price.	Year.	Price.	Year.	Price.
	\$ cts.		\$ cts.		\$ cts.		\$ cts.
1871.....	1 73	1880.....	1 35	1871.....	1 31	1880.....	1 24
1872.....	1 73	1881.....	1 28	1872.....	1 47	1881.....	1 11
1873.....	1 78	1882.....	1 37	1873.....	1 31	1882.....	1 18
1874.....	1 70	1883.....	1 26	1874.....	1 42	1883.....	1 12
1875.....	1 37	1884.....	1 09	1875.....	1 12	1884.....	1 06
1876.....	1 40	1885.....	0 99	1876.....	1 24	1885.....	0 86
1877.....	1 73	1886.....	0 94	1877.....	1 16	1886.....	0 87
1878.....	1 41	1887.....	0 99	1878.....	1 33	1887.....	0 89
1879.....	1 33	.....	.....	1879.....	1 06	.....	.....

Reasons for the supremacy of the United States in the wheat market.

282. A series of bad harvests in Europe, commencing in 1872 and culminating in 1879, 1880 and 1881, during which years particularly the failure of the crop was for duration and extent without a parallel in the last four centuries, necessitated an unusually large demand for foreign supplies, and a coincident series of good seasons in the United States, together with the enormous area rapidly brought under cultivation for wheat (in 1870 the area of wheat was 18,992,591 acres, and in 1880, 37,986,717 acres, or almost exactly double the quantity), and the fact that there was