

Petroleum
in Russia.

445. The earliest records of production of petroleum in Russia commence in 1821, though the existence of oil was known hundreds of years before. The Baku oil fields at the eastern extremity of the Caucasus Mountains are the most important. The total shipment of petroleum products from Baku, from 1883 to 1887, have been :—

	Galls.
1883.	145,180,705
1884.	262,621,710
1885.	300,149,775
1886.	377,006,120
1887.	389,816,630

The Russian Government, it is said, are contemplating the building of a canal to connect the rivers Don and Dnieper, which would permit tank steamers to pass all the way by water from the Caspian into the Black Sea, and thence, of course, to all parts of Europe, whereas now the oil for export has to be taken by rail from Baku to Batoum, and then transhipped. The supply of Russian petroleum is very large, and the cost of working considerably less than in America, so that the construction of such a canal would enable Russia to push its competition with the United States very severely.

Production of oil
in Russia.

446. The following figures show that the production of petroleum in Russia has been steadily increasing, while that of the United States has been diminishing :—

AVERAGE DAILY PRODUCTION OF PETROLEUM AT BAKU AND IN THE UNITED STATES.*

YEAR.	Baku.	United States.
	Brls.	Brls.
1882.....	15,375	82,303
1883.....	13,379	63,336
1884.....	27,392	67,684
1885.....	35,390	56,921
1886.....	36,543	70,729
1887.....	46,111	59,067
1888.....	55,902	46,700

*Board of Trade Journal, November, 1889.