

preparations to copy them in order to save their own rice industry. It is hard to tell just how soon this same situation will have to be met here, but it is strange to hear anyone today, and especially an American familiar with what machinery has accomplished for American agriculture, make the broad statement that the Filipino farm worker will always be enslaved by the present back-breaking and inefficient methods used in this country.

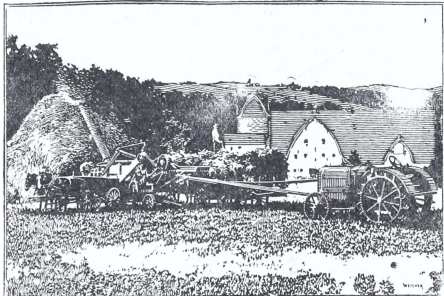
Great progress has already been made in the use of machinery for threshing and hulling palay (rice). Probably, 90% of the rice produced in the Central Luzon valley, with center at Cabanatuan, is now threshed by machine, and yet when threshers were first brought in, they were met with much opposition and criticism and many said the machines could not compete successfully with the old method which required no

cash outlay for machinery, fuel, and repairs. The same was true of the rice mills, both large and small. Not so many years ago, the rice was pounded out of its hull by hand with the stone bowl and mallet which were so familiar a sight at every doorstep. Critics said the Filipino would not pay 20 to 30 centavos to have a cavan of palay hulled and polished by machine, when he could let his wife do it at home for nothing, but they did not know the Filipino.

We have found the Filipino very progressive as to the use of machinery. You do not have to sell him the mechanical idea. The only obstacles to the universal use of machinery here are first, a lack of capital, and second, the large land holdings and the tenantry system.

Large land holdings would ordinarily favor the introduction of machinery, but the tenants whose fathers and fore-fathers have cultivated certain small plots for a hundred years or more, have a well recognized social, if not legal, right to remain on their land as long as they give the

landlord his share of the crop. The universal use of machinery would make it possible to operate these large haciendas with only a small part of the present farm labor. There is plenty of idle land in the Philippines where the labor of the others could be utilized to increase production and thereby further improve the standard of living of the whole country, but this would mean immigration from the home communities



Machinery Is Cheaper Than the Cheapest Hand Labor.

to distant places. The family and home ties are so powerful in the character and customs of the Filipino people, that it will require great economic pressure to bring about this social revolution in the distribution of farm labor.

I believe it will come eventually and, when it does, it will solve many of the serious problems which now face the Filipino people. It will populate the waste places, put the idle land to work, increase the production per capita and thereby raise the standard of living and it would make the Filipino people, one people with common interests instead of a group of communities where the majority are born, live and die with little contact with or knowledge of their fellow citizens in other provinces.

When it comes, it will mean more happiness and prosperity for the Filipino people and thereby more prosperity for those of us who make our living by serving their commercial needs, so let us not think or say that things 'will be' always as they are today.

sugar review was only of short duration, since on the third day of the month under review the market gradually sagged and prices for Cubas declined from 2 3/4 cents c. and f. (4.52 cents l. t.) to 2 5/8 cents c. and f. (4.40 cents l. t.). The depression in the market continued throughout the middle part of the month, buyers showing little interest with no disposition to buy. Cuban holders, on the other hand, were firm and refused



George H. Fairchild.

to sell, believing the depression was only temporary. During the third week the market showed a better tone and prices advanced until at the close of the week there were buyers of Cubas on the basis of 2-3/4 cents c. and f. (4.52 cents l. t.). The market continued active and firm throughout the latter part of August, with prices advancing gradually. At the close of the month, there were reported sales of

Cubas for present shipment at 2-31/32 cents c. and f. (4.74 cents l. t.).

The statistical position continued to improve. The visible stocks at the end of the month under review were 2,235,000 tons as compared with 2,552,000 tons at the same time last year and 1,859,000 tons at the same time in 1925.

The eminent European statistician, Dr. Gustav Mikusch, has recently issued an estimate of the European beet crop for this year of 8,100,000 tons. This compares with the production last year of 8,321,216 tons, or a decrease of approximately 220,000 tons.

With the continued improvement in the statistical position and the exhaustion of sugar supplies from insular possessions to meet the demand in the United States, it seems that the Cuban holders have a favorable opportunity for influencing the course of the market in the next few months.

(Futures): The quotations in the New York Exchange showed a marked improvement in sympathy with the spot market. The following shows their fluctuations during the month under review:

	High	Low	Latest
September.....	2.89	2.63	2.89
December.....	2.98	2.74	2.98
January.....	2.96	2.73	2.96
March.....	2.87	2.69	2.86
May.....	2.93	2.77	2.92
July.....	3.01	2.85	3.01

(Philippine Sales): During the month under review sales of Philippine centrifugals in New York, alofts, near arrivals and for future deliveries, aggregated 40,000 long tons, at prices ranging from 4.40 cents to 4.77 cents landed terms, duty paid. This brings the total sales of Philippine centrifugals of the 1926-1927 crop up to date to 435,000 long tons, segregated as follows:

	Tons
Sales at the Atlantic Coast.....	380,000
Sales at the Pacific Coast.....	55,000
Total sales.....	435,000

Local Market: There has been considerable activity in the local market for centrifugals during the month of August, and the small

(Concluded on page 21)

#### AUGUST SUGAR REVIEW

By GEORGE H. FAIRCHILD

New York Market (Spot): The improvement in the American sugar market at the close of the previous month referred to in my previous

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Harvey Street, Purser of the American Mail Line Steamer *President Jackson*, recently took unto himself a wife and on the next voyage it is understood he will disembark at Kobe, having accepted a position with the American Moving Picture Film Distributing Company operating in Japan.

G. P. Bradford, general agent, L. Everett Inc., returned to Manila September 2 aboard the *President Jefferson* from Hongkong, where he was on business for his company, having left Manila August 26 aboard the *President McKinley*.

**SUGAR.** (Concluded from page 12)  
parcels of sugar available for trading, exchanged hands at prices ranging between P10.25 and P11.375 per picul.

The local market for muscovados was quiet during the month due to the scarcity of supplies. Quotations on the basis of No. 1 ranged from P7.00 to P7.50 per picul.

*Prospects of P. I. 1927-1928 Crop:* There were intermittent rains during August, some of them were accompanied by strong winds, which fortunately did not develop into typhoon proportions. Prospects of this year's crop continue favorable and present indications point to a crop similar in volume as that of the previous year. The preliminary estimate of the Philippine Sugar Association places the 1927-1928 crop at 8,823,228 piculs or 558,069 metric tons as compared with the 1926-1927 crop of 8,379,336 piculs or 529,993 metric tons. The estimate by islands, as compared with the previous crop, follows:

	1927-28 Crop (Estimated)		1926-27 Crop	
	Piculs	Metric Tons	Piculs	Metric Tons
Negros...	6,317,000	399,551	6,200,759	392,198
Luzon...	2,096,228	132,585	1,854,514	117,298
Panay...	300,000	18,975	239,937	15,176
Mindoro...	110,000	6,958	84,126	5,321
<b>Total</b>	<b>8,823,228</b>	<b>558,069</b>	<b>8,379,336</b>	<b>529,993</b>

**Philippine Exports:** The following gives the shipping statistics from January 1 to August 20, 1927:

	U. S.	U. S.	China and	Total
	Pacific	Atlantic	Japan	
Centrifugals	46,212	338,442	---	384,654
Muscovados	43	---	30,174	30,217
Refined	1,298	---	---	1,298
<b>Total</b>	<b>47,553</b>	<b>338,442</b>	<b>30,174</b>	<b>416,169</b>

**Java Market:** This market was firm and steady during the first half of the month, but after the announcement that there was an increase of 60,000 tons in the estimate of this year's crop, the market became weak and dull throughout the latter half of the month.

Reports received from Java on the prospects of this year's crop up to August 15, 1927, state

as follows:

"Although the rainfall has been scattered and very limited temperate East monsoon weather has generally prevailed, the standing cane still to be harvested keeps in good condition. A large number of mills have completed planting for next year's crop, and all reports over the new plantings are favourable. In the Djocja district 'root rot' in the assortment EK 28 is this year early and to a considerable extent in evidence. On various estates, especially in the Solo district, the assortment 2878 POJ was troubled with 'gun sickness,' which is no doubt in part due to the handling of the planting material. In a few districts trouble is experienced with many boring insects, and white loust is this year early, and in nearly all districts, attacking the young plantings."

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