

Skou Reviews Russia Again

Crossing Russia in 1929, B. Skou, Park-Davis representative in the Philippines, wrote his impressions . . . and now writes those of last year.



B. Skou

At the border our money was counted and we got certificates for it. Field glasses and cameras were sealed and returned to us, and we could have our books and papers sealed to avoid inspection when leaving the country. Officials were courteous. The station was a new and imposing concrete structure, but the iron was rapidly rusting. Retiring rooms were terrible; because of the rust the doors could hardly be opened or closed. Civilization has many amazing details that a new country learns only by hard knocks. In Leningrad, the agent of *Intourist* had our baggage placed in Lincolns that took us to a beautiful hotel. Baggage could be checked there, and you were later taken to the right station for your outgoing train.

This service cost \$2.50. I paid \$1.75 for a long sightseeing trip in a Lincoln with an intelligent guide in the afternoon. Antiques and beautiful curios were sold at the hotel at reasonable prices. Meals were good. Each foreigner can use his own money, and must not indeed use Russian money. The official exchange for a dollar is about 1.30 rubles, while in Manchuria you get 33 rubles for 1 dollar. Tourists are wanted in Russia. *Intourist* (the agency for caring for visitors) has made wonderful strides. I thought Moscow was a place that once seen you would always wish to revisit, but I must say that Leningrad with its fantastic gilt-roofed palaces is a dream you can never forget.

I tried to stop over for a later train, but it seems such things are not done in Russia as yet: I had booked through from Denmark and crossed by boat. When the railroad was to be built between Leningrad and Moscow, the former then St. Petersburg, the Tsar was asked about the route. He drew a straight line on the map between the two cities, and was obeyed at enormous and unnecessary cost. I took the crack *express* at 1 a. m., and it seemed that we did not stop once. Even the stop in Moscow was only long enough for breakfast and to write a few postcards, so I could do no sightseeing. But Russians there tell you of their new subway as a modern wonder of the world. The rickety automobiles of 1929 have disappeared, many rough streets have been asphalted. The average life of early Russian *Fords* was 100 miles, due to glaring defects such as *bubbles* in the steel. Thousands of these failures were crowded into a big warehouse; now some of these mistakes have been corrected—another lesson about starting at the top instead of building up a big business gradually.

The 8 days from Moscow to the Manchurian frontier were monotonous. Many passengers caught light colds and influenza the first night. I had a big comfortable compartment with private washroom all the way. A meal-ticket book cost about \$22. *Intourist* had an agent aboard, to translate for us and change our money if we wished to buy at the stations. Meals were abundant and fairly good; a grateful combination was black bread with butter, and fresh caviar, washed down with a glass of vodka—which in Russia has distinct rye flavor.

Women oiled the train at the stations, women worked with men in the track crews; all dressed in a drab and unattractive way. But flower gardens had come into fashion at the stations since 1929, and more paint and whitewash was evidenced. Preserves, sweets and perfumes could be bought at the station stores. Over the countryside, it looked as if farming had been industrialized. Small farms had disappeared; it was claimed that food scarcity and breadlines were things of the past. The next great problem is transportation. Only

dirt roads were noted, with a few cars bouncing over them; the country is so large and so sparsely populated that it will be hard to modernize the highways.

One morning I rose earlier than usual and found the train making one of its many station stops. Going for a walk, I counted some 33 cars of a train filled with prisoners and guarded by soldiers. Leaders of revolts are shot, their followers are sent to Siberia; families follow in passenger trains, and after a few years they usually don't care to go back. It is a practical way of colonizing Siberia. We traveled over endless plains and through endless forests, changing gradually from conifers or needle trees to birch. Some places the birch grows large, and at other places it is little more than brush. The Urals are not really mountains where the train passes, only an elevation of forest-covered hills.

During half a day we circled Baikal lake, an interesting interlude; on one side we traveled along the steep mountainsides almost over the lake, and on the other along a plain with the mountains at a distance—which reminded me of the typical roadview in the Philippines. Only a single boat was seen on the lake.

The train kept Moscow time all the way to Chita, near the Manchurian frontier, where the clock was set 6 hours ahead. It was most disturbing to wake at 6 in the morning and find that it was midnight by the clock. In Manchuria the clock was set back an hour, although far east of Chita. You feel secure from outlaws in Russia and Siberia, and no accidents to the express trains have happened. Speed slackens a great deal in passing the villages. Freight trains travel at reckless speed, and at times have accidents. The track is not very level in places, but is better than it was in 1929. Then we had 2 disabled coaches, while this time we had none, though they were always tinkering them.

The morning we reached Manchuria we were traveling over green rolling prairies. Not the slightest trouble at the border, only those who had not had their cameras sealed suffered removal of the films in them—to be developed at a small charge and mailed on after inspection.

Across the border came the contrast.

Passengers gathered in the Manchouli station restaurant. Run by nonsoviets, how different this place was! It was attractive, the food delicious, the service efficient and of a different courtesy; we got things not obtainable in Russia, such as American cigarettes, and beer that was not cloudy. Some young men who had traveled extensively in Russia and were fairly converted to its doctrines, started here to change their minds. A Dutchman tuned up his guitar, I my violin, and our feeling of having escaped from something sinister expressed itself in an impromptu concert. But darkness found us traveling through sand dunes east of the Gobi desert. After midnight about an hour, I woke and went outside my compartment—where I found Japanese soldiers tensely gripping their rifles. An official with a lantern rushed through the train, shouting. We had stopped between two towering hills and it was pitch-dark outside.

A month before, bandits had placed a bomb on the track at this place, and had attacked this same train when it stopped. They had been driven off by machine guns. We were not treated to such an adventure, and our train was soon in motion again. In 1929 the trip had continued to Vladivostok, with

World conditions are so uncertain that long range business is unwarranted and orderly marketing schedules cannot be prepared with any assurance. It looks like a very promising year for speculators, and he who is able to hold his stocks from market bulges and to guess the right time to sell, stands a chance to profit. To do this well, however, is going to require second sight and presumably in the long run such speculations will prove dangerous.

Indications are that 1936 will be a normal copra year, with the crop estimated at from 5% to 10% in excess of that of 1935, which in turn was some 3% under 1934.

The effects of legislation in the United States, if any, will have much to do with prices of copra in the Philippines, with the excise tax looming up as it did last year as an increasing menace to our legitimate market. Meanwhile, the Philippine Government has not yet received the proceeds of the excise tax promised it by the American Government, and in view of a series of law suits in the United States protesting against its return, there is good reason to fear that none of this money may ever find its way back to the Philippine Treasury.

MANILA HEMP

By H. P. STRICKLER
Manila Cordage Company

During January the market opened firm in the New York market, and prices of the grades J1 and above advanced slightly, until the middle of the month. During the second half of the month the market remained steady to firm until the close.

In London and Japan the market remained for the most part quiet and steady at little or no change in prices. Demand was spotted, and mostly speculative. The grades G and below declined slightly from the previous month's level.

In the Philippines, and especially in Davao, the market remained very firm during the entire month under review. While the prices of the medium and coarse grades remained unchanged or declined slightly, those of the grades J1 and above improved moderately in response to demand from the American market.

Prices of Loose Fiber in Manila Per Picul
December 31st

CD	P23 50
E	20 50
F	19 25
I	18 50
J1	15 75
G	13 75
H	10 25
J2	12 00
K	9 75
L1	8 75
L2	7 50

January 31st

CD	P23 00
E	21 00
F	19 75
I	18 75 to P20 00
J1	16 25
G	13 50
H	9 75 to 10 00
J2	11 75 to 12 00
K	9 50
L1	8 50
L2	7 25

THE RICE INDUSTRY

By PERCY A. HILL
of Muñoz, Nueva Ecija
Director, Rice Producers' Association



About January 20 luxury rice sold P0.45 higher than at date of our last report, means P0.25 higher. Prices since then falling somewhat, luxury grades on February 5 were bringing P6.60 to P6.80 per sack of 57 kilos, macans P16.15 to P6.25. During the same period palay rose to P3 per cavan of 44 kilos, and have now dropped back to P2.85 to P2.90. These are the highest prices for palay at harvest time during the past 8 years.

The drought in central Luzon will result in slow deliveries to milling plants; mills and warehouses will pursue a hand-to-mouth policy and buy only for immediate commitments, partly on account of the limited supply and partly on account of fears of governmental intervention. The plant-industry bureau gave the newspapers a crop estimate of 42,282,260 cavans before threshing was well underway, and growers are interested in the source of the figures.

Fourteen threshing units in Nueva Ecija in the rice plain report production 30% below last year; the bureau's estimate would mean about 1,250,000 tons of clean rice allowing normal recovery, but others estimate less than 1 million tons. Effects of the short supply will be felt later even in the face of lesser demand because of substitute bread crops.

Whatever it means, there are several plans underway to stabilize the rice industry. Chinese have done this very well heretofore, buying and handling the domestic crop and importing as prices promised a profit—and such a moderate profit as none could compete with. It will be interesting to see how the experiments work out in the face of facts. Few will envy the government its self-imposed task.

President Quezon has made a first rate start

in trying to make bureaus and bureau heads effective, even scrapping precedent to do so. What he and the people want is success, not excuses.

Producers and consumers are of course opposed to each other. Retailers try to beat a middle course. There is no way of stabilizing supply, producers being dependent on the weather; and no way of stabilizing price, except by reducing the future supply. When a third party steps in between producers and consumers, always at war as they ever will be, however fine his theories he throws a monkey-wrench into the machinery. Whether such an agency is public or private, little difference; the plain fact is that there is not rice enough to cope with demand. Buying any of it for redistribution is merely painting the roses. When shortage raises prices prohibitively; they may be controlled—but only with an additional supply.

The American rice crop last year was 15,400,000 cavans of 57 kilos. Fancy grades sold in San Francisco for P9.44 per sack of 125 lbs., 57 kilos, 33-1, 3' up over 1934. This has stopped imports from the Philippines, even supposing we had a surplus. Saigon quotations are about the same as last reported, but Tonkin rice re-exported through Hongkong may be lower due to favorable exchange.

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(Continued from page 32)

crossing to Japan by boat, because the Chinese and the Russians were then fighting over the railroad in northern Manchuria. Ruins of station buildings were seen, and this part of the country is thimble settled.

Living is very cheap in Manchuria.

A great wave of development is sweeping Russia, riving prosperity to the people. Lots of gold is being mined, that should give the currency stability. When bolshevism has been tempered by time, the world may tolerate it, then approve of it; as has been the experience with France's democracy, that in the beginning was sordid and fanatical. My crossing from Copenhagen to Shanghai costed 17 days, but the 4 days from Copenhagen to Moscow might have been cut to 2 by flying. Why are we all curious about Russia? I think mainly for two reasons, the magnitude of the experiment and because the Russians are always preaching to us and telling us to mend our ways.

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