

FAR EAST DOOR IS WIDE OPEN TO AMERICAN TRADE

Research Historian Tells Manufacturers Of New Possibilities

Chattanooga, Tenn.—Continued growth of America's trade with the Far East was predicted in an address before the National Association of Manufacturers by Dr. Jeremiah W. Jenks, president of the Alexander Hamilton Institute and research professor of government at New York University.

"It takes only a mildly prophetic eye," he said, "to see our Far Eastern trade outstep all others. We have only to consider the needs of other Eastern nations and our need for their products to see just how that trade is going to develop. Man's wants are the cause of trade. The more men there are, the more needs there are and the greater the trade.

GREAT POSSIBILITIES

"When we consider the population of the Far Eastern countries, with the 400,000,000 of China, the 60,000,000 of Japan, the 12,000,000 of the Philippines, together with the millions in the Dutch East Indies and Singapore, and even India, we can see how gigantic the possibilities are.

"Modern China may be said to have begun in the year 1890, the Chinese not showing any special signs of a desire for Western commodities until that date. China's total foreign trade (imports and exports) increased from about \$91,000,000 in 1865, to \$115,000,000 in 1895 (assuming \$.75 per Halkwan tael for these two figures). By 1915 it had increased to \$550,000,000, and in 1926 had reached a grand total of \$1,832,726,000. It will be seen from these figures how rapid this growth has been.

"The exports of China show a somewhat similar change, with a total of \$650,000,000 gold for 1925, consisting of raw silk, 23 per cent; beans and bean products, 13 per cent; raw cotton, 4 per cent; skins, hides and fur, 4 per cent; peanuts and peanut products, 3 per cent; the remaining 51 per cent was made up of such varied exports as egg products, tungsten, antimony, vegetable oils; with tea no longer an export factor of first importance.

"The United States is especially predominant in two or three particular lines; in petroleum,

for example, and softwood lumber, cotton piece goods and automobiles. It is also a fact that American canned goods are rapidly increasing in use in China, as well as fresh fruits and vegetables from the United States, in spite of the fact that China has a remarkable selection of vegetables and fruits. In 1925 almost 30,000,000 boxes of American oranges were imported into Shanghai alone. American flour has also become one of the important imports.

TRADE INCREASING

"It is evident from these facts that the trade with China is rapidly increasing. I have mentioned primarily China, but Japan's trade is no less important, especially in the export of silk. A much greater increase in trade with the Far East is to be anticipated, coming from an increasing population, added wants and desires of the people, and especially perhaps from added purchasing power.

"At the present time the purchasing power of China for foreign goods is about \$2 per head a year approximately (about \$900,000,000 imports, and over 400,000,000 population); whereas Great Britain's purchasing power is about \$147 per head a year. We can see that there is still a very great chance for an increased standard of living in the Far East, which is certain to increase greatly, our exports there, and with our exports will grow also doubtless our imports. The Chinese and Japanese must learn to get along with less hoarding of cash and more and better banking methods, with less gambling and more real investments."

PLEA FOR LEADERSHIP

A plea for courageous leadership in the political field was made before the association by John E. Edgerton of Tennessee, president.

Of all places where honest, capable, courageous leadership is acutely needed today, Mr. Edger-

ton declared, the political field is the most impressively rich in opportunity.

Clarence Young, Director of Aeronautics of the United States Department of Commerce, declared, "commercial aviation has already become a part of the general transportation scheme of this country and will soon become as indispensable to industrial and social progress as any other method of transportation."

Commercial aviation is a thing of the immediate present and must be reckoned with by every community and industry, he continued. He said the airplane manufacturing industry presents a unique situation today, in that it seems impossible to go into the market and purchase an airplane of proved performance for immediate delivery, because they are not being manufactured in sufficient quantity.