

efficient bulk carriers and the grain merchants invested in ever more commodious elevators. But the memory of how a “business as usual” response to a common emergency could slow recovery and drive up prices remained a lasting lesson to ship owners/managers, insurers, and the Lake Carriers Association.

The system worked well through the extraordinary demands of World War I, and in the economic uncertainty of the immediate post-war years was struggling to set a new level of normalcy. The 1921 season was one of the best on record. Farmers had a great growing season, resulting in an abundance of grain of all types. By 15 December shipments of over 12,500,000 bushels of grain – nearly twice as much shipped during 1920 – had made their way eastward on the New York State Barge Canal, the successor to the Erie Canal. As the Great Lakes shipping season approached closure, dozens of bulk carriers loaded with grain sailed from ports like Fort William, Ontario, and Superior, Wisconsin, bound for Buffalo with storage cargoes for winter layup.<sup>8</sup> A new record for grain receipts in Buffalo was expected for 1921. The previous record of grain receipts via lake boat was 219,897,727 bushels set in 1898. Receipts for 1921 were anticipated to exceed 221,000,000 bushels. On 16 December Buffalo’s lay up fleet already held 33,000,000 bushels, with 1,036,000 in vessels at the elevators, and another 2,000,000 bushels in transit aboard the last down bound bulk carriers. This presumed that ice breakers were able to keep the locks at Sault Ste. Marie open until all the bulk carriers had reached Buffalo and other Lake Erie ports.<sup>9</sup>

Surplus production kept grain prices low, even with the annual cycle of purchases for the European market underway. The post World War I Russian economy – after the ouster of the Czar and the growing dominance of the Bolsheviks – was in disarray. Rumors of \$20,000,000 in United States aid in the form of wheat and corn purchases to provide Russian relief encouraged an initially strong showing on the New York stock exchange. The price of wheat, corn, and oats all rose slightly, but the rise was not sustained.<sup>10</sup> Markets in Chicago and Detroit remained sluggish and in-flow diminished as farmers held out for higher prices, wishing for government intervention to drive wheat up to a guaranteed \$2.50 per bushel. Canadian and American farmers who had enjoyed high prices during World War I were struggling with debt from wartime expansion. The annual shortage of grain as winter stocks were expended in the spring and early summer was expected to bring the next price rise. Until then, the only aid to American farmers came in the form of a 16 percent reduction in railroad freight rates for grain shipment ordained by the Interstate Commerce Commission for implementation on 27 December. The distractions of the holiday season and difficulties of road transportation in the winter weather also slowed the flow of grain to market and the resulting sales.<sup>11</sup> Australian and

---

<sup>8</sup> “Grain Fleet is Due Today,” *Detroit Free Press*, 16 December 1921.

<sup>9</sup> “Two More Ships Will Load Grain,” “Lake Grain Carriers May Need Ice Breakers” and “Buffalo Expects New Grain Traffic Record,” *Detroit Free Press*, 17 December 1921.

<sup>10</sup> “Russian Aid Gossip Lifts Wheat Price,” *Detroit Free Press*, 16 December 1921; “Quiet Market for All the Grains,” *Detroit Free Press*, 17 December 1921; “Little Interest in Grain Market,” *Detroit Free Press*, 18 December 1921.

<sup>11</sup> “Failed to Follow Chicago Advance,” *Detroit Free Press*, 16 December 1921; “Financial