

Germany Alarmed by After-War Needs

Access to raw materials her first Object

An economic recovery after the war can only be effected, in the opinion of German statesmen and business men, by the rapid acquisition by Germany of essential raw materials. Access to the raw materials of the world is, therefore, the first and most determined aim of her present reconstruction preparations. The grouping, amalgamation and consolidation of the greater industries under a central control, and the foundation of import and export companies, are being undertaken in the first instance in order to speed up and facilitate the buying of raw materials, and, ultimately, to provide an organization for mass and wherever possible—standardized production.

The question of trade reconstruction in Germany is taken up by the British "Board of Trade Journal," which says:

"Whatever can be done by internal organization is being done at the present time in Germany. It is, however, generally acknowledged that the extent to which Germany will succeed in acquiring raw materials cannot be known until the conditions of peace are known.

"An interesting summary of the German attitude toward the economic problem is contained in a recent issue of 'Der Welthandel,' which gives the following view expressed by the business community of Bremen.

GERMANY'S CHIEF NEEDS.

"After the war Germany would need, first and foremost, material for spinning, hides and skins, high-grade ores, rubber, timber for shipbuilding and furniture-making, oil-producing plants, animal fats, fodder, fertilizers, coffee, cocoa, tea, tobacco and precious metals. While before the war these things were in part drawn from Germany's African and South Sea Colonies, her staple articles, which must be regarded as serving to regulate exchange, came from countries now hostile, e.g., cotton and tobacco from America, coffee and tobacco from Brazil, wool from Australia and British South Africa, and oil-producing kernels from English and French West African Colonies. Commerce, imports, manufacturing industries, exports, shipping, banks and insurance companies all depend on the possibilities afforded to German enterprise by the peace conditions, and every differentiation to her detriment, and any withholding of raw material must be prejudicial to her power of competition.

"The present war is a 'raw material war' in the widest sense of the term, and, should the peace not be such as Germany desires, she will have to export men instead of goods, as she did a few days ago. It is, therefore, necessary that a proportion of raw materials corresponding to the importance of her industries should be assured to Germany, for it must not be forgotten that since the outbreak of war Germany has been forced to dispense with thousands of articles which she drew from overseas. That Germany has the means of forcing her opponents to grant her equality of economic rights is obvious when it is remembered that America requires German phosphates for her agriculture; German chemicals and dyes, medicines, orthopedic and surgical instruments, Solingen steel, etc., all of which, however, are not really an equivalent for cotton, wool, copper and the like."

"It is natural, therefore, that of all the problems which have been set before the Government department dealing with reconstruction under the newly created Imperial Department of Economics, that of raw materials is by far the largest and most important. Of the nine separate sections belonging to the new department no fewer than six are concerned with the study of raw materials, and an analysis of them shows what materials and groups of commodities had come within their scope up to the end of March.

RAW MATERIALS PARAMOUNT.

"Section III.—Iron ores, manganese ores, slag, chrome, wolfram and molybdenum ores, timber, paper, stone.

"Section IV.—Lead, antimony, zinc, tin, nickel, cobalt, copper and their corresponding ores, china clay, graphite and machinery.

"Section V.—Textiles. Sub-sections for: Cotton, wool, fibres (jute, flax, hemp and textile substitute materials); silk, rags, and worn textile materials.

"Section VI.—Cereals, barley, maize bran and other albuminous feeding-stuffs, meat and live cattle.

"Section VII.—Seaborne imports. General section: Groceries, sausage skins, gum, rubber, cane for chairs, hair, bristles, tobacco (except that imported overland). Sub-section for oils, fats, oil seeds and asbestos. Sub-section for skins, hides, leather and leather goods.

"Section VIII.—Overland imports, imports restriction, coal and other mineral fuels, phosphates, with the exception of phosphate and pyrites to be found in Asia Minor.

"These sections are assisted by expert committees for the various groups of materials.

"It is stated that the activities of the Imperial Department of Economics have been confined hitherto to preliminary preparations. Data has been collected for nearly all commodities in order to determine statistically the requirements in raw materials. Cargo space conditions and the freight agreements already concluded by the shipping firms have also been ascertained, and will be kept up to date. Finally, lists have been drawn up of the goods which German firms have at their disposal in foreign countries by virtue of purchase or delivery contracts, and which will be ready for importation after the war. This information is necessary for the solution of the cargo space problem and for judging the volume of foreign exchange required.

"The attempt to obtain a survey of Germany's obligations to foreign countries and Germany's foreign credit balances after the conclusion of peace, it appears, has not been successful.

PLANS FOR DISTRIBUTION.

"With regard to the provision of raw materials and goods for the various groups of industries and to their distribution, numerous conference with the parties interested have in the case of many goods already taken place. It is said that these conferences have been so far successful that a special organization can be established in a short time, so far as it is at all necessary for the goods in question. The requisite statutes to bring into force the decisions of the committees working in conjunction with their respective sections have, it is stated, for the most part been drawn up and discussed.

"With regard to purchases which have been, or will be, effected by individuals or members of companies, agreement has been reached with the Reichsbank and with representatives of the parties concerned as to the principles which shall govern the conditions of payment, the obligations incurred and the share in the imports assignable to firms in the same line of business. With regard to the raw materials which

are stored in foreign countries for Germany's account, returns have been called for.

"According to the 'Norddeutsche Allgemeine Zeitung,' the head of the Commercial Policy Section of the Department of Economics has successfully endeavored to secure these raw materials as far as possible for import after the conclusion of peace, and, while giving suitable preference to prior purchases, to make certain that firms in the same line of business should be given a share of these goods. For some raw materials which are especially needed by the general public, and which are difficult for an individual importer to procure, the head of the Commercial Policy Section himself has concluded arrangements for prior purchases. It is, however, admitted that the amount of goods secured up to the present by this method of prior purchase is not large.

"For the past few weeks much space has been devoted in the German daily press to reviews by economists and ex-consuls of the raw materials situation after the war. Most of these writers express the view that the Entente hold far stronger cards than the Central Powers. In fact, potash, dyes and chemicals, which are Germany's greatest assets, are considered to be less indispensable to the Entente than are wool, cotton, copper, leather, rubber, etc., to Germany.

FEAR CUTTING OFF OF SUPPLIES.

"The 'Vossische Zeitung' in particular stated on April 16:

"By cutting off textiles the Anglo-Saxons will harm us in our clothing and comfort, but if they succeed in changing the distribution of raw oleaginous products, or in hampering our supply, then they will be attacking the sources of our existence.

"The ruin of our candle, soap, fat, oil and varnish industries would not be the worst consequences. The residues from oleaginous plants as cattle food, play a preponderating part in our farming. From these our oil industry obtained (in 1913) 800,000 tons of vegetable oils, while 900,000 tons were transformed from pulp into cattle fodder. It is no mere fanciful statement that if, after the war, we obtain practically no more oleaginous products from the English colonies, then we lose over 70 per cent of colza and rape seed imports, 45 per cent of our poppy imports, nearly 50 per cent of our ground nut imports and almost 30 per cent of our sesame imports. We would not get more than 10 per cent of our previous palm kernels supply, and we should lose 45 per cent of our copra imports. Fibrous materials and oleaginous fruits are by far the most important for us, and after them comes copper."

"From this the writer goes on to point out the advantages that will accrue to Germany of certain acquisitions of territory in Africa. Colonial aspirations appear and disappear in the German press as the military situation becomes favorable or unfavorable. To the German mind overseas colonies are areas for exploitation in raw materials, and their value is measured by the amount of necessary products which they may be made to yield."

LAST WEEK'S RECORD OF ACTIVE MONTREAL STOCKS.

| Sales. | Open. | High. | Low. | Last sale. | Net ch'ge. | — YEAR — | |
|-----------------------------------|-------|-------|-------|------------|------------|----------|-------|
| | | | | | | High. | Low. |
| 130 Ames-Holden | 60 | 61 | 60 | 61 | — ½ | 64 | 47 |
| 348 Brazilian | 34 ½ | 36 ½ | 34 ½ | 36 ½ | +1 ½ | 40 | 32 |
| 330 Brompton | 55 ½ | 56 ½ | 55 ½ | 56 ½ | + ½ | 56 ½ | 41 ½ |
| 1,315 Can. Car | 37 | 37 ½ | 36 ½ | 37 | + ½ | 37 ½ | 18 ½ |
| 1,380 Do. pfd. | 87 ½ | 92 | 87 ½ | 88 | +1 ½ | 92 | 49 ½ |
| 276 Can. Cement | 60 ½ | 61 | 60 ½ | 61 | + ¼ | 62 | *57 |
| 3,113 Can. Forgings | 155 | 200 | 155 | 194 | +38 ½ | 200 | 150 |
| 370 Can. Steamship pfd. | 76 | 76 | 76 | 76 | unch. | 78 ½ | 76 |
| 655 Dom. Steel | 61 | *61 ½ | 61 | 61 | — ½ | 63 ½ | *53 |
| 200 Laurentide | 169 | 169 | 169 | 169 | unch. | 169 | 152 |
| 1,070 Lyall | 77 | 82 | 77 | 80 | +2 ½ | 82 | *62 |
| 292 Maple Leaf | 114 | 114 | 112 | 112 | —2 | 114 | *95 |
| 645 Mont. Power | 76 ½ | 77 | 76 | 76 | — ½ | 80 ½ | 68 ½ |
| 615 Ont. Steel | 28 | 35 | 28 | 33 | +7 ½ | 35 | 22 ½ |
| 127 Do. pfd. | 75 | 78 | 75 | 78 | +5 | 78 | 73 |
| 135 Quebec Rails | 18 | 18 | 18 | 18 | unch. | 22 ½ | 15 |
| 247 Shawinigan | 111 ½ | 111 ½ | 111 | 111 | — ¼ | 116 ½ | *107 |
| 215 St. Law. Flour | *75 ½ | *78 | *75 ½ | *77 ½ | +3 ½ | *78 | 50 |
| 1,240 Steel of Can. | *64 ½ | *65 ½ | *64 ½ | *65 | — ¼ | 67 ½ | *49 ½ |
| 201 Wabasso Cotton | 44 ½ | 46 ½ | 44 ½ | 46 ½ | +1 ½ | 46 ½ | 21 |
| 715 Woods Mfg. | 71 ½ | 78 ½ | 71 ½ | 78 ½ | +8 ½ | 78 ½ | 57 ½ |
| — BONDS — | | | | | | | |
| 51 Royal | 208 | 208 | 208 | 208 | unch. | 208 | 208 |
| — UNLISTED SHARES — | | | | | | | |
| 24,600 Can. Loan (1925) | 95 ½ | 95 ½ | 95 ½ | 95 ½ | — ½ | 96 | 93 ½ |
| 58,600 Do. (1927) | 93 ½ | 97 ½ | 93 ½ | 93 ½ | unch. | 94 | 91 ½ |

*Ex-dividend.