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Special Articles

Capital Investments After the War.
By W. W. SWANSON.

Reconstruction—The First Chapter.
By J. W. MACMILLAN.

Conditions in the West.
By E. CORA HIND.

The Greatest Obstacle of Reconstruction	1
Daylight Saving	2
Municipal Muddles	2
Paid in Their Own Coin	2
Economy and Profit	2
A Compliment to Dr. Swanson	2
Capital Investment After the War	3
Conditions in the West	4
Reconstruction—The First Chapter	5
Canada at War	6-7
Public Opinion	8
Among the Companies	9
U. S. Government and Insurance	11
Bank Clearings	12
Commodity Markets	15-16

The Greatest Obstacle of Peace

WHEN the moment arrives at which the representatives of the belligerent nations become ready to sit down to talk of peace terms, the probability is that the greatest difficulty will be the question of what shall become of the German colonies that have been captured by Great Britain and her Allies. That Belgium must be restored to the Belgian people must by this time be clear to every German who has made any effort to understand the progress of the war. What shall be done with Alsace and Lorraine may be a debatable question. To surrender these Provinces to France will be a great humiliation to Germany, but one that may be regarded as unavoidable when Germany no longer dictates terms. Probably it will be even harder for Germany to contemplate the abandonment of the lost colonies. The desire for colonial expansion has been one of the most prominent features of German policy for many years. The vast colonial possessions of Great Britain have been viewed with jealousy by the German rulers. The "place in the sun," which they so often claimed in their discussion of world affairs, included the opportunity to carry on an increasingly wide policy of colonial development. When the mad Kaiser entered upon his war he made many miscalculations. He was so busy thinking of the revolts that were to break out in the British colonial possessions, that, apparently, he overlooked what might happen in the overseas countries where the German flag flew. Kiao-Chau, on which millions of German money had been spent, was quickly captured by the forces of Japan. The people of Australia, New Zealand and South Africa not only remained loyal to the Empire, but attacked and captured the German colonies in the Pacific and in Africa. While the German flag was being advanced on the European territories of France and Belgium, the German merchant fleet was swept from the ocean, and the German flag was hauled down on great regions overseas. It was a heavy blow to German pride and to German hope of future greatness.

That much importance is attached by Germany to the recovery of the lost colonies was frankly admitted in a recent speech by Dr. Solf, the German Colonial Secretary. According to Dr. Solf, whatever else may happen, the terms of peace must include the return of these colonies to the German flag.

But if Germany is thus resolved, there is an equal determination on the other side that what Britain has she must hold. In Australia and in South Africa there is the strongest opinion that the flag that has been raised over the Pacific and African colonies that were formerly German shall not be hauled down. Premier Hughes, of Australia, who is now in

England, has been most vigorous in voicing the views of the Commonwealth's people. The island of New Guinea, on which the Germans had a foot-hold, is too close to Australia to be allowed to be in the possession of a hostile nation.

Sir Charles Hibbert Tupper, who has just returned to Vancouver from Europe, has given to the Vancouver World an interview, in which he speaks disapprovingly of Sir Robert Borden's attitude on public questions during the recent visit of Canadian Ministers to London, and particularly of Sir Robert's failure to support Mr. Hughes on the question of the German colonies. "I regret very much," said Sir Charles, "that Premier Borden did not in any of his public utterances either take the lead or even support Premier Hughes in his contention with regard to what should be done with the German Pacific possessions."

It is well to remember that the terms of peace are not to be made by Great Britain but by the Allies. Doubtless that fact has had some influence hitherto in modifying the utterances of British statesmen on the subject.—Premier Hughes and Premier Borden are members of what is called the Imperial War Cabinet, but that is really only an advisory committee, having no executive power and no international standing. It is the British Cabinet, responsible to the British Parliament, that must speak for the British Empire. Mr. Hughes, no doubt, felt that in such a situation he had a greater freedom than the statesmen of Great Britain to give expression to his views concerning the German colonies. If Sir Robert Borden had endorsed the Australian Premier's utterances, he would have found few Canadians objecting, for the contention of the Australians is one that is likely to find favor in the Empire generally. It is noticeable that some of the leading British statesmen, who a little while ago treated the question with considerable reserve, have lately spoken in strong terms in favor of the policy of holding the captured colonies. Not long ago Mr. Lloyd George used language which was interpreted to mean that all disputed questions respecting territories affected by the war should be left to the determination of the occupants of such territories. It is very properly pointed out that the native races who form the bulk of the population of the former German colonies, are not sufficiently advanced in the science of government to enable them to settle the question in that way. These people will have to be treated as the wards of the enlightened nations, and there is little probability that Germany will be able to show from her experience that she is worthy of having the native races placed again under her care. While the matter cannot be formally settled until the terms of peace are agreed upon, it is more than likely that an expression of the views of the Allies has been had, and that the retention of the colonies by Great Britain will be approved.