

help of British cables. It may use its profits in any ways that its ingenuity may suggest to aid the enemy, but it shall do so without the assistance of British traders. We put it on a blacklist and we forbid you to have any dealings with it."

Is there in this anything unreasonable, anything arbitrary, anything that trenches on neutral rights, anything that interferes with genuinely neutral commerce?

It is, of course, possible that mistakes have been made in the compilation of the blacklist. How many Americans, I wonder, have any idea of the amount of information that is at the disposal of the British Government in all these matters? How many even realize that all cable communications between not only Germany and her Allies but between all the adjacent neutral countries on the one hand and the outer world of Asia, the United States and South America on the other, are in British possession or the possession of Britain's Allies? It is only and specifically as "an act of grace" on the part of the British Government that any cablegram can pass between Europe and the United States, or indeed between Europe and the rest of the world. I need hardly say that every cablegram is read by the British censors, that all wireless messages are similarly laid before them, and that the examination of the mail-bags supplies the last link in the chain of evidence. One may be pretty sure, therefore, that when the Government concludes that a given firm should be placed on the blacklist it has some substantial reasons for its decision and a very complete dossier with which to support them.

In the blacklist the British Government has devised a weapon so far preferable to either the French and German or to the old British and American practice, that it must always, I should think, find a place in the recognized armoury of the leading Powers.

SOUTH AFRICA'S SHARE

What the Union Has Done For the War—Some Problems

SOUTH AFRICA, writes a contributor to the Round Table, is perhaps fortunate in being able to help in the war, not only by sending white troops to the trenches, but also by providing coloured and native labour corps to work in the harbours of France. Already a coloured labour contingent, 1,000 strong, has been despatched to France for this purpose, and now 10,000 Kaffirs are to be recruited and organized as a military force under European officers, and despatched to France for the same purpose. Since the outbreak of the war the contribution of the natives towards the campaigns in Africa has not by any means been a small one. In the German West campaign 40,000 were employed in building military railways and other works. There are over 10,000 natives from the Union at the present time in German East. In addition to these a coloured battalion has for some months been a combatant unit in German East, and this battalion has recently been increased by the addition of two companies.

As regards recruiting South Africa has found her way into a cul-de-sac. She has placed about 60,000 men in the field during the course of the war. This, considering her population, is a very creditable performance, and may be said to bear comparison with the other Dominions. But she has now got to that stage or stratum of her population which, for various reasons, cannot, or will not, go unless compelled. This stratum exists in every community. The Recruiting Committee are struggling valiantly with the situation, but it is hard and discouraging work.

The only real solution of the problem is the introduction of conscription, but this is not possible in a country where a large section of the population is either coldly neutral or openly hostile to the Allied cause. The next alternative is moral suasion. But the use of this miserable and humiliating substitute for National Service has been strongly discouraged by the Prime Minister, as it played admirably into the hands of the Nationalist opposition. Then, again, the old question of the pay of the European contingent is continually cropping up and acting as a deterrent. It is to be hoped, however, that the call for reinforcements for German East may soon cease. At the time of writing all recruiting has been concentrated on the European Brigade. The fact is the Union has really got more units in the field than she can properly keep up to strength on the voluntary system of recruiting. This, however, can be remedied when General Smuts has completed the conquest of the last of the German colonies. We shall then be able to reorganize our

material and concentrate it all upon providing a South African Division for service in Europe and keeping that division up to strength.

THE HUN AND DUMPING

More Light on the Trade Methods that Threatened the World

FURTHER light on German trade methods is shown in an article in the *World's Work* by Maurice Milkoud. He says: German ironmasters sell their girders and channel iron for 130 marks per ton in Germany, for 120 to 125 in Switzerland; in England, South America, and the East, for 103 to 110 marks; in Italy they throw it away at 75 marks and make a loss of from 10 to 20 marks per ton, for the cost price may be reckoned at 85 to 95 marks per ton. That is dumping. The rival manufacturer is ruined outright, unless he comes to a working agreement and accepts all conditions.

It is pointed out to me that dumping is in vogue to some extent at least all over the world. That is true, but in order, at times of crisis, to find a market, at whatever loss, so as to keep one's factory at work, and one's workmen on the pay sheet. Dumping of that nature is intermittent and depends upon circumstances: it comes to an end as the market rights itself, and consequently is not practised in order to bring ruin to competitors.

It is one thing to dump for the purpose of clearing one's own excessive stock, and quite another to do it systematically, with the object of killing out competitors in other countries and seizing their markets. The German practice is that of over-production with a view to dumping. The distinction between the two forms of dumping is an essential one.

Dumping is not just an incident of trade—an exceptional occurrence. It is a weapon used in respect to all countries when commercial conquest is intended; it applies to the iron trade, chemical trade, electrical, and to trade of all kinds.

The Germans had established several factories for turning out formic acid. This acid seems destined to take the place of acetic acid, which is much used in the chemical trades. Three years ago a Frenchman proceeded to set up a works to make formic acid. Immediately the price fell from 225 francs to 80 francs per 100 kilogrammes, and the Frenchman was driven out of the market. Yet of the three or four German manufacturers two were forced to close down, which shows that they were selling at a loss.

Consider the case of Italy, for it is there that the

notable episodes in the conflict, and to describe the fluctuations that have taken place.

The Germans sell bar iron at 130 marks per ton in Germany and 95 marks in Italy; many other manufactured articles, such as iron wire, steel springs, cold-rolled iron and sheets, etc., are sold in Italy at a price 15 or 20 francs below the market price in Germany.

Austrian makers of sheet iron sacrifice 7, 10, or even 12 francs per quintal.

In the case of steel rails the price has been low-



THE TEMPTER IN THE PICKELHAUBE.

Kaiser (to Poland): "I will give you all that lies before you."

Poland: "But what of that which lies beyond?"

Kaiser: "Oh, that is mine. You can't expect any of that."

—From Mucha, Moscow.

ered to 40 francs below that at which the Germans have kept it elsewhere.

Competition must be crushed for ever.

If Switzerland enjoys a favourable position as regards the price at which she can buy iron from Germany, it is because it is the gateway to Italy.

In spite of all, the Italian ironmasters are determined to exist and do exist, but what spirit is theirs! What a deadly struggle they are engaged in all the while!

The Central-Verbund of Dusseldorf controls the iron market of Germany, Austria, Switzerland, France, and Belgium. Italy and England, as might be expected, have escaped its toils.

Consider what it means to control the iron market and to be the arbiter of prices! It means control to a large extent of all engineering construction, control of the output of a vast number of manufactured articles, of machinery of all kinds, of shipping and railroads and many other industries.

RUBBER INDUSTRY

The Record of a Great Trade in War Material Since its Earliest Days

THE first discoverer of the properties of rubber, writes L. E. Elliott, F.R.G.S., in the *Pan-American Magazine*, was not a wise, educated chemist, but some brown-skinned, naked native of the South American tropics, who, one day, cutting into the bark of a forest tree by accident or design with his primitive stone hatchet, saw the thick white milk running from the wound, watched it coagulate in the sun, and found that it hardened to a spongy substance of strange qualities.

The native Indian never found out how to elaborate rubber to any extent, but he did know it was liquid-proof. He used it as an application to wounds, coating the sore spot with the fresh milk. He knew, too, that it was resilient, for when Hernando Cortes conquered Mexico he found the Aztec playing a game of skill in which a bouncing rubber ball was used.

Neither the Spanish conquerors of Central and South America nor the Portuguese conquerors of Brazil had for three centuries any inkling of the future utility and the vast natural supplies of rubber existing in certain regions.

The first modern note which shows the interest of a traveller in Amazonian rubber is found in the writings of the French scientist, La Condamine, who visited Peru and Brazil in the year 1743, and was interested in finding the native "Indians" using the sub-

(Concluded on page 26.)



Clarence (to the blacksmith, who is paring the hoofs of the Shetland)—"Oh, I say! We don't want our pony made any smaller!"

—The Sketch.

method is most in evidence. Why? Because the Italians in the North are building up an iron industry. Their smelters aim at freedom of trade. The competition which they have to face is a real drama—indeed, at times it amounts to a veritable tragedy. It would take too long to narrate here the most