

## War and Commerce

### THE EMPIRE'S OUTLOOK

A most interesting address was given before the Christchurch branch of the Royal Colonial Institute last month by Mr. H. J. Marriner. The address is so full of suggestive points that we have no hesitation in reproducing it for the benefit of our readers as published by a Christchurch daily.—

Mr. Marriner, in the opening portion of his speech, dealt with the historical aspect of his subject. He quoted Sir Walter Raleigh's ever memorable and true remark: "Whosoever commands the sea commands the trade; and whosoever commands the trade of the world commands the riches of the world, and consequently the world itself," and said that as the history of England herself showed, war did not necessarily mean that a nation must reach disaster because of it. In fact, during the long struggle with Napoleon, England, though she increased her burdens, also increased her wealth and opportunities, and the secret lay in her having the command of the sea. During the period from 1815 to 1870 Great Britain was able to manufacture and export to all countries without competition or practically so. The speaker touched upon the important point of England's free trade policy at some length. This policy, he said, was so engrafted into the British idea that although it was now obsolete and detrimental to Britain's true interests, it had become a fetish to which the people still bowed. Cobden, the free-trader, and Bismarck, the protectionist, had diametrically opposed ideas. Both had prophesied, but the German's prophecy had come true, or was about to.

### THE RISE OF PRUSSIA

The speaker sketched the events which, after 1870, led up to the rise of Germany. A great impetus, he said, was given to German commerce by Bismarck bringing down in the Reichstag in 1879 a strong protectionist tariff Bill, securing her home markets, but allowing her to exploit the foreign markets. From that date Germany's trade and shipping bounded forward in gigantic strides, until with swelled heads the whole nation had listened to the Kaiser and his war lords, and, as they forced their "blood and iron" policy on Denmark, Austria and France, so they would try and continue to do so, and force the whole world to their feet. By strenuous labour, by bringing applied science into their every day work in laboratories and factories, by supplying the wants of their clients, by peaceful methods, and in some cases by underhand methods, they gained a big hold on the commerce of the world, and nothing less than this war would overthrow the commercial power of Germany. Had it not taken place it only required two decades of peaceful but strenuous penetration on British commerce to have gained the mastery. This war had, therefore, in this case, been a blessing in disguise, pointing out to us the weakness in our national and commercial armour. It was erroneous to say that Germany and

Austria only made rubbish, for he had seen in these countries goods which for skill, workmanship, finish, and beauty were unsurpassed anywhere.

### POWERFUL ORGANISATION

The speaker went on to outline the powerful and intricate commercial organisation which the United States and Germany had, legitimately enough, used to forward their aims. So far as Germany was concerned its organisation was the best in the world. All districts were divided, so that there should be no overlapping and no competition. Railways, Canals, and rivers all were brought to the highest standard of excellence so as to bring the raw material to the manufacturer, and take to the ports the finished articles. The factories were kept constantly at work, if possible three shifts daily, so as to reduce the cost of production, and the residue at stock-taking was dumped into free trade England at ruinous prices, and the loss made was spread over the year's workings, and was thus not appreciable. The German commercial power was felt in all countries of the world, and like a huge octopus was gradually spreading its tentacles until the aim was to have the world's commerce in its grasp. The Germans had done a great deal of filing ideas and patents from other nations. The great dye trade, worth £20,000,000 annually, was a British patent, and a large proportion of the steel turned out was by a process of Thomas Gilchrist. Out of fifteen German trade specialities the patents were in eight and a half cases British, four and a half German, one French, and one American.

### THE CHALLENGE

In the period from 1870 to 1914 they found that British trade had been severely challenged, and Great Britain had not held or increased her industries to the same extent that the States and Germany had. For this three main reasons had been given, viz.:—

- (1) The physical and geographical advantages peculiar to Great Britain were being outweighed by the superior organisation of competing nations;
- (2) Our manufacturers did not receive from the people the same skilled assistance that the people of other nations were giving to their countries' commerce; and
- (3) The application of new inventions and discoveries in commerce was not encouraged to anything like an adequate extent.

Cobden's boast that all other nations would follow Great Britain's free trade in five years was not borne out. France, Switzerland, Italy, Holland, Denmark, Germany, and the United States, in fact, the whole world, with the exception of Great Britain, had to place prohibitive tariffs against imported goods so as to protect their home markets, while giving scope for exporting. Germany and the United States had increased their export trade a great deal more than Great Britain.