

COMMERCE AND THE WAR.

I.

War is not possible without money, and where there is neither commerce nor industry there can be no money. Napoleon was the first to acknowledge this principle, and at the present day Great Britain has proved that the only way to be able to support the enormous expenditure which war entails on ~~the~~ belligerent countries, is to foster and extend commerce. Thanks to the exercise of this principle, England can meet her expenditure and helps financially her allies, with comparative ease ; whilst Germany encounters daily new and increasing difficulties in the way of attending to her financial requirements.

England, in her determination to make use of every legal means to combat the enemy, decided to wage war against German commerce in neutral countries, and for this purpose published lists giving the names of commercial firms condemned to ostracism with whom British subjects are forbidden to have dealings. The system, so far as it relates to the Motherland, caused little or no injury, but when applied to Gibraltar without modification of any kind, it has given rise to grave inconvenience and serious losses. On a Tuesday morning, for example, a Gibraltar exporting firm ships a parcel of goods to a port in Spain or Morocco, consigned to a known and respectable firm. On the same night the Official Gazette is accompanied by a Black List, or a list of neutral forbidden firms, amongst whom appears that same firm to whom, a few hours before, goods to the value of several thousand pesetas have been shipped.

The effect on the neutral firm affected at being marked by the British Government as a business house with which British subjects may not continue to trade, can easily be imagined; and since we are all human, the first impulse of that firm will be to say-
"The British Government forbids its subjects to have any dealings with me - Well, I shall not pay what I owe to British subjects";
and the result is that what the British Government intended as a

punishment, for pro-germanism or some other cause, on Spanish firms established in Spain, becomes a double edged sword, and it is British subjects, who may unfortunately have claims against said firm, who suffer. This is what is known in Castilian as "to go for wool and come back shorn". This is a period of reprisals and there is no right for complaint when the arm we use turns against and wounds us.

Is there a way of preventing these losses? Undoubtedly there is. It would suffice if, prior to the publication of new Black Lists of neutral firms, local exporting firms were apprised confidentially in order to give them time to recover what is due to them. The object which the Government has in view can be obtained in either case, because no firm receiving confidential advice that a firm in Spain or Morocco has been included in the Black List, would dare carry on any business with it and, on the other hand, they would have sufficient time to enable them to make arrangements before the foreign firm became aware of what was taking place and was able to prepare a perfectly justifiable refusal to pay, as in the case of the theatrical manager in the "Duo de la Africana". (A man who never paid ~~his~~ the artistes).

Putting
Black Lists
firm on the
give vice-
consular
for Lopez
Casalant.

There is another arrangement which is crying out for modification. In future, the ^himportation into Gibraltar of articles from Spain will not be allowed unless accompanied by a certificate of origin declared before a British consular authority. The immense majority of the articles which reach Gibraltar from Spain are foodstuffs from towns and districts where there is neither a consul, vice-consul nor consular agent. A parcel of barley, peas, rice, pork sausages &c., or any other similar article, arrives without a British consular certificate. The Authorities will not permit its importation into the Fortress where there is a scarcity of this article. What is to be done? Is the community to be allowed to undergo privations because it did not occur to our Government to appoint a Consular representative for the district producing the article in question? These laws and arrangements are all very well for the United Kingdom, where, owing to its geographical

position, everything must arrive by sea route, but to pretend to apply these same laws to Gibraltar, which is joined by ~~Spain~~ land to Spain, must perforce cause inconvenience and losses which could be prevented by previously devoting a little time to studying the matter and introducing into those laws modifications which experience and good sense advises.

We hear that the Chamber of Commerce and the Exchange Committee are giving careful attention to these matters and we doubt not that their action will lead to the desired result.

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II.

There is another aspect to the question we were discussing yesterday, a much graver one than some people imagine. Up to the present, exportation without limitation of any kind had been allowed to countries of the allies and friendly neutrals such as Morocco and Spain. These facilities have now ceased as regards merchandise received from England.

The importer, being restricted to local consumption, reduces his imports, and we are told that, as a result of all this, the stocks of certain articles have greatly diminished, and will be still further diminished, and it may happen that we shall run short of them; and, while Calpean merchants are forbidden to re-export such articles as candles, butter &c., steamers are leaving London and Liverpool direct for Spanish and Moroccan ports packed with those same articles which it is illegal for Gibraltar traders to re-export.

As regards flour, we have heard it affirmed, that a crisis is approaching which should preoccupy the attention of both Government and the people. Flour has attained such a price in the United States that, at present, it is cheaper to purchase Spanish flour, and Spanish towns in Morocco are importing flour from the Peninsula. In view of this fact, Gibraltar importers are taking no steps to replenish their stocks and it is not impossible that, after a time, there may be a scarcity of flour in Gibraltar. The inhabitants should, of course, prepare to resign themselves to have to pay much dearer for bread than they do at present,

We cannot understand this change of policy on the part of our Authorities with regard to the facilities which were being given to export trade. Importers entered into a bond to keep a quantity of goods as a reserve, and did not hesitate to

allow capital to remain dormant, in exchange for exportation facilities. Suddenly, without any previous notice, these facilities are withdrawn and, as is only natural, the importer interprets this as a breach of contract on the part of the Government and, at the same time, considers himself released from his undertaking. Also, in future, he will take no pains to retain the reserve of goods which he had been bound to keep, at least as regards those articles, the exportation of which is not now permitted.

This is a similar instance to the Black List case. The complaint of the local merchants is, solely, that the Authorities should have notified them that, from a given date, the exportation of certain goods would be prohibited except under certain conditions. We think the pretension is a very logical, reasonable and proper one and, by so simple a procedure, the importers would have been saved from very serious losses and the public would not have to undergo the inconvenience which, at no distant date, might be brought about by as a consequence of the merchant abstaining from importing certain articles in the same quantities as they were accustomed to do when there were no restrictions on exportation.

These restrictions placed on Gibraltar commerce must markedly diminish the profits and we already stated yesterday that 'l'argent fait la guerre! Could Gibraltar have contributed the sums given for the benefit of the wounded, the orphans, the Belgian children, if the Government had adopted from the commencement of hostilities the measures now in force? Certainly not.
