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ECONOMIC WAR

VAST MACHINE AT
WORKWORLD-WIDE NET FOR
CONTRABAND

From Our Trade Correspondent

In various official statements the Government have made it quite plain that they are exercising belligerent rights at sea to the full. Although, as they have also pointed out, the word "blockade" is often used as a convenient way of describing economic warfare based on the exercise of these belligerent rights no blockade of Germany in the formal sense of the term has been declared. At the same time vessels will not, of course, be allowed to proceed with contraband cargo having either immediately or ultimately an enemy destination.

The present procedure is in essentials the same as that adopted in the last war. A Contraband Committee is again functioning, but with the significant addition of a Ministry of Economic Warfare whose establishment may be regarded as the outward and visible sign of the vast expansion of an organization which after many trials and much friction ultimately proved such an effective weapon a quarter of a century ago. But we start where we then left off.

Without delving into international law or legal niceties an attempt may be made to outline broadly what is involved in this great effort which Great Britain has again been forced to make in order to stop the flow of vital commodities to Germany; in other words, to describe in general terms the modern equivalent of the old-time blockade. In former days—and a good example is provided by the American Civil War—the blockade was a comparatively simple and circumscribed affair. A chain of warships patrolled a port or a strip of coast and so effectively prevented any ship from entering or leaving. The "blockade runner" was familiar and his enterprise often brought him a rich harvest. The effectiveness of the blockade was easily determined; and so long as the rules remained unchanged it used to be argued before the war of 1914 that with the ever-widening area of conflict a blockade in the future would be impossible to enforce. But in dealing with a continent a blockade of the old kind is out of the question, and as a matter of fact it disappeared in the last war. International law had to be stretched to meet the new conditions. A new kind of blockade developed gradually and for the most part was improvised. Germany's flagrant breaches of international law and all the civilized rules of maritime warfare provided ample justification for new measures.

OIL FUEL

But whatever terminology may be used, the object of the present measures is the same as that which every blockade since the dawn of history has had—namely, to impede the supply of vital commodities (contraband) to the enemy and if possible to prevent them from reaching him. The conditions of every war change, the relative importance of commodities may alter—last time coal was paramount, this time it is oil fuel—but whatever else is changed, the objective of every blockade is the same: the stoppage of supplies to the enemy. And to achieve this

An instrument world-wide in scope is, therefore, devised. It uses all the forces which the Allies possess—their vast economic power, their finance, insurance, business connexions, and "agents" in every corner of the globe. All the machinery set up last time for this purpose has been overhauled in the interval between the two wars, and there is no doubt that it will bear the strain placed upon it. It begins to operate far oversea. All the possible sources of supply are known and watched, and at this early point there is set in motion the work of impeding the passage of goods to Germany. Every stage of their movement is kept under observation; difficulties are placed in the way of their finance, their insurance, and their transport, and the names of those firms who are known to be supplying Germany go on a black list. The seizure of the goods at sea or in port is only the final step in this ceaseless activity; in fact, it may be sometimes desirable to permit the shipment of the goods for the express purpose of subsequent seizure nearer home. It will be seen that the modern blockade is a far different thing from the comparatively simple operation which earlier generations knew.

As in the last war the Government have established contraband control bases. In this country they are at Kirkwall, Weymouth, and The Downs (North Foreland). There are also two oversea—at Gibraltar and Haifa. Last time ships trading regularly to Europe called voluntarily at this kind of station. They found it to their advantage to do so, and there is no doubt that they will readily fall in with the British Government's request to do so again. If they do, and it is established that they carry no contraband, they may be given a pass to facilitate their onward journey. Vessels which do not call voluntarily will be liable to be diverted to a base when adequate search is not practicable. Neutral vessels are advised that delay will be reduced to a minimum if they cooperate by having all their papers drawn up in the most convenient form and carry a spare copy of the full ship's manifest to be handed over and retained by the examining officers.

POSITION OF NEUTRALS

Ships which undertake the risk of carrying contraband suffer the penalties of confiscation when they are detected. As enemy ships have disappeared from the seas it follows that only ships of neutrals will come under observation, and as enemy goods in a neutral ship cannot be seized unless they are contraband the Government have published a list of such contraband goods. During the last war owing to the unrestricted submarine campaign of the enemy Reprisal Orders in Council were issued by the Government which enabled them to seize enemy goods in neutral ships wherever found and whether contraband or not. But the normal position is that only goods on the contraband list which are proceeding to an enemy port or neutral port from which they are to be forwarded to an enemy country are liable to capture. The ship will be brought to one of the examination stations and the manifest and other relative documents submitted to the Ministry of Economic Warfare, who will decide whether the evidence of immediate or ultimate destination is sufficient to justify seizure. If so, the ship will be ordered to be handed over to the Prize Court for discharge, that is unloading, by the Customs. The Admiralty Marshal then becomes responsible for its care and custody pending the result of proceedings in a Prize Court, which is, of course, a special Court established in time of war to decide whether or not a ship or a cargo shall be confiscated and requisitioned or

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