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Political and Economic Blunders.

A Review of the Policy of the
Botha-Smuts Government.

BY

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Published by the Author.

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Political and Economic
Blunders.

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A Review of the Policy of the Botha-Smuts
Government. Being a reprint of articles pub-
lished in the "NEW AGE", since January, 1915;
together with some additional matter.

BY

H. J. POUTSMA.

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INTRODUCTORY.

The following pages contain a reprint of a series of articles contributed to the "New Age," London, and published between January and July, 1915. The dates on which they were written, indicated at the head of each article, will enable the reader to distinguish between statement of fact and conjecture. My object in writing the articles was to endeavour to place the situation in South Africa before the people of Great Britain from what I believed to be the point of view of the majority of the Africander people. And I have good reason to know that they were appreciated by the relatively limited number of readers of the "New Age," both here and in England. That they exercised any marked influence on public opinion I do not pretend to believe; but whatever may have been their effect my intentions were honest, and the purpose admittedly praiseworthy.

My principal object in republishing the articles at the present moment is to endeavour to impress upon the Africander people the wisdom and the necessity of adopting a policy that will promote the welfare of the people as a whole, and not of a section, as has been the practice in the past. The National Party at present aims at obtaining the support of a considerable section of the people, and it is not at all unlikely that it will secure a majority in Parliament at the forthcoming elections. And it is surely the duty of every honest man to endeavour to mould the opinions of such a party on the lines of progress and moderation, rather than to exasperate it into reactionary bitterness, as its political opponents and the Press are now doing? The Press will contend, I know, that I would be better employed in opposing and abusing that party, than in attempting to influence it for good. But that is, at best, the Press' **opinion**, and whatever claim the Press may have to honesty, it has no claim to wisdom, much less to infallibility. Besides the Press pretends to believe that I am likely to do more harm than good to whatever cause I espouse, so that the balance of public service ought, in its opinion, to be still in my favour.

Another object I have frankly in view is to prove to the working classes that in supporting the present government, or any of its political allies,—with

whom must now be included the Official Labour Party, —they are deliberately sacrificing all that their industrial and political efforts have won in the past or made possible in the future. I have tried to show that the industrial policy of the Botha-Smuts government is detrimental alike to the Dutch Africander people and the working classes. And I am convinced that the National Party representing the Dutch people is now determined to oppose, and, as far as possible, to reverse that policy. It is therefore the duty of the working classes, both British and Dutch, to support the National Party. The Dutch people are accused of being racial and reactionary, as well as anti-Imperialist, and therefore undeserving of support. If that were so (and the attitude of the Press and some of the supporters of the Imperialist parties is well calculated to ensure it) the future of South Africa would be dark indeed. But I am honestly convinced that while they rightly refuse to allow themselves to be dragged into every Imperialist dispute, the vast majority are sincerely desirous of finding a policy that will promote the prosperity of both races. The National Party would unquestionably be strong enough, without the British workers, to carry out a reactionary policy;—favoured as it would be by the mining magnates, who are not accustomed to allow either “patriotism” or “racialism” to interfere with their economic plans;— but it would not be strong enough to carry out a progressive policy; and the best proof of its goodwill to the British workers is that it now appeals for their help against a common enemy.

I am personally being accused of having abandoned my former principles in leaving the Labour Party for the National Party. This I deny. I have not left the Labour Party because I have abandoned my former principles, but because I believe that the Labour Party has abandoned its principles, and betrayed the working classes to their worst enemies. That it has done so in what it believed to be a good cause, and that the majority of its supporters have sanctioned that abandonment and betrayal will make no difference to the final result. And surely one can be a good patriot without handing himself over bound hand and foot to the first charlatan that cares to raise the cry of patriotism. And I am confident that when the present war

is over, and new capitalist international friendships and enmities are formed, the working classes of all countries will regret having allowed themselves to be diverted from their economic struggle to fight the battles of their oppressors. When that time comes it will be found that it was not I who abandoned my principles. If the working classes regret the part they played in July 1913 and January 1914,—and their connection with the International working class movement,—I have nothing more to say, except to repudiate their suggestions of desertion and betrayal, and to deplore their folly.

And whoever considers the question with ordinary intelligence must realize that the present attitude of the official Labour Party is absurd and impossible in any case. In the first place it cannot conscientiously appeal for the support of anyone but professed Imperialists; and we know that not all British, no Dutch, and very few foreign workingmen are Imperialists. And in the second place a successful appeal to Imperialists by the Labour Party,—which is, after all, International in its aims and methods, if not in sentiment,—must injure the cause of Imperialism by weakening the real Imperialist parties. The Imperialist Press of South Africa, which holds the consciences of the Labour Party at present, will readily endorse that statement at any rate. And Gen. Smuts stated at one of his meetings recently,—and states indeed, at all his meetings, as do other "Imperialists",—that the British workingman who refuses to support him will be a traitor to the Empire. What will be the designation, then, of those who support official Labour candidates in constituencies where the Labour Party is opposed to the South African Party? Will they not be traitors to the Empire according to this eagle-eyed leader of the blind, in whose opinion I am a "renegade." This is an ugly word, and brings obloquy to him to whom it is appropriate. But if General Smuts will but look up its meaning, and examine his own past, he will probably be more sparing of its use in future. He was not always the ardent Imperialist he now professes to be. We have his own statement for the fact that although Attorney General of the Transvaal Republic,—under the Statesman whose memory he would now traduce and dishonour,—at the outbreak of the Boer war, he was not a Burgher,

and could not become one, being a British subject born in the Cape Colony. He makes it a reproach to President Kruger that he (Smuts) although a Dutchman could not become a Burgher of the Transvaal, because he happened to be a British citizen. This, however, did not prevent him taking up arms for a foreign nation against his own lawful government, or from persuading his fellow-subjects to follow his example. So that in accusing President Kruger of reaction he denounces himself as a traitor. President Kruger's memory will hardly suffer in the judgment of honest men for refusing to make a Burgher of General Smuts. But any man can atone for his past, and if the fresh oath of allegiance he took at Vereeniging had been kept, General Smuts might still be held blameless. But to whom did he and his party appeal at the last general election, and on what grounds? To the Dutch Africander people, and on the cry of separate traditions. To whom, and to what do they appeal to-day? To the British workingmen, and the "one stream policy." The Dutch people were called upon in January 1914, by General Smuts,— on what pleas will one day be known,— to suppress a revolt among the British working classes; and the British working classes were called upon a few months later, by the same authority, to suppress a revolt among the Dutch people. Was the call legitimate in both cases; or in the former only, or the latter; or in neither? This is a question that both the Dutch people and the working classes would do well to ponder—without the assistance of the Capitalist Press.

In these articles I do not presume to judge of the motives of General Smuts or anyone else. I merely state what I believe to be facts, and leave others to draw their own conclusions. But if my worst conjectures are right, this will not be the first time in the history of mankind that an attempt has been made to dishonour a whole nation to cover the crimes of one man, or to provide a little tawdry glory for another: nor will we be the first people who have been sold and degraded for the gratification of personal avarice or ambition.

It has been pointed out to me by a critic whose opinion I respect that I have done an injustice to the Unionist Party by identifying it with the Rand Chamber of Mines and De Beer's, but I do not believe I have

done it the slightest injustice. It is true that Mr. Patrick Duncan has stated recently that the Unionist Party is no more controlled either by the mining magnates or the Press, and I am prepared to take his word for it. But that only means, after all, that the Unionist Party has been thrown over by the mining magnates and their Press, for the South African Party. Whether or not the party will be able to vindicate both its vitality and its honesty, by surviving the disaster, remains to be seen.

In regard to my attitude to the rebellion I may say that I am not only content to remain a citizen of the Empire, but look upon any attempt to set up an independent republic as impossible and dangerous. This, however, is not so much because of the Treaty of Vereeniging, or the grant of self-government, so-called, as because of the accomplishment and acceptance of the Union of South Africa. It must be admitted, however, that had De Wet succeeded in setting up a republic, and had that republic succeeded as the American republic has done, future ages would have venerated the memory of De Wet as we now venerate that of Washington. It does not alter the case to say that the American Colonies were oppressed while South Africa possessed a liberal constitution. A constitution that would be considered liberal at one time or in one place, might be regarded as oppressive at another time or in other places. Neither word represents any positive or definite condition. The enterprises of Washington and of Bolivar differed only from that of De Wet, and thousands of others now forgotten or despised,—or only honoured in secret, and by factions,—in that they were successful. And it cannot be denied that, generally speaking, every revolt, whatever be its nature or origin, provided its motives are honourable, puts men a step nearer to real liberty. In spite of the excesses of the French revolution, and of the overthrow of a "legitimate" Government, and the destruction, for a time, of "law and order", it is "good for mankind that the grass now grows where the Bastille stood."

H. J. POUTSMA.

Pretoria, September 1915.

I.

Pretoria, 20th December, 1914.

When I left England a few weeks ago, I little knew that I was returning to South Africa to find the difficulties in which the present war has involved the Empire intensified by a civil war in this portion of his Majesty's dominions. Since my arrival here I have made careful observations, which I may claim without exaggeration my previous knowledge of South Africa and its people should render of some value and importance; and I consider it my duty, in the interests of the future of this country and of the Empire, to lay the results of these observations fully and frankly before the Government and people of Great Britain, in the sincere hope that they may help to guide them towards a final settlement of this question which will, to some extent, avoid the fatal errors of the past. It is stated, as I write, that the rebellion is crushed; that General de Wet is a captive; the career of Beyers ingloriously terminated in the Vaal River; and the other leaders either captured, or scattered and dispersed, without followers and without influence; that the rebellion was never serious, and the bulk of the people in complete sympathy with the Government, which may be safely trusted to effect a final settlement. If I could honestly believe all this to be true, no one would rejoice more than I, or more clearly recognise that a discreet silence would do more than anything else to establish a lasting peace. But I know perfectly well that it is true only in the

most superficial sense. It is probably true that active rebellion has been stamped out for the time being, and that the Government is capable, for the present, of preventing a recurrence. But the most difficult problem of all, that of establishing peace and harmony, and rendering the people of South Africa loyal to the Empire in fact as well as in name, has yet to be faced; and this as I shall endeavour to make plain, the Botha Government is incapable of effecting. I say further that if the terrible mistakes of the past, in similar circumstances, are not to be repeated in South Africa, a settlement must be arrived at based upon the fullest and clearest knowledge of the circumstances that led up to this unfortunate position. It must be remembered that this is not a question that affects the loyalists alone, nor the rebels alone—who cannot be classified or identified with any degree of accuracy—nor the Dutch inhabitants alone, but the people as a whole, and especially the working classes, for whom industrial stagnation resulting from continued unrest means starvation, and who are liable to be despised and forgotten by both sides alike.

The people of Great Britain are at present disposed to trust implicitly to the wisdom and integrity as well as the strength of the Botha Government to settle this question permanently, and to the entire satisfaction of all loyal South Africans. In this they are doubtless relying on impressions received either officially from the Government or through the Press of South Africa. In regard to the first source of information I need not express an opinion, and in regard to the Press I say that the Press of South Africa dare not and, indeed, cannot express any opinion but that dictated by the Government. I hope to make it perfectly clear in the course of this article, without attributing motives of any kind, or questioning the sincerity or honesty of anyone, that no more fatal mistake could be made for the future of South Africa, and for the stability of the Empire (in so far as the loyalty or disloyalty of the people of South Africa can affect that stability), than to rely on the present Government to effect a final settlement. I hope to show that not only does the Government not possess the real confidence and support of the majority of the people but that the recent trouble was indirectly if not directly due to the fact that it neither possesses the confidence

nor understands or appreciates the real feelings of any large section of the community.

To the average person, I know, a rebellion is simply a rebellion, admitting neither of excuse or justification, the only condition entering into the question of punishment being that of expediency. But I feel sure that every wise and honest person will admit that the degree of guilt attaching to a particular action, and the mode of settlement, depends, and ought always to depend, on the nature of the circumstances that prompted it. It may be admitted that if the late rebels could justly be accused of having taken advantage of a crisis in the affairs of the mother-country deliberately and causelessly to break away from their allegiance, no punishment could be too great for them and no censure too severe. It may be further admitted that if the feelings that actuated the rebels were really hostile to Great Britain—or, if not being hostile, as I believe they were not—were confined to a relatively small section of the Afrikaner people, no great harm could be done by confining the settlement to stamping out active resistance and punishing the leaders—or alternately, forgiving and forgetting, as General Botha suggests—a task that might even be safely confided to the present Government. But if, on the other hand, as I shall try to show, the cause of the trouble was hostility not to Great Britain, but to the policy of the Union Government, and if this feeling is widespread and general, not only among the Dutch, but among all sections, it is clear that a very different policy must be pursued. I say, then, in the first place, that the rebellion was not primarily, nor even extensively, prompted by the desire to sever South Africa from the Empire, but was the result of a series of circumstances having a common origin in the complete loss of confidence of the people of South Africa in the Botha-Smuts Government. I say in the second place that the feeling that animated the rebels is almost universal in one form or another, and although the Government at present commands the support of that section of the people who place the claim of Empire before all others, the feeling of distrust and dissatisfaction will manifest itself the moment the danger to the Empire is considered past, and thereby render a satisfactory solution of the present difficulty impossible. It would be difficult here to detail or to

analyse the causes of the distrust as far as the Dutch people are concerned. But the working classes have good cause for resentment on account of the violent and unconstitutional methods that were employed against them in July, 1913, and January, 1914. Be that as it may, however, the fact remains that had the Government possessed the confidence and respect of any considerable section of the people there would probably have been no rebellion. It is true that many of the Dutch people still cherish, and will cherish for many years to come, the dream of a South African republic, and a separate and distinct nationality, and eagerly seized the opportunity offered them of attempting to realise that dream. But the principal if not the only motive of the vast majority who took up arms was to protest against and to resist the decision of the Government to employ the Defence Force in invading German territory—a decision that must be frankly admitted, when all the circumstances are calmly considered, to have been injudicious and unnecessary; and one, moreover, that would never have been contemplated had the Government known the temper of the people; and which would probably not have been actively opposed had it possessed their full confidence, as it believed or pretended to believe.

Many Englishmen, I know, will regard the hostility to the employment of the Defence Force against Germany as an act of treason in itself, and will refuse to accept the existence of a feeling of distrust of the Government as an extenuation. To those who adopt that attitude I have but this to say, namely, that in that case it must be frankly admitted that nine-tenths of the Afrikaner people are secretly disloyal, and an appearance of loyalty can only be maintained either by force or by a self-interest capable of stifling a very strong as well as, in my opinion, a very natural sentiment. I write thus frankly because I believe the people of Great Britain to be capable of making due allowances for national prejudices even though they may be in conflict with their own, and of appreciating a generous sentiment, however foolish or mistaken it may appear, and however opposed to their interests it may prove.

Let us, then, briefly examine the question from that point of view. When the Liberal Government of Great Britain magnanimously and, it may be, wisely, decided

to depart from the customs and practice of the past, and grant liberal constitutions to the peoples of the Transvaal and Orange Free State, it was confidently expected by those who believed in the efficacy of freedom and liberality in promoting feelings of loyalty and trust, that Great Britain had established a claim on the loyalty of the people of South Africa that could not be lightly denied. Has this faith then been falsified, or rather must we believe that those who took up arms rather than allow themselves to be forced to attack the territory of the German nation, have betrayed the confidence reposed in them by the people of Great Britain, and forfeited their claim to our respect as men of honour? Before answering that question let us ask and answer this further question: Is there to be no limit to the loyalty that may be reasonably claimed from a recently conquered people, however generously they may have subsequently been treated? And I put it to every honest man to say whether or not a reasonable limit had been reached in this case? For consider, although the German Government did not actively or openly assist the late republics in their conflict with Great Britain, it is an undoubted fact that the German people were generous in their sympathy and help. And I am personally aware that many of the German and other enemy-subjects, now interned as prisoners of war in South Africa, are men who came here purposely to assist the late republics in their fight for freedom. I recall this circumstance out of no hostility to Great Britain—far from it—but in explanation to the difficult position in which the Dutch people found themselves. I know well that the fact that these men are now prisoners is but the fortune of war, and a matter of sheer necessity, and that it should be so regarded by all reasonable men. But I feel convinced, on the other hand, that the people of Great Britain will consider these matters carefully before deciding as to whether or not the men who took up arms are to be regarded as traitors and rebels. From all that I have seen and heard since my arrival in South Africa, and from what I know of the Dutch people, I am honestly convinced that they would have remained absolutely loyal to the Empire had they not feared that they would ultimately be compelled to assist in the invasion of German territory. I know that it was not the inten-

tion of the Government to force them, and had the Government been trusted this would have been taken for granted. But, as I have said, it was not trusted. Rightly or wrongly, the majority of the Dutch inhabitants have come to believe that the Botha-Smuts Government has sold South Africa to the enemies of the Afrikaner people and of Afrikaner traditions.

It may be said that these German sympathies did not prevent Generals Botha and Smuts and thousands of others—indeed, the majority—from doing their duty to the Empire, and why should they prevent Generals de Wet and Beyers, and the rest? I do not for one moment question the fact that Generals Botha and Smuts were actuated by the very highest motives, but I would put it to these gentlemen themselves and to all honest men to say whether or not their loyalty was exercised, to some extent at least, at the expense of their private feelings. Their loyalty, it is true, triumphed over other sentiments, but can the same high degree of civic virtue be expected from all alike? Are no allowances to be made for differences in temperament?

I am well aware that these considerations do not justify or excuse rebellion, but my object is not to justify it, but to point to facts, a knowledge and appreciation of which I believe to be essential to a settlement of this question if the future Government of South Africa is to be based upon the freedom and mutual respect and goodwill of its people, and not upon force. And in any case, whether it is to be based upon force or not, I am convinced that a satisfactory settlement is impossible under the present Government. First, because, as I have said, and as is undoubtedly the case, the Government does not possess the confidence of any section of the community, and, secondly, because, however loyal it proved, the Government has shown a lamentable ignorance of the real state of public feeling, and a complete lack of ordinary tact and discretion. It may be urged that the Government was not called upon to consider private feelings, but to do its duty to the Empire regardless of consequences. Apart from the fact that such a Spartan-like policy is seldom adopted in practice, the suggestion carries with it the monstrous inference that General Botha deliberately provoked a civil war among his people which could have been avoided by a little tact—an inference which Gene-

ral Botha himself, and all good men on his behalf, would instantly repudiate. Besides, consider what would have happened had the working classes or their leaders—who sacrificed their dearest interests for the sake of the Empire—continued to harbour their just and natural resentment for the treatment they received in July, 1913, and January, 1914. And while on this subject I may mention, as showing the narrow spirit in which the Government has acted throughout, that in spite of the generous and unconditional support tendered by the working classes, most of the railwaymen victimised for participation in the January strike are still walking about idle, although the railways are being worked short-handed.

I do not blame the Government for having undertaken the conquest of German South-West Africa at the request of the Imperial Government—in fact, it was its clear duty to do so. But I do blame it for not foreseeing what must have been obvious to all who knew anything of the recent history of South Africa—namely, that to use the Defence Force, which was intended purely for internal defence, for that purpose would, owing to the fact that such a step would involve compulsion of men whose feelings naturally revolted against such an act, provoke rebellion. It was clearly the duty of the Government to rely for such an act of aggression, on volunteers, of whom it could easily have raised more than sufficient for such a purpose. And having failed in this duty, and kindled by its failure a conflagration in South Africa, I say that the present Government of the Union cannot possibly effect a lasting settlement of this question. Leniency and severity alike will be misinterpreted and resented by one side or the other.

I would respectfully suggest, therefore, that the present Government be advised to resign, and that his Excellency the Governor-General form a provisional government consisting of a few men, who are known to be impartial, and who would possess the confidence of all, until an opportunity be afforded to the people, by means of a general election, of selecting men whom they can trust to represent them.

In conclusion, I would like to give expression to a sentiment which I am prevented from uttering here. It is this, that in my opinion the Press of South Africa

is sowing the seeds of much future bitterness by abusing its liberty to vilify one side while the other is so amply protected by both public opinion and all the forces of law and authority. The rebels were no doubt highly culpable, but no one can deny that they were disinterested. General de Wet is unquestionably a rebel, and, as it happens, legally a traitor, but it is equally unquestionable that he possesses many amiable and excellent qualities and is loved by thousands possessing qualities no less amiable and excellent. And let the people of England rest assured, and I know they are too generous to regret it, that it was not because it was not felt, that no word of pity found public expression in South Africa for the sad fate, however self-sought, of him whose cries for help were stifled for ever by the waters of that river which formed one of the boundaries of the land he loved and served so well in the past. It is clearly our duty to admit the good qualities of these men, and to forget as soon as possible their errors, or at least to remember them with sorrow and forbearance; but to exaggerate those errors, and endeavour to hold their names up to execration, as the Press of South Africa is now doing, is the surest way to enshrine their memories in the hearts of the people and to exalt and to ennoble the cause for which they risked and sacrificed their lives.

II.

Pretoria, 15th March, 1915-

Nothing of very great importance has happened here since my last article was written except the surrender of Kemp, and that event is shrouded in the most profound mystery. Did Kemp surrender unconditionally, knowing the obvious fate that awaited him, or as the result of a secret understanding with the Government,—how many of the rebels surrendered with him, and what is the true position in regard to Maritz,—are questions that many are asking, but which nobody can answer. The rebellion, at any rate, has been crushed with a rapidity and thoroughness that is surely unparalleled in history. I think it is safe to say that never before has an insurrection so extensive and popular been quelled with such ease or condemned with such apparent unanimity. One of the leaders, carefully selected as being neither very prominent nor very obscure, namely Joseph Fourie, has been shot in what, considering the doubtful legality of the tribunal that condemned him, amounted to cold blood without exciting any apparent resentment. Men who have hitherto been regarded with veneration by the vast majority of the people are awaiting their trial for high treason, exposed to the most unseemly abuse, not only of the British section of the population, but of their own friends and former associates. Individuals are being sentenced daily to long terms of imprisonment for mere expressions of opinion while thousands who have actually borne arms against



the Government are allowed to go safely back to their farms, and not an audible protest is heard. Parliament has just met and gives every indication of being the most servile and obsequious that ever sat. The most rancorous anti-Britishers, and the most enthusiastic Imperialists appear to have but one ambition in life—to die for the Empire. Colonel-Commandant Tobias Smuts and Sir Thomas Smart mingle their rapturous cheers at every patriotic allusion however obscure. The most stubborn reactionaries vie with the most liberal reformers in conferring despotic power on Genl. Smuts. Sir Edgar Walton who regards democracy as synonymous with anarchy, and Mr. Merriman with some maxim of liberty for ever on his lips, join amicably in abusing General Hertzog for suggesting that the parliament should exercise the least control over the Executive or the people over parliament. Every possible quality that would be likely to facilitate despotism or stifle liberty appears to be concentrated in the present parliament of the Union. The only manifestation of independence or mistrust of the Government comes from the small group that surrounds General Hertzog, and this group is being baited with a ferocity almost as savage and as unreasonable as that which was directed against the Labour members in the session following the strike in January 1914. It is true that some of the Labour members, stung by the remembrance of their own wrongs, show occasional signs of relenting but their dread of appearing to countenance rebellion, and their anxiety to assist the Government in its "patriotic" exertions prevents them from joining Genl. Hertzog in his fight against despotism. The most noticeable feature of the situation is that opposition to the Government is confined strictly to Parliament. No direct attempt has yet been made to stifle discussion there, but no word of criticism can be safely expressed in public. The press and the platform are shut as closely against every expression of dissent, however mild, as they could possibly be under the strongest and most despotic government that ever existed. The obvious result is that while the policy of the Government appears to meet with unanimous approval it is undeniable that there is a large and ever increasing section of the community who not only disapprove of that policy, but whose disapproval is being exaggerated and

embittered beyond measure by the very efforts that are made to suppress it.

But it will be said, since parliament, which is free to express its opinion, is almost unanimous in supporting the Government, is it not reasonable to suppose that parliament at least approximately represents public opinion? We know how almost unanimous parliament was in supporting the measures taken to suppress the strike in January, 1914, and how General Smuts boasted that 95 per cent. of the people were behind him; and we know also, from the results of the Provincial Council elections which followed, how far the parliament was from representing public opinion, and how idle the boast of General Smuts really was. And even if we could regard the support extended to the present policy of the Government by Parliament as a reliable indication of that extended by the people, may there not be, in the very strength and unanimity of that support, grave cause for uneasiness as to the future of South Africa? Is the present strength of the Government majority to be attributed to a general feeling of anxiety for the honour and the safety of the Empire? Are we to believe that men like Messrs. Burton and Malan—not to mention General Smuts—are after all, enthusiastic Imperialists? And is the honour and safety of the Empire, and of British citizenship, really safe in the hands of those who showed such contempt, in July 1913 and January 1914, for British citizenship and British ideals?

I am well aware that it will be both a difficult and unpopular task to call in question the sincerity of the Botha-Smuts Government, but if their motives and intentions are really sincere no harm can be done by a little honest scrutiny. Surely the circumstance that Generals Botha and Smuts, and their Dutch followers in parliament, have deliberately risked the good opinion of nine tenths of their countrymen, in order to render a gratuitous service to the Empire, is too unusual to be taken on trust. And even if it could be shown that the loyalty of General Botha and his Dutch supporters was all that the Press of South Africa claims, I would still say, and will try to prove, that we are asked to pay too high a price for it. For one thing, I am satisfied that the loyalty of General Botha, whatever its value may be, will ultimately cost the Empire the real loyalty and respect of the vast majority of the people. I say further

that the despotic power with which the blind and mistaken patriotism of the Press, and a section of the people, is enabling the Government to invest itself, will be used in the future to suppress every aspiration after liberty or justice. In order to make all this clear it will be necessary to examine and compare the real and the alleged causes of the sudden outbreak and extensive character of the late rebellion, and its equally sudden and complete collapse.

I said in my original article that the outbreak was due to the unwillingness of the Dutch people to enter into active hostilities against Germany, and to a want of confidence in the Botha-Smuts Government. This has been amply borne out by everything that has since transpired. The Government is anxious, however, for reasons of its own—some of them obvious enough—to cast doubt on that opinion. At the recent opening of Parliament there was laid on the table of the House, and published a Blue-book purporting to be an impartial account of the main incidents of the rebellion and the causes that led up to it as revealed in letters, telegrams, affidavits, etc., said to be in the possession of the authorities. The document was compiled for the Government by a gentleman named Fouche who is, I understand, a professor of History in one of the South African Colleges. It is palpably and admittedly partizan in character, and contains numerous assumptions and speculations for which not a particle of evidence is offered. This omission is excused on the ground that the evidence relates for the most part to criminal actions still pending in the various treason courts. This explanation is perfectly satisfactory as far as it goes, but it is nevertheless a pity that statements of so serious and one-sided a character should have been made before evidence in their support became available. Reading between the lines of this Blue-book, however, and indeed in the very text itself, one cannot help noticing the ingenious and persistent efforts of the Government to force General Hertzog and his parliamentary followers, either to compromise themselves with the supporters by unconditionally condemning the insurrection, or of openly declaring themselves rebels and traitors. This desire to destroy what it professes to regard as a political faction, but which it obviously hates and fears above all things, will prove a valuable clue to the real policy of the Government and

will help to explain many things that now seem inexplicable.

The Government professes, in this Blue-book, to have discovered evidence of serious disaffection among the officers and men of the Defence Force, extending over a considerable period. If this be true the most remarkable thing about it is that it should have remained so long undiscovered, and it proves nothing more conclusively than the incompetence of the Government. Indeed if half what this Blue-book contains is true—which I don't believe—it would be difficult to imagine such a degree of folly and ignorance as that which placed Lieut.-Colonel Maritz in a position to do so much harm. In fact General Smuts states explicitly that he did not trust Maritz and placed him in that position at the urgent request of General Beyers. But if General Smuts did not know that General Beyers had the highest admiration for Germany, and was therefore, the last person whose advice should have been followed as to the disposition of troops intended for the invasion of German territory, he was the only grown-up person in South Africa who was unaware of it. It is also asserted that an attempt was made in August last to engineer an insurrection in the Western Transvaal, and that an extensive outbreak was only prevented by the intervention of the late General De la Rey, acting on the advice of General Botha. It is further alleged that an attempt by the late Generals De la Rey and Beyers, Major Kemp, and others, to march on Pretoria, in September, with a portion of the Defence Force then encamped at Potchefstroom, was frustrated by the tragic death of General De la Rey. General Smuts, however, in his speech in moving the second reading of the Indemnity Bill, considerably modified this allegation in so far as it affected the late General De la Rey, partly, it is to be presumed, out of respect to his memory, and partly because it was obviously inconsistent with his action in the Western Transvaal in August. But it is clearly impossible to dissociate the two Generals in whatever was contemplated in regard to the Defence Force. If, as is alleged, General Beyers was on his way to march the Defence Force on Pretoria on the night General De la Rey was shot, the latter was most certainly in his confidence. If not the whole theory of a traitorous plot, which the Government has set up to

account for the rebellion, must fall to the ground. The truth appears to be that neither the late Generals De la Rey nor Beyers had any intention to set up an independent republic but they were opposed to the invasion of German S.W.A., especially if the Burghers were to be commandeered or the Defence Force employed. The probable explanation of General De la Rey's success in quelling the disturbance in the Western Transvaal in August is that he carried with him the assurance of General Botha that only volunteers would be employed. But whatever actual foundation there may be for the allegations contained in the Blue-book is hardly likely to be ever accurately or fully known as the evidence is almost wholly in the hands of the Government. It is true that a select Committee of the House has been appointed to inquire into the whole question, but even if the Committee was competent, or had the time and opportunity to conduct such an enquiry, it would be unable to find out anything the Government did not wish to disclose. It is not to be denied that a certain amount of disaffection has existed among the Dutch,—as among every subject people,—but it is unlikely that the disaffection would have manifested itself in open rebellion but for the decision of the Government to invade German territory. Even then rebellion would not have been possible had the Government taken proper precautions against it.

Under these circumstances it is obvious that such light as can be thrown on the rebellion, for the present, at any rate, must be largely a matter of conjecture and analysis. It is certain that very little reliance can be placed either on Blue-books issued by the Government or on speeches delivered in parliament. Much useful knowledge, however, that will help to an understanding of the ultimate policy and intentions of the Government, may be indirectly gleaned by anyone not blinded by false patriotism or party zeal. Among the reasons given in the Blue-book, for the extent to which the rebellion spread are certain charges levelled against the leaders, the more important being: First, that they deliberately persuaded the Burghers that certain members of the Government were in sympathy with the movement, and were only waiting for a favourable opportunity, and an exhibition of strength on the part of the insurgents, to declare it its favour. Secondly, that

they (the leaders) falsely asserted that the Government intended to commandeer the Burghers for service in German South West Africa, whereas it had been decided to rely on volunteers. And thirdly that certain political leaders notably ex-president Steyn and General Hertzog had encouraged the rebellion by failing to condemn it.

Regarding the first charge it is merely asserted that a "prophet" named Van Rensburg had certain visions vouchsafed to him; one particularly in which he saw the English disappear in the direction of Natal, and a vulture return to settle down among the people. The vulture is supposed to have been General Botha. It is also asserted that "the people in the Northern Free State were assured over and over again that Botha was going to start the revolution in the Transvaal." There is not a particle of evidence to prove either that the leaders took special pains to disseminate the vision of Van Rensburg or that they used the name of General Botha in the manner suggested. But whether they did or not it is certain that there was a strong feeling among the people that General Botha would be in sympathy with any attempt to regain their independence, and they could not bring themselves to believe that he would have them shot down for making such an attempt. This was but natural and it must be admitted that the foolish and ambiguous policy of the Government helped to strengthen this feeling. The Government knew, on its own showing, that there was a strong desire on the part of many to set up an independent republic, and yet the British soldiers, considered necessary in times of peace when a movement towards independence could not possibly prosper, were deliberately sent out of the country on the outbreak of a war which obviously taxed the whole strength of Great Britain. Moreover, General Beyers was allowed to resign his commission, and to write a letter which, to use the expression of General Smuts, would render him "liable, in the German Empire, to the extreme penalty"; and which, to say the least, would render a trade union leader liable to something more than a vague rebuke, even in South Africa. This attitude on the part of the Government may account, to some extent, for the large number who went into rebellion. General Botha's ultimate appearance at the

head of the loyalist forces dispelled the illusion and induced a large number to abandon the enterprise. There can be no doubt that General Botha's attitude staggered and mystified the Dutch people. For the first time in the history of nations was what appeared to be a promising attempt on the part of a newly conquered people, whose national aspirations are by no means languid, to regain their independence, crushed by their own trusted leader marching at the head of their own compatriots. Is it any wonder the Burghers were mystified? It is certain that ten times as great a British force, led by British officers, would have been necessary to put down such a rebellion. But it is certain, on the other hand, that it would have created far less bitterness; and however much we may admire the high sense of honour which enabled General Botha to carry out such a painful duty, we cannot but deplore the folly that imposed it upon him. And even if the Government was as innocent as it claims to be it is unquestionable that, whatever may be the feelings of the English people, General Botha can never regain the confidence of his own countrymen. It is idle to say that the Dutch people knew that General Botha aspired to leadership only on the understanding that they were unconditionally loyal to Great Britain. Much as he is respected and honoured he would not retain their confidence an hour on those terms. The Dutch people are, as I wrote in my last article, passively loyal to the Empire, and that only because they see no reasonable hope of regaining their independence; and because they believe that the policy of General Botha offers them a useful equivalent to independence. And what is the equivalent offered by General Botha and his Government, and wherein does it differ, as far as the Empire is concerned, from actual independence? General Botha's policy, as I shall endeavour to show later, is the creation of a State, nominally subject to Great Britain for the time being, but in which the Afrikaner people, or rather their leaders, would be absolute masters, and in which outsiders would have no weight or influence, and in which, indeed, they would only be tolerated on condition they behaved themselves properly, and were useful and necessary. And what is the difference after all, between this ideal and an independent republic, friendly to Great Britain, and in which Englishmen

would be tolerated—still subject to good behaviour—as long as there was room for them, that is to say, as far as can be seen at present, as long as the gold mines last. The only difference I can see is that the ideal of General Botha would ensure to the Government a more convenient method of disposing of troublesome Englishmen. But this is anticipating.

As to the accusation that the leaders fomented the rebellion by accusing the Government of an intention to commandeer the Burghers for service in G.S.W.A., there is, and can be no evidence to justify it, for the simple reason that the intention of the Government, one way or the other, was never openly or frankly expressed. The Burghers were assured on the one hand, by members of parliament returning from the special session of the House in September last, that volunteers would be relied upon. The Government, on the other hand, endeavoured to convey the impression, through the public press, that the Defence Force would be employed in the ordinary way, which would involve compulsion. The inevitable result was that the people did not know what to think. Some of the leaders may have taken advantage of this confusion to serve their own purpose, but the Government has itself to blame for the consequences, whatever they may have been. The plain truth is, of course, that the Government was too ambitious in its aims. It wanted to persuade the British people here and in Great Britain, that the Burghers were just as ready to turn out to fight the enemies of the Empire, as to suppress the strike; and it wanted, at the same time, to evade the unpleasant consequences it knew full well would result from compelling them to do so. The result of this double-dealing was, as might have been foreseen, a miserable and tragic failure; and now, instead of acknowledging that failure, and the errors that occasioned it, the Government is endeavouring to throw the blame on innocent people. Nay more, in attempting to justify a claim on behalf of the Afri-cander people, to a degree of loyalty to which they are not entitled, and which could hardly be expected from them, the Government is doing its best to prove them guilty of a baseness of which they are incapable.

While on this subject I may refer to a speech delivered by General Smuts in moving the second reading of the Indemnity Bill. The speech was described by the

Press as a "masterpiece of statesmanlike eloquence". It followed the lines of the notorious Blue-book in insinuations and unsupported assertions. Its main object was to discredit the notion that the invasion of German South West Africa was responsible for the Rebellion, and to throw the whole blame on the leaders, especially the political opponents of the Government. Two or three points in particular may be noticed: First, referring to a statement made in a previous debate to the effect that the Government had been warned by the Transvaal and the Free State Commandants called together in August last, that the invasion of G.S.W.A. would lead to trouble, General Smuts said: "As far as I remember, at this meeting of Commandants, the question of G.S.W.A. was not discussed". Now, not only was the question discussed, but nothing is more certain than that the meeting was called specially for that very purpose. And this was confirmed by General Smuts later when he said: "At this meeting the position was fully explained, and our legal obligations as members of the British Empire were explained to the meeting; the Commandants were told to hold themselves in readiness, and, in case of necessity, to help the Government with large numbers of men which we might want." What were the large numbers of men wanted for, if not to invade G.S.W.A.? And is it likely that the Boer Commandants, of all men in the world, would refrain from demanding particulars as to the nature of the services required? Moreover, the failure to mention the question of the contemplated invasion to these Commandants would have been the greatest blunder of all, and sufficient in itself to account for the disasters that ensued. But not only was the question discussed but it is now generally known that the vast majority of the Commandants, while expressing their willingness to guard the Union against aggression, were opposed to the expedition altogether, and warned the Government of the serious trouble that would result from an attempt to commandeer the Burghers. And as a matter of fact the Government seems to have abandoned the idea of commandeering, but only made its decision known to its Dutch parliamentary supporters at the special session, and in secret caucus, relying on them to convey it to the Burghers. This, as we have seen, was only imperfectly carried out, so that the Bur-

ghers did not know what the real intentions of the Government were. Besides, as I have said, they were mystified by the conflicting statements that appeared. Wherever a definite assurance was given, as in General Botha's own constituency, where, according to the Blue-book, he "emphasized the fact that the Government did not intend to commandeer Burghers for service in German South West Africa," there was no trouble. This statement is certainly definite enough, but ordinary members of Parliament could not be expected to possess either the facilities to meet their constituents, or the authority to convince them possessed by the Prime Minister. And as it did not suit General Botha's purpose to have the speech circulated in the Press, it was not until the appearance of this Blue-book that anybody but his actual hearers became aware that he ever made it.

Secondly, General Smuts assured the House that the decision to invade G.S.W.A., could not have had anything to do with the rebellion since the people were in rebellion prior to the decision to invade German territory, and went on to say: "One of the most important things that helped to save the country was this German South West African expedition, although we have been told that but for that expedition we would not have had the rebellion. But what these people could not see was that the preparations we made for the expedition, could, at the proper moment, be switched off." What we are asked to understand by this remarkable logic is that the rebellion broke out prior to, and independently of, the decision to invade German territory; that during the progress of this rebellion forces were raised for service in G.S.W.A.; and that these forces were "switched off", at the proper moment, and as a kind of inspiration, to put down the rebellion. And this is the statesman who, in the opinion of a titled Editor of a South African newspaper, has only one possible failing, and that is that he is so subtle and exact a logician that he is liable to put up too good a case for his own side. The plain fact was of course, that the decision to invade G.S.W.A. fanned the smouldering embers of disaffection into a rebellion which was afterwards put down by the forces raised for the expedition. But this explanation is too simple, and too honourable to his countrymen to satisfy General Smuts. Having failed to prove

that the Dutch were tamely and unconditionally submissive he has set himself to show that they were openly and flagrantly disloyal.

Thirdly, General Smuts stated in reply to a suggestion that the rank and file of the rebels should be disfranchised, that the Government refused to adopt that policy as it might "lay itself open to the charge of disqualifying its political opponents." The insinuation is, of course, that the rebels belonged mainly to the Hertzog party. That may be so as far as the Free State rebels are concerned, because the majority of the people belong to that party. But as far as can be judged from external evidence the vast majority of the rebels in the Transvaal were strong supporters of the Government. Joseph Fourie, who was shot, was an open follower and admirer of General Botha. Moreover General Smuts is not afraid of the votes of the rank and file since all the leaders, and all the men of rank, wealth, or ability are to be either in prison, or incapable of sitting in Parliament, or on other public bodies, and in that case where are the "political opponents" of the Government to get candidates from? The obvious intention of the Government is to crush all opposition among the Dutch, and in the meantime to lull the English speaking people into a false security by pretending to be patriotic and conciliatory.

III.

Pretoria, 10th April, 1915.

The third reason given in the Blue-book for the extent to which the rebellion spread was, it will be remembered, that certain political leaders, particularly ex-President Steyn and General Hertzog, had failed to condemn it. The case against President Steyn consists of a lengthy correspondence between that gentleman and General Botha, from which it appears that as soon as the rebellion became imminent in the Free State, General Botha appealed to Pres. Steyn to use his influence to prevent bloodshed. Pres. Steyn expressed his willingness and anxiety to do this, but reminded General Botha of his (Pres. Steyn's) warning as to the probable results of the policy of the Government in regard to G.S.W.A. He pointed out that as he was opposed to the policy of the Government he must, in fairness to himself, make this opposition clear in any appeal he might make to his people. General Botha, however, insisted on an unconditional condemnation of the rebellion. This, as was no doubt intended, placed Pres. Steyn in an awkward predicament. By acceding to the demand of General Botha he would appear to give his sanction and approval to the policy of the Government. By remaining silent he would lay himself open to the charge of encouraging the rebellion, and of neglecting an opportunity of preventing unnecessary violence. And if he followed his own inclination and condemned both the policy of the Government and the methods of the rebels

in resisting it, he ran the risk of offending both parties, of rendering his appeal ineffective, and of landing himself in prison. It is difficult for anyone not conversant with the character and antecedents of the Afrikaner people to appreciate the difficulty of the position in which Pres. Steyn found himself. The Dutch people, as General Hertzog pointed out recently, are not yet sufficiently familiar with constitutional Government to realize the seriousness of an appeal to arms. Under the semi-patriarchal government of the late South African republics the Executive authority was neither so rigid nor so inaccessible as it is under a "free" constitution. The march, therefore, of a number of armed burghers to the capital to discuss their grievances with the president would not be considered a very unusual or a very dangerous proceeding. The Crown Colony government which followed was frankly based upon force, and imposed no moral obligation, imaginary or otherwise, upon the people to respect its laws. It is true that the Dutch Reformed Church, following the example of other churches, recently laid down the general principle that governments, meaning presumably all governments, are of Divine origin, and receive their authority direct from heaven. But the Dutch Reformed Church, still following the example of the past, would probably find some flaw in the title of a government that was not sufficiently powerful to protect itself against rebellion, or which did not owe its origin to the will of the people. This latter is, in reality, the only valid moral claim any government has upon the loyalty of its subjects. A representative government is supposed to derive its power and authority from the majority of the citizens and it is therefore considered highly immoral and dangerous for any section of the community to attempt to subvert its authority or to influence its general policy by force. But all this is new to the Dutch speaking people of South Africa. Besides, admirable as the theory may appear, the little experience they have had may well seem to belie it in practice. For what, after all, does self-government amount to as far as the bulk of the people are concerned? Thousands of railwaymen were thrown into prison without trial in January 1914, and nine citizens were deported without ceremony, at dead of night, in defiance both of law and right. What advantage did these men gain by living under a "free"

constitution? It will be said that having violated the laws they deserved to suffer. But was any attempt made to prove that they had violated them? And even if they had they might well ask who made those laws. Did the 30,000 railwaymen have any hand in making it a criminal offence to go on strike? And even if they had, and if the laws were the mildest and most perfect that were ever framed, what protection do they afford when a ministry of ten men have the power to set them aside and substitute martial law on any pretext they please? But here surely, in the case of a rebellion in which 20,000 citizens took up arms, will be found a sufficient justification for martial law. Granted, but was a strike in which 3000 railwaymen were engaged? And if so, would not one in which 1000, or 500, or 100, or even 50, were engaged be sufficient? What possible restriction or limitation of the power of the Executive does the most liberal constitution provide? The power to turn them out of office at the end of five years? The politicians are the only people who attach any importance to that privilege. There was in this case, moreover, the question of loyalty to the Empire. The fact that Great Britain was at war might be considered sufficient to induce Englishmen of all classes to sink their political differences and forget their grievances until the danger to the Empire was past. But could the same feelings be expected from the Dutch? It will be said that Generals Botha and Smuts, and thousands of other Dutchmen, were actuated by those feelings. But when it is remembered that, even assuming their patriotism to be genuine Generals Botha and Smuts have set up an absolutely new and unprecedented standard of national morality and national honour is it any wonder that they failed to carry the whole nation with them? There is no previous instance in history in which a newly conquered people failed to take advantage of the difficulties of their conqueror to regain their independence, much less, as in this case, voluntarily assisted that conqueror in overcoming those difficulties. But, it will be said, if there is no parallel in history for the attitude of General Botha and his Dutch supporters, there is no parallel for the treatment that South Africa has received from her conquerors. Frankly, indeed, that is the only possible explanation of the attitude of General Botha and his supporters. Great Britain,

having conquered the two South African republics, and deprived them of Governments to which they were ardently attached, shortly afterwards granted them self-government, therefore the people of these republics owe allegiance and support to Great Britain. But admitting that the grant of self-government and the protection of the Empire is a satisfactory substitute for their former freedom, see what an embarrassing precedent has been set up as a guide for the nations of the earth. Suppose, if we could imagine such a thing possible, Germany were to conquer Great Britain, could the subsequent grant of self-government be regarded as a claim upon the loyalty of Englishmen to Germany for all time and under all circumstances?

It is only by considering these questions in their widest possible scope that we can appreciate the position of men like President Steyn in regard to the rebellion. It would appear from the evidence, however, that President Steyn, partly by skill and partly by accident, managed to avoid compromising himself with either sides. Stifling his own personal feelings he endeavoured to bring the leaders together for the purpose of inducing them to lay down their arms. But during the negotiations a collision, involving loss of life, had taken place between the rebels under De Wet and the loyalists under one Cronje at a place called Doornberg. This collision appears to have been more or less accidental, as both sides were still in hopes of a peaceful settlement, but the government refused to negotiate further with the rebels and demanded unconditional surrender. This attitude was taken up all the more confidently by the government as it had become clear by that time that there was little or no possibility of co-operation between the Free State rebels under the Wet, and those of the Transvaal under General Beyers and others. All the evidence goes to prove that while the sole object of the latter was to force the Government to abandon the German South West African expedition,—or at least to rely on volunteers,—the former entertained, in a more or less vague way, the idea of setting up an independent republic.

The charges against General Hertzog appear to rest solely on the fact that his name was used once or twice by Maritz and De Wet in a manner calculated to sug-

gest that he was in sympathy with the rebellion. It is admitted, however, that this may have been due to a desire on the part of Maritz and De Wet to induce their followers to believe that they were backed up by men of influence. Indeed, as we have seen, the leaders were accused of having used the name of General Botha for a similar purpose. It seems to be taken for granted that because he happened to be in opposition to the Government, General Hertzog should have taken steps to repudiate these suggestions, although what he could, or should have done nobody has taken the least trouble to explain. Nor is any definite complaint made against him in the Blue-book. But since the opening of parliament everyone who has spoken, with the exception of his own followers (not excluding the labour members), has accused him of having been responsible, in some vague way, for the outbreak. And to judge from their speeches one would imagine that they looked upon him as one who possessed the unbounded confidence of the whole Dutch population, whereas they usually regard him as a factious extremist representing nobody but himself, and voicing no grievance but his own expulsion from the Ministry. The Minister for Railways and Harbours—who, being of no particular nationality, is usually given the unpleasant things to say about all parties—stated that he “spoke when he should have remained silent, and remained silent when he ought to have spoken”, but he forgot to say when he should have spoken, and what he ought to have said. The majority of the members of the Unionist party confined themselves to generalities and innuendoes; and it is only fair to say that (generally speaking) they exhibited a degree of decency and moderation that is greatly to their credit, especially when contrasted with the gross indecency of the Press, and with the rancorous and obviously insincere and forced bitterness exhibited by Col.-Commandant Tobias Smuts, Messrs. du Toit, Vermaas, and other Dutch speaking members. Mr. Quinn, however, and one or two others, freely translated what they conceived to be the feeling of the quondam opposition into their own frank language. Mr. Quinn is Unionist member for the Division of Troyville, Johannesburg. He belongs to a type of politician that is happily confined to South Africa, where financial success, and the social and political prominence it brings, is fre-

quently too rapid to permit of the acquisition of that venter of respectability that usually accompanies such prominence. He is a baker and confectioner by profession and has built up a prosperous business in a comparatively short period. It is but just to say that he appears to have honestly earned the reputation of being the best employer of labour on the Rand,—apart from his hatred of trades unionism. Absolutely honest, as honesty goes in this country, he is full of that type of aggressive Imperial patriotism that was so well known on the continent of Europe during the first three-quarters of the nineteenth century. Destitute alike of anything that could be called culture, and of that inherent delicacy of feeling which often supplies the place of culture, he is yet gifted with the kind of volubility that may be acquired by an intelligent drill-instructor or overseer of labour, and he uses it as unrestrainedly in the Assembly as he might be expected to do in his own bakehouse. It is not surprising, therefore, that Mr. Quinn should have told General Hertzog that he (Hertzog) was responsible for all the blood that was shed during the rebellion, and ought to be shot. The House laughed and applauded with that light-hearted cruelty that might be displayed towards the brutal ill-treatment of a nigger suspected of having insulted a white woman.

General Hertzog's reply to his critics was that he did exactly what others did under similar circumstances. If he said less than others it was because, being an opponent of the Government, he could not speak his mind without landing himself in prison. In this position he was not alone. There can be no doubt that hundreds of intelligent Englishmen felt exactly as General Hertzog felt and acted just as he acted, but not being politicians their silence passed unnoticed. The fact is the rebellion was far more disconcerting to General Hertzog than to the Government. As a politician he is as firm a believer in constitutional methods as any other member of the House. His view of the matter is, I take it, that if the majority of the people are in favour of a republic, or any other form of government; or of this or that particular reform, they have a safe and adequate means of achieving their purpose without resorting to violence of any kind. This is at bottom the view of the Government, the opposition, the Labour party, and politicians generally, and is the only view that

is consistent with the theory that representative institutions can be made to provide a means of carrying out the will of the majority. But the politicians are naturally the only people who fail to see that injustice and oppression are as irksome to a minority as to a majority, and that "constitutional methods" are beyond the reach of the former.

General Hertzog was in exactly the same position in regard to the rebellion as was Mr. Creswell in regard to the strike in January 1914. Although both regarded the outbreaks as the outcome of legitimate grievances, they looked upon the outbreaks themselves as foolish and immoral, but they dared not openly condemn them as such, as they knew that by doing so they would appear to countenance the injustice that occasioned them. And just as Creswell and his followers were accused of fomenting the strike, General Hertzog and his followers are now being accused of having fomented the rebellion. And, to complete the analogy, the very methods that were employed against the industrial upheaval are now resorted to against the national upheaval, namely to destroy and discredit the leaders, and to break up the organisations that are foolishly believed to have been responsible for it.

A word or two concerning General Hertzog and his policy may not be out of place here. It would be impossible to imagine a greater contrast between any two things than that between the Hertzog of the average English speaking South African, and the real Hertzog. I do not speak here either of those who regard General Hertzog as an ignorant fanatic, or of those who, being frankly ignorant themselves, are incapable of realizing the difference between an educated and an ignorant man; but of the average, well-informed person who is compelled to rely upon the Press for his opinion on matters in which he is not directly concerned. It would be impossible for anyone not fully acquainted with all the circumstances to realize either the power of the English Press of South Africa over public opinion, or the unblushing malignity with which it employs that power. There is, practically speaking, no Dutch Press, and the English newspapers, without a single exception, are owned and controlled, either directly or indirectly, by the Mining Industry. An individual, therefore, or an idea, that seriously menaces

the interests of that industry,—that is to say the clique at the head of it,—need expect no mercy. If the menace, in whatever form it appears, can be put down peacefully and decently, by ignoring or ridiculing it, well and good. If not there is no weapon too vile to be employed by the Press for that purpose. It is not necessary to give detailed reasons for the opinion of those who control the Press that General Hertzog is a menace to the industry. It is obvious, however, that he has been for some years marked down for destruction, and in order to accomplish his destruction the Press invented the word "racialist". To the average person, therefore, General Hertzog is simply a "racialist", and that word has been so skilfully handled by the Press that it is now sufficient to excite, in South Africa, the same feelings towards the person it is intended to describe, as would have been felt by the occupants of a fashionable drawing-room in England, not so many years ago, towards a person described as a Socialist or an Anarchist. General Hertzog is, of course, a racialist, but only in the sense that an Englishman who feels and speaks with pride of the Anglo-Saxon race is a racialist. The Englishman, however, would be called a patriot, while General Hertzog is called a racialist. Why? Because in England there is only one race, and in South Africa there are two. A patriot is usually described as one who loves his country, and, where one's country is a nation, not a province, a dependency, or a colony, or where there is no necessity to discriminate between the country itself and the people, the language, traditions and institutions of that country, the description is accurate enough; but in South Africa a person is either an Imperialist, a racialist, or a socialist. Mr. Creswell, for example, is an Imperialist, General Hertzog is a racialist, and Mr. Andrews a socialist. What then is a person like General Smuts? A patriot? He himself would blush at the description. General Hertzog is certainly attached to his own race, and to its language and traditions, but that does not necessarily prevent him from being tolerant and just towards the other race in South Africa. But he is accused of having been intolerant and unjust, or at any rate, obstinate and unreasonable, in regard to the Education question in the Orange River Colony. To say that he was misunder-

stood and misrepresented on that question would give but a faint idea of the nature and extent of the misunderstanding and misrepresentation. Most Englishmen imagine that General Hertzog tried to force the Dutch language upon the children of English speaking people, whereas the exact opposite is the case. Let us consider the facts. What is known as the Taal, that is to say the language that is spoken by the bulk of the Dutch people in South Africa, bears practically the same relationship to the language of Holland, that the dialect of a country village in England bears to the English of Oxford or Cambridge. It is obvious, therefore, that in the altered circumstances resulting from the conquest of the South African republics, the section of the people confined to that language could not be expected to hold its own against the section that possessed what is admittedly the most comprehensive language in the world. And altogether apart from the relative value of the two languages, it was clearly essential that the Dutch people should learn the English language thoroughly. General Hertzog was aware of this and set himself, at the first opportunity, the task of enabling or compelling them to do so. For the accomplishment of this design three courses were open to him: (1) To leave both languages optional and rely upon the wisdom of the Dutch people to look to the interests of their children by compelling them to learn English; (2) To compel the children of Dutch speaking people to learn both English and Dutch, leaving Dutch optional to the children of English speaking people; and (3) to compel all children, English and Dutch alike, to learn both languages. If he adopted the first course he feared that many of the Dutch people, either from prejudice or carelessness, would fail to have their children taught English. If he took the second course the Dutch people not understanding or appreciating his purpose, would resent the apparent injustice. He followed the third course and was misunderstood by the English speaking people who resented being forced to have their children taught what appeared to them an inferior language. But if anyone was to blame for this it was those who framed the South Africa Act, not Genl. Hertzog. Of course there were clever people who discovered numerous technical details in regard to mediums and what not, about which to abuse the author

of the Free State Act, but whatever friction arose out of these details must be attributed either to the inherent difficulties of carrying out a dual system of education, or to General Hertzog's lack of technical knowledge in educational matters. General Hertzog was certainly not blameless, but his intentions were honest and altogether admirable, and had the English parents acted reasonably the difficulties would have gradually disappeared, and the system would have come in time to accomplish the aims of its author. It is true that three British Inspectors were dismissed from the service as a result of General Hertzog's policy. Here again, Mr. Hertzog was not, in my opinion, blameless, but the Inspectors were dismissed because, despising the Dutch language, and caring more about what they believed to be the interests of education generally, than about the intentions of General Hertzog,—which they could not fully appreciate,—they were not unreasonably suspected of indifference, if not of hostility towards the Act. But that he was not actuated by racial prejudice, I think all honest men who know anything of the true character of General Hertzog, will admit.

Again, in his now famous "foreign adventurer" speech, Mr. Hertzog was accused of showing antipathy to Englishmen. It is clear, however, that he had in his mind on that occasion the foreign capitalist whose presence in any country is frankly to exploit it. But as it is unusual for anyone but a socialist or a syndicalist to speak disrespectfully of any capitalist, foreign or native, it was only natural that such a reference should have been misunderstood by the public, and still more natural that it should have been misrepresented by the Capitalist Press. It is hardly necessary to speak of what is known as the "two stream" policy of General Hertzog. Some of the ablest men in parliament, including Mr. Merriman, tried hard during recent debates, to set up an unfavourable comparison between what they conceived that policy to be and the mystical policy of General Botha. Very little has since been heard of these efforts, however, for the simple reason that every word that was said was favourable to General Hertzog. But it is probable that General Hertzog himself would find it difficult to say exactly what he meant by the words, except that they were a

rather fanciful way of expressing his recognition of the fact that there are in South Africa two races, more or less dissimilar in aims and ideals, and whose antecedents are not exceptionally favourable to close union. For the rest, General Hertzog is neither better nor worse than strictly honourable men of his class everywhere. He is slow in thought, somewhat narrow in his views, but sincere and inflexible in purpose.

The Indemnity Bill, which also includes the question of punishment for rebels, has passed through the Assembly after a good deal of discussion, and the exhibition of a great deal of bitterness. It seems a far-fetched notion, I know, but one cannot help suspecting that the extraordinary rancour displayed towards the rebels by the Dutch supporters of General Smuts, was merely a blind to call away attention from the only important alteration that was made in the Bill in Committee,—namely that which deprived the Treason Courts of the power to pass the death sentence on any of the rebels. If anybody had predicted two months ago that such a proposal would be made he would have been laughed at. And if there was any possible foundation for the charges of treachery and corruption levelled against his countrymen by General Smuts in moving the second reading of the Bill, the decision would surely be the most monstrous that was ever arrived at. General Smuts stated distinctly in his speech on that occasion, that the government was in possession of evidence not only of treasonable plots among the Officers of the Defence Force, but of men of influence among the Dutch having accepted bribes from German agents; and a select committee is now sitting, at great expense, to investigate these charges. Is it intended that these men, if found guilty, are to be let off with a fine or a term of imprisonment, which the result of a general election may remit? The fact is, of course, that most of General Smuts' speech was inspired either by resentment or by terror, and that the plots and treasons were concocted, for the most part, in his own office. Even then, people are bound to ask, when they are allowed to speak (if ever), why was Captain Fourie shot with such unseemly haste, if men like General de Wet Major Kemp, who actually went over to the enemy; and Wessel Wessels, who was a member of the Defence Council, are to be allowed to escape? There was not

a single reason for the shooting of Fourie that could not be urged with equal justice against every other officer and man of the Defence Force who went into rebellion, except the purely technical one that Fourie was either too manly or too simple to hand in his resignation beforehand,—and this only applies to one or two others. Nobody expected, of course, that General Smuts would dare to have a man like General De Wet shot, but everybody expected that De Wet would only escape finally by means of a reprieve. And nobody expected on the other hand, that General Smuts would dare to deprive the Court of the power to pass the death sentence upon any rebel, however guilty. They expected, of course, that General Smuts' belated horror of the crime of rebellion was more or less simulated, and that he was not particularly anxious to have the rebels punished too severely. Why then was Fourie shot under circumstances of such brutal callousness? Lest this should appear too strong an expression let me call attention to the reply given to one of the Hertzog party who asked why Fourie was shot at 5 o'clock on Sunday morning, seeing that the Minister had promised to receive a deputation at 9 o'clock in reference to a reprieve? General Smuts gave a rambling reply to the effect that as the relatives of the unfortunate man had been informed that the execution would take place at a certain time it could not be postponed. As if the relatives would be disappointed if he were not killed at the appointed hour, or at the hope of a reprieve! This was obviously evasion, but it is certain that General Smuts did not kill Fourie merely for the pleasure of killing him because, cold-hearted and unscrupulous as he is, General Smuts is neither vindictive nor blood-thirsty; and even if he were, the presence of General Botha in the Cabinet—even as a figurehead—would prevent a vindictive policy being pursued towards the Dutch. The truth appears to be that the Minister had made up his mind to shoot Fourie as a matter of policy, and he did not want to listen to appeals that might pain him, but which he could not afford to grant. It is scarcely possible to credit General Smuts, clever as he undoubtedly is, with anticipating fully the remarkable effects of Fourie's death. But whether it was foreseen or not there can be no doubt that it cowed the rebels and placated the loyalists. The very callousness of the

whole business, and the manly bearing of Fourie during his trial, and the fortitude with which he is now known to have met his death, strengthened the latter effect, at any rate, and made it possible for General Smuts, in spite of the early clamours of the Press for blood, to avoid even the risk of sacrificing a single further victim. But salutary as the immediate effects of Fourie's death were it has left a wound behind that will never heal. It would be impossible, at a time when thousands of brave and innocent men are giving their lives for their country, to convey an adequate idea of the feeling of the Dutch in this matter. To Englishmen Fourie was a traitor whose death was a painful necessity, just as Robert Emmett was a traitor, but to Dutchmen he will always be what Emmett is to Irishmen; and none the less because he was the only one that died in that manner, or because it was against some of his own countrymen that he fought, or that his own countrymen condemned him.

Another aspect of the rebellion must not be forgotten. Mr. Andrews, one of the Labour members, stated in one of his speeches, that in his opinion, the rebellion had economic, as well as political and national causes. This statement was amplified and illustrated—quite unintentionally, however,—by Mr. John X. Merriman in the following characteristic passage: "Let the member for Bechuanaland", he said, "tell you what went on at the dry diggings along the Vaal River. There were hundreds of men literally starving owing to the slump in the diamond market. Mr. Kemp came along. They joined him in shoals. What for? To hoist any particular flag, or, as the honourable member for Uitenhage said, to turn the Prime Minister out? Not at all. They made a bee line for the nearest store and looted it to the bone." This was not intended as an extenuation, but as a condemnation of the rebellion. It was a protest against such men being allowed to escape as if they were mere rebels. Mr. Merriman's objection to a rebellion is not so much that it aims at pulling down thrones, setting up flags, or even that innocent people may be killed, as that it gives an opportunity to starving people to loot stores. The looting of a store is, to Mr. Merriman, the unpardonable sin. Altogether, Mr. Merriman, is the most remarkable figure in South African politics. Unquestionably the ablest man in the

House, he is at the same time the most contemptible. His evenly balanced hatred of oppression and dread of lawlessness renders him useless alike to a government and to an opposition. If he had two votes I believe he would give one to each. As it is he usually speaks for liberty and votes for tyranny.

Pretoria, 8th April, 1915.

IV.

Pretoria, 1st May, 1915.

I have attempted to show, in my previous articles, that the recent rebellion was partly the result of errors and miscalculations on the part of the Union government and partly of the growing mistrust of the people of South Africa in that Government. I shall now endeavour to account for that mistrust, and analyse and explain, to the best of my ability, the real policy and intentions of the Botha-Smuts Ministry. In order to understand how such a barefaced conspiracy against the people, as I intend to expose, could be so openly planned and executed, it will be necessary to examine briefly the party divisions and personnel of the present parliament of the Union. The South African party consists roughly of 57 members; the Unionist party of 29; the new National party, under General Hertzog, of 9; and the Labour party of 8. There are ten Independents representing various constituencies in Natal, and one Independent from the Cape Province, namely Mr. Merriman. Six seats are vacant owing to various causes, three originally held by Unionists, and three by S. A. Party men. This completes the Assembly of 120, exclusive of the speaker.

Of the rank and file of the South African party little need be said. It consists mainly of farmers who have grown tired of farming, and country lawyers who could make nothing of their profession either from want of talents or of opportunities. It used to be referred

to by the capitalist press, before the present crisis developed its latent loyalty, as the "Commando";—the Press obviously using that word in its national as well as its disciplinary sense. Of this curious body General Botha is the nominal, and General Smuts the real leader. In many respects General Botha is probably the most remarkable man living, but it would clearly be impossible to do him anything like justice at the present moment. The Press, both here and in England, has done more to belittle his qualities, by exaggerating and wholly misrepresenting them, than his worst enemy could ever do. History, if it mentions him at all, will confirm this, at any rate: that the fame he has acquired as a Soldier-Statesman, even if his talents could sustain it, can never compensate him for the dubious character he has gained as a patriot. And it seems the strangest example of the fickleness of fortune that General Smuts to whom patriotism of any kind is an empty name, should have come in for so much less than his due share of the fame as a statesman and a soldier. It is no injustice to anybody to say that by far the greater share of whatever is deserving of either praise or blame in the policy and actions of the present government of the Union, belongs to General Smuts, Minister of Defence. That he possesses a vigorous, comprehensive and ready intellect, cannot be denied; and if many of the qualities of that intellect belong, to some extent, to the class usually found among a subject people rather than a free, the circumstance must be wholly attributed to his antecedents and environments. A process something similar to that which has often turned the son of a simple Irish emigrant—and even the emigrant himself—into a crafty political intriguer, or an unscrupulous tool of a great trust in the United States of America, has made General Smuts what he is. Simple and unaffected—almost to servility—in manner, he is suspicious, uncertain, and implacable in temper. Mr. Burton, the Minister for Railways and Harbours, who comes next in honour and importance to General Smuts, is not particularly remarkable for anything, except that he is noticeably the smallest man in the House, if not in the country—bar professionals;—and his normal external appearance is that of one who has just come out of a cold shower-bath, or who has been eating something disagreeable.

But his mind is so inscrutable that I have been unable to discover the good points of his character, and shall therefore remain silent. It would hardly be fair to enumerate his bad qualities without being able to set them off by some good ones. His sole claim upon the gratitude of the South African party is that, though having an English name, he defended the Cape rebels after the Anglo-Boer war. The remaining members of the Cabinet are mere names. Mr. de Wet,—no relation to the famous rebel,—is Minister for Justice apparently because he is lawyer, and Mr. van Heerden Minister of Agriculture because he is a landowner. Mr. Malan is Minister for Mines, Industries and Education, and Mr. Theron Minister of Lands, for no apparent reason at all, except that the latter is a near relative of General Botha, and that there are salaries attached to the posts. Sir Thomas Watt, Minister of the Interior, is in the Cabinet because he happens to represent a Natal constituency, and Natal considers herself entitled to a Minister for no other reason apparently than that she can boast, like Scotland in Wordsworth's poem, "She has her bold Rob Roy." But the recent appointment of Sir David P. de Villiers Graaf, as Minister of Finance is the most unaccountable of all. Sir David is admittedly the roundest of pegs in the squarest of holes. He knows far too much about money matters to be harmless, and not enough to be useful.

It would, perhaps, be too sweeping a statement to say that the Unionist party, as a body, directly represents the Rand Chamber of Mines. Mr. Jagger, for instance, who is the head of a large firm of wholesale merchants and importers, passes for a representative of the commercial community. Sir Edgar Walton and Mr. Runciman claim a joint interest in shipping as a political side line. Sir David Harris, Dr. Watkins, and Mr. Oliver represent the De Beer's Diamond Mining Syndicate, which, under the appearance of a respectable and useful corporation, has been, and is, in its general effects, the most pernicious institution of any kind that has ever cursed humanity. Colonel Crewe who is the owner, or part owner of a small Provincial newspaper, may be said to represent the Press; and most of these have independent hangers-on and admirers of their own. Of the actual wire-pullers of the Chamber of Mines, Sir Lionel Phillips, Sir J. W. S.

Langerman, Sir James Percy Fitzpatrick and Mr. Pat Duncan, are the most prominent. Mr. Duncan's services to the party, however, are negative rather than positive. His reputation for integrity and independence, and his occasional disagreement with the party policy in matters of details, gives an implied assurance of its general soundness in essentials. Mr. Duncan is a capable lawyer, and an experienced parliamentarian, but like most lawyers, he is a shallow thinker. Sir T. W. Smartt has been, since the retirement of Sir Starr Jameson, the leader of this political menagerie. Sir Thomas is a good speaker, and may be described as a well-educated but slightly over-civilized cave man.

Of the leader of the National Party I have already spoken. The only other members of the party that deserve special mention are Professor Freemantle and Mr. Fichardt. Mr. Freemantle is the best informed member of the House, and Mr. Fichardt is far and away its best speaker. Light, and even flippant as his speeches often are, they are pointed, effective and caustic in the highest degree. But Mr. Freemantle's knowledge is too academic to be as valuable to a Statesman as it might be; and Mr. Fichardt's eloquence is sparkling rather than profound. Mr. Freemantle has been described as a 'renegade Englishman,' by some of the more irresponsible members both of the Unionist and the South African parties, during the recent session; and, from a purely national standpoint, the description is no doubt correct. With great tact and forbearance he refrained from the obvious retort that if he was a renegade Englishman the Dutch supporters of the government were renegade Dutchmen. And his hearers, both English and Dutch, could not but feel that the following was a sentiment to the expression of which they were incapable of rising. Referring to the breaking up, by rowdies, of a meeting held at Pretoria to commemorate the birth of President Kruger, Mr. Freemantle said: "I feel that it was a little caddish on the part of those so rich in National history to look askance at those who wished to make the most of a distinguished, honourable, but short national history."

The members of the Labour party are typical of Labour Politicians everywhere. They are all fairly good speakers but their speeches are seldom listened to in Parliament and never fairly reported in the Press,

partly because they are outspoken, and not too well-informed attacks upon property and privilege; and partly because, it must be admitted, the majority of the members of the party—from Mr. Maginnes, who can give nothing but a sentimental reason for anything, to Mr. Haggart who can give at least one plausible reason too many for everything—are mere ranters. Both Mr. Creswell and Mr. Andrews are certainly capable men, but the former knows just enough about the Labour movement to be a successful politician and no more; while the latter knows far too much to be even that. The truth is that neither the politicians nor the working classes have as yet realized the essential relationship between political action and industrial organization, or the absolute dependence of the former upon the latter. It is admitted that the first real success achieved by the political Labour Party was the direct outcome of the industrial struggles of July 1913 and January 1914, but instead of regarding political action as an auxiliary—which is certainly all that can be claimed for it—the workers are encouraged, unconsciously perhaps, to place their whole reliance upon it. The result is that the working classes have been robbed of the prospective fruits of their industrial efforts, and have received nothing whatever in return.

Any time spent in describing the Natal Independents would be wholly wasted. There are certainly a few honest, capable men among them, but they are obviously as incapable of understanding or resisting the selfish intrigues of other parties as a solitary traveller would be of resisting a well-organised gang of highwaymen. Mr. Merriman I have already described. He professes to criticise all parties alike. But his occasional criticisms of the Unionist party,—even if they are honest,—are only tolerated because it is known that his love of "order" and the "sacred rights of property" renders him perfectly safe and harmless. Let him but make up his mind that any of the institutions he defends with such apparent reluctance against Anarchy, are far more dangerous than Anarchy itself,—even as his rheumy eyes see it,—it is more than probable that an authoritative hint would be conveyed to the Press that his "faculties were becoming impaired." In that case it would be just as well for his reputation that he should retire to his farm to prepare himself for that place where,

it is to be hoped, there are no class interests to be defended, and no "kept" Press to defend them.

It will be seen from the above analysis of parties that the South African party consists of exactly one-half the present parliament of 114 members (six seats being vacant). Originally, however, the South African party and the Nationalist party were united, giving the Government 69 out of 120 members, or a clear majority of 18 in a division. Moreover, many of the Natal Independents were really staunch S. A. party men, and might be expected to vote with the Government—as might also Mr. Merriman—on most questions. The Government was therefore in a position to carry out any policy it pleased in spite of all possible opposition. How came the Government, then, to form the present alliance with the Unionist party? The superficial view is that the Hertzog split was responsible for it. Besides being superficial, this view is wholly inaccurate, and ignores altogether the original quarrel between Generals Botha and Hertzog which was responsible for the split. What then was the real cause of that quarrel? The popular notion is that it was due to General Hertzog's disapproval of the liberal, pro-British policy of General Botha. This again is contrary to facts. It is matter of common knowledge that at the last general election, and until long after the split in the S. A. Party, the utmost bitterness existed between the Unionist party and the Government, so much indeed, that even the Labour party was said by the Press to be in alliance with the latter. As a matter of fact the party which the Government originally attracted by its vague expressions of friendship, and its empty promises, was the Natal Independents, and for that purpose Senator Sir F. R. Moor (afterwards replaced by Colonel Leuchars, because he was a member of the Assembly) was included in the Cabinet. General Hertzog was then not only a member of the Government, but a close personal friend of General Botha, and must have been a party to whatever concessions were made to the Natal Independents. Subsequently, however, he made certain speeches, already referred to, which were so diligently circulated, and so skilfully misrepresented by the Press, that the Natal party became alarmed, and Colonel Leuchars threatened to resign from the Cabinet. General Botha remonstrated with General Hertzog, not, however, as

is plain from all the available evidence, because his (Hertzog's) policy was not the official one, but because he (Hertzog) was too outspoken, and made the Government appear to "speak with two voices." The result was that General Hertzog was forced from the Cabinet and formed a new party which was joined by Mr. Freemantle and five or six Free State members. The fact that not a single Transvaal representative—many of whom are certainly as anti-British as those of the Free State—joined General Hertzog, and that the new party included men of such admittedly liberal views as Professor Freemantle, and Messrs. Fichardt and Wilcocks, proves conclusively that the quarrel was either personal or political, and not racial. Be that as it may, however, the split left the Government and the Natal Independents—Sir Thomas Watt subsequently replacing Colonel Leuchars in the Cabinet—with a substantial majority over all other parties, so that reasons have still to be found for the alliance with the Unionist party. The Press would have us believe that General Botha and his party—freed from the reactionary counsels of General Hertzog—made such rapid progress in pro-British opinions that the Unionist party was completely won over. But even assuming that the Unionist party is really British, and that General Botha is as pro-British as he is represented, it is hardly likely that he would so outrage and defy the known feelings and opinions of the Dutch people as to form an alliance with the Unionist party except under some very strong necessity, or for the sake of some enormous advantage. If, as is claimed by the Press, the worthless concessions which secured the support of the Natal Independents, were sufficient to split the South African party in two, what might be expected from concessions that would conciliate the party, and even the very men, who were responsible for the so-called Reform Movement, for the Jameson Raid, and for the war of conquest?

The plain and simple truth is that it was not the pro-British opinions of General Botha that brought about the alliance but his high-handed methods of dealing with industrial disputes. It was the summary banishment of nine trade union leaders,—all British citizens, and eight of them of British birth,—and not the vague promise of the "hand of friendship", that threw the not over-reluctant charms of the Unionist party into the arms of

Generals Botha and Smuts. The explanation of the present patriotic attitude of the government is that it has been forced into the present position step by step, and under pressure of two forces—or to be accurate, one force—that no government could withstand, namely the Press and the Chamber of Mines. The Press on the one hand, took full advantage of the obscure quarrel between Generals Botha and Hertzog, to exaggerate the Imperialist tendencies of the former out of all proportions to their actual strength or value. General Botha was forced, under the circumstances, to accept the character thus invented for him, hoping to be able to reassure his own followers by the usual back-door methods, before a general election could take place. The outbreak of the European war upset his calculations in that direction, and so skilfully had the Press done its work, that patriot or no patriot, he had to act his part or openly declare himself to be a hypocrite. His own supporters in parliament were in exactly the same position, and he and they are now forced to make the best of a bad business. This explains the frantic efforts of the Government to force the Hertzog party to condemn the rebellion unconditionally,—which they must have done to avoid prosecution under Martial Law if they spoke at all,—and thereby place themselves in the same boat with the Government party in the eyes of the Dutch people. We have seen how dexterously the Hertzogites evaded these efforts by deciding to wait until they could safely condemn both the rebellion and the policy of the Government which, as they believed, was responsible for it. As a result, General Hertzog, whatever his policy may be,—and it certainly cannot have grown more pro-British recently,—commands the support of at least nine-tenths of the Dutch people. And, in addition, he must receive the indirect support of the working classes; as how can it be otherwise since the alternative leaves the working classes at the mercy of the powerful combination collected round the present government? How far the policy of reducing the punishment for rebels to a merely nominal one, and disqualifying all the men of wealth and influence, who are suspected of being opposed to the policy of the Government, from sitting in parliament, will go towards preventing General Hertzog from carrying the whole country with him at the next elections, remains to be seen.

As to the Chamber of Mines, on the other hand, the Government soon found—as any other capitalist government must have found—that it was completely at the mercy of that body, so that an alliance with the Unionist party was inevitable sooner or later. It is just possible that the real cause of the quarrel between General Hertzog and the government was that Hertzog saw that such an alliance was pending, and, either because he was too shortsighted to realize the irresistible power of the Chamber of Mines; or too far-sighted to admit the necessity or the wisdom of giving way to that power, he broke with the government rather than submit to the tyranny. But it was hardly possible that a man like General Hertzog would be capable of seeing the only possible means of overcoming the difficulty,—for there is such a means as will be shown later on,—or that he would have the courage or the liberality to adopt it. Be that as it may, however, the government realized that it was as powerless in the grasp of the Chamber of Mines as a lamb in the talons of an eagle. Mr. Merriman, who poses as a financial expert, spoke with caustic sarcasm during the recent Budget debate, of a contribution of £500,000 given by the Chamber of Mines to the government in its present financial difficulties. He declared that it was a dangerous precedent to regard such contribution as a free gift that might be given or withheld at pleasure, and not as a compulsory payment towards the revenue. All this was very true, and Mr. Merriman could; and should, have said a lot more if he did not know, as he pretended, that the government cannot raise a shilling in taxation from the mining industry without the sanction and approval of the Chamber of Mines. This is an absolute fact. The body of far-seeing gentlemen who control the Rand gold mines have had the experience of pre-war days, if no other, to convince them that no government can be run without money, and that a policy that deliberately impoverishes the people may force any government, how well disposed, to resort at last to the very industry in whose interest that policy is pursued for the where-withal to keep it in existence, unless steps are taken to prevent it. They set themselves, therefore, in the interval between the treaty of Vereeniging and the grant of self-government, to provide themselves with such machinery as would render the strongest government

powerless against it. The machinery they set up, however, was ineffective as long as South Africa was divided into four separate states having absolute control over their own Railways, Customs, etc., so that the Union of South Africa was an essential condition to the absolute supremacy of the Chamber of Mines. This fact, and not, as was then supposed, the disinterested patriotism of the cosmopolitan schemers who control the gold and diamond mining industries, explains the reckless freedom with which the Unionist party spent money upon lecturing tours, and what not, in favour of Union. This may also explain indirectly the recent appointment of Mr. Drummond Chaplin, who was, prior to his appointment, the political agent of the Chamber of Mines, as Administrator of Rhodesia. Rhodesia may now be expected after all, to come into the Union. It may also explain to some extent, the action of the Union government, supported by the Unionist party in exceeding the instructions of the Imperial Government in German South West Africa.

Anyhow, the net result of the labours of the Mining Magnates, is that the Chamber of Mines can, by a little skilful manipulation of reserves of ore and what not, show either a profit or a loss on the working of a particular mine, or of the mining industry as a whole, over a given period, and so render any known method of taxation abortive. It could not do this for an indefinite period, of course, without running the risk of "killing the goose that lays the golden eggs"; nor would it resort to such a measure except for very weighty reasons, but it could, and would do it, in case of necessity, for long enough to create such a commercial and financial crisis,—and incidentally so much unemployment and misery,—as would sweep any government out of existence. The general public does not understand all this because the Press—even if the poor Press fully understands it—being subsidised by the Chamber of Mines, is naturally silent on the subject. And it would not matter very much if the public did understand it, as that portion of the public whose opinion matters, believes that in protecting its own interests against the Government, the Chamber of Mines is protecting the interests of the shareholders and the trading community. How unwarrantable that belief is will be shown in due course. It is probable

that General Smuts understands it well enough, but since the policy of the Chamber of Mines happens to coincide with his own ultimate policy he is content to fall in with it. General Botha evidently does not understand it because I am quite sure that he would not willingly acquiesce in a policy that is rapidly making paupers and prostitutes of his people.

In any case, the fact remains that the policy of the Government and the Chamber of Mines are, for the time being identical. And what is that policy? Broadly speaking the policy of the Chamber of Mines is to reduce working costs on the gold mines to the lowest possible minimum, and to increase profits to the highest possible maximum. What the ultimate effects of that policy must be I shall endeavour to show in due course. Pretoria, 1st May 1915.

V.

Pretoria, 8th May, 1915.

I have said that the policy of the Chamber of Mines is to reduce working costs on the gold mines to the lowest possible minimum, and to increase the output, and therefore the profits, to the highest possible maximum. (To all appearance, at any rate, the increase in the output and the profits would be the natural and inevitable consequence of a reduction in working costs, though not necessarily, as we shall see). And so convinced is the average citizen that such a policy must be ultimately advantageous to the community, and to the world at large, that he cannot imagine any possible consequences sufficiently disastrous to justify the State, or anybody else, in interfering with that policy. The average citizen knows that gold is a very rare and valuable commodity,—it never occurs to him that its rarity may have something to do with its value,—and he believes, naturally enough, that the more of it the world possesses the richer and better it will be, and that the lower working costs are reduced the greater will be the supply of gold. This is also the view of orthodox economy; and as for the view of that which is only semi-orthodox the average citizen cannot be expected to know very much about it. Very few people have the time or the patience to read or understand a “science” the most popular exponent of which considers it necessary to enter into an elaborate and tedious enquiry as to whether the necessity of procuring “food,

-shelter and protection against enemies", or the desire for "ornaments and playthings" was the "dominant origin of industry and property";—as if it mattered a pin anyhow;—or whether again, "the use of tatoos and masks, drums and gongs, and other play products" was for "mere glory of self-assertion" alone, or "also for courtship, for recognition and for frightening of enemies". (See the very latest in economic thought, Mr. J. A. Hobson's "Work and Wealth", and compare the song, "A hundred pipers an'a", by Bobbie Burns, I think). Such speculations may be very amusing, and even very valuable, from a scientific point of view, but it is obvious that they are beyond the reach of the average citizen. For even if he had the leisure to study them the terms employed are so unfamiliar, and the reasoning so intricate and obscure that no ordinary person could imagine that they were even intended to have any reference to the business of everyday life. The result is that when the average citizen is told by someone who ought to know all about it—however interested that someone may be—that the capitalist—without whom no industry can prosper—is a "shy bird" and his capital a very "sensitive" thing, he has to be satisfied and go on minding his own affairs.

Under these circumstances I consider it necessary, before entering upon an examination of the policy of the Chamber of Mines, to say a few words about modern industry in general, and the Rand Gold Mining industry in particular. In doing so I shall not be guided by the speculations either of the orthodox or the semi-orthodox political economists, but will follow for once the opinions of an "average citizen" who has had the opportunity and, as far as I can judge, the ability to study the question from an entirely new, though quite commonplace, standpoint. Just about the time the Blue-book dealing with the rebellion was placed upon the table of the Union House of Assembly, there was placed on the same table—without flourish—another Blue-book containing the Report of the Statutory Commission, appointed after the industrial troubles in July 1913, to enquire into certain grievances among the Railway employees of the Union. I was originally elected by the Railwaymen as their representative on that Commission, but my deportation in January 1914, rendered a fresh election necessary. Mr. J. M. Nield, the Assistant

Secretary of the Railwaymen's Society, who took my place as General Secretary, was elected, by an overwhelming majority, to fill my place on the Commission also. The "Terms of Reference" included, among other minor matters, the "Immediate introduction of an eight hours day", and "Minimum wage for white adult employees of 8/- upwards per diem." Although a good deal of evidence was taken whilst I was member of the Commission, the strike in January 1914 not only interrupted its work, but changed the whole scope of the enquiry and rendered it infinitely more important. It will be remembered that the immediate cause of the strike was the threatened dismissal of an indefinite number of Railwaymen (over 1000 according to the General Manager, and about 500 according to Mr. Burton, the Minister for Railways) said to be redundant in the Service. It is obvious that this action on the part of the Government placed a heavy responsibility on the shoulders of the men's representative on the Commission. The contention of the Executive of the Society was that the proposed dismissal of railwaymen was unwarranted and unnecessary, and a strike was called rather than allow so many men to be thrown on the street with no possible hope of finding other employment. Mr. Nield naturally set himself to justify that attitude. The result of his labours is contained in a Minority Report comprising some 50 pages of the Government Blue-book. Mr. Nield has stated his case in the clearest, the simplest and the best language, in every respect, that ever found its way into such a document. This is a bold statement, but I make it with the full assurance that whoever will read the Report and judge for himself will acknowledge its truth and moderation.

The problem with which Mr. Nield was confronted was this: Here is a country three times the size of the British Isles; possessing the richest supply of mineral wealth of any country in the world; whose agricultural resources are practically unlimited, and as yet almost untouched; with a population of less than a million and a half whites, and about four and a half million natives, faced with unemployed and pauper problem as serious and as menacing as any the world has yet seen. Mr. Nield's first task was to find the root cause of this unemployment and poverty. A political economist

would probably have instituted an elaborate enquiry into the "Human valuation of economic utilities", "Limitations of a quantitative calculus", the "Final futility of Marginalism", and what not (See Chapters IX to XXII, "Work and Wealth"); and would have arrived at some such conclusion as that "work done in a state of muscular fatigue involves an increase of nervous effort", and that "a much stronger electric stimulus is required to make a weary muscle contract than one which is rested" (See p. 66 "Work and Wealth"). Not so Mr. Nield. He probably knew nothing about these things. He examined fully the theories of orthodox political economy,—as far as he or anybody else could understand them,—and found them not only worthless, but contradictory and absurd. And from a simple analysis of known and obvious facts he arrived at these conclusions: That unemployment and poverty cannot be to the absence of national resources, for these in every form abound on all sides, nor to a scarcity of capital since more capital is being sent out of the country annually than would develop ten times its resources, great as they are; nor to a scarcity of labour, since it is the seeming overabundance of labour that produced the evils. What then? Too many labourers? That can hardly be, for even if it were not obvious that far poorer and smaller countries have maintained, and still maintain far larger populations, there is clearly no scarcity of commodities. No scarcity of commodities—rather the reverse in fact—and yet many people are unemployed and in actual want; here is surely a mystery. This is indeed the rock upon which so many able economists and politicians have foundered. But as Mr. Nield is neither an economist nor a politician he had an idea that there must be some way of steering clear of it. He reasoned, accordingly, that since the sole object of all labour and all industry is to provide useful commodities of all kinds,—food, fuel, clothing, houses, furniture, travelling facilities, ornaments, playthings, etc.,—for society, there must be some definite relationship between the demand for these things and the demand for labour; and that, moreover, there must be some definite limit to the demand for commodities and, therefore, for labour. He argued that a nation might possess so fertile a soil, so industrious a people, and such effective machinery as would enable it to supply all its wants with the labour

of only a portion of its labourers. What would become of the remainder? Following up that idea and arguing from clearly recognised social and industrial phenomena, he found that owing to the enormous improvements in machinery and productive processes generally, during the past hundred years or so, the available labour supply of every nation is now more than sufficient to satisfy all possible demands for commodities.—He might also have shown that in no country in the world is this more true than in South Africa where nature has been so generous, and where what Mr. Hobson calls the “art of consumption” has been so neglected that the majority of the people require only mealie meal for food, nothing but a skin waist-belt, with a more or less picturesque patch of bead-work in front, for clothing, and a straw hut for shelter.—That consequently unemployment is everywhere due to the fact that society becoming occasionally—and being, indeed, constantly—oversupplied with commodities, has no need for all its labourers, and accordingly dismisses some of them from its service. That these dismissed labourers being unable to satisfy all their wants the market for commodities is still further restricted rendering further dismissals necessary; and it is probable, as Mr. Nield expresses it, “that this process would go on indefinitely until production would cease altogether and people would starve, were it not for the seemingly blind operations of nature in counteracting the effects of human folly by creating natural scarcities of commodities by means of droughts, storms, war, etc.” He sums up his conclusions in the following quotation from one of the witnesses:—“In my opinion the industrial depression and stagnation that exist throughout the world to-day, . . . are not due to any failure either of nature or of human labour to provide sufficient to satisfy the reasonable wants of all, but to the failure to preserve a satisfactory relationship between supply and demand” (by reductions in working hours and increases in wages). And Mr. Nield proves, incidentally, from statements submitted by the Railway Administration, that notwithstanding the decision of the Government to retrench a thousand railwaymen, the running staff (Drivers, Firemen and Guards) worked during 1913, in overtime and Sunday time, . . . no less than 2,833,572 hours, or 314,841 days, or a little over 86 days per man.”

Mr. Nield next shows, by simple, clear and forcible reasoning that prices of commodities are everywhere, more or less based upon, and determined by, the average income of the community; and that, therefore, those who have no income—through unemployment—and those whose incomes are below the average, are unable to live up to the prevailing standard, and profitable production is restricted; while those whose incomes are above the average can more than satisfy all their reasonable and healthy wants, and either spend the surplus on useless and harmful luxuries or invest it in industry, thereby competing with existing capitalists and adding to the burden of the producers. And what remedy does Mr. Nield propose for these evils? He simply recommends that working hours in the government service should be systematically reduced until all the unemployed workmen are absorbed, and that wages now below the average should be increased until everyone is able to satisfy all his reasonable and healthy wants. Both the soundness of Mr. Nield's theory as to the cause of unemployment and poverty, and the adequacy of the remedy he proposes will be made clear in the course of our enquiry into the Gold Mining industry of the Rand. Let us now return to that enquiry.

Of the notion held by the average citizen that an increase in the quantity of gold produced would add to the wealth and general well-being of humanity no notice need be taken here. I am not aware that either the Mine Magnates or the Press have ever yet held out their anxiety to increase the world's gold supply as a reason why the industry should be encouraged at the expense of the people of South Africa, and the detriment of other industries. They have wisely confined themselves to the advantages to be derived by the people of South Africa from the continued and increased prosperity of the industry; and to the necessity and justice of protecting the interests of the investing public, who are supposed to provide the capital which is so essential—as it is said—to the very existence of that industry. And it is sufficient for us to know that the world at present regards our gold as a valuable and desirable commodity for which it is willing to exchange other commodities; but it is at the same time desirable and necessary that we should understand the conditions upon which the exchange is made.

First, then, in regard to the advantage which South Africa is supposed to derive from the Rand Gold Mines. The claim of the Chamber of Mines, and the Press on its behalf, is that 60 per cent. of the total revenue of the country is derived, either directly or indirectly, from the Rand Gold Mines. This means, of course, that 60 per cent. of the industrial activity of the people is employed, either directly or indirectly, in the production of gold. Whether the percentage is accurate or not does not affect the enquiry. At the present moment the gold mining industry yields an average of £36,000,000 worth of gold annually, which is exported to other countries. Now it is clear that the only advantage which the people of South Africa can possibly derive from the production and sale of that gold is the wages and other remuneration received in return for the labour and other services rendered, either directly or indirectly, in producing it; and the profits derived from the sale of commodities used and consumed in the process of production. If the Chamber of Mines could discover a method of extracting the gold from the earth, and transporting it to its destination free of cost the mines might just as well be in the moon as where they are, as far as the people of South Africa are concerned. It is equally clear that the higher the cost of production is raised, through higher wages and shorter hours, and increased number of labourers, the greater will be the advantage to the people of South Africa. This is so obvious, indeed, that it merely requires to be stated. And yet, as we have seen, and as we shall see more clearly as we go on, the Union Government has entered into an open alliance with the Chamber of Mines for the express purpose of enabling it to reduce working costs to the lowest possible minimum. With what object? The only possible excuse that can be advanced is that otherwise the gold mines would not pay and capital would be "scared away". This contention is surely deserving of more consideration than has evidently been bestowed upon it by the government, before entering into the alliance.

With regard to the Capital already invested, no one will contend that it can be "scared away". It consists wholly of Headgear, Mine Shafts, Machinery and Mining plant and material of all kinds, and however "sensitive" these things may be in some respects, they cannot

very well be either scared or carried away. And even if they could the shareholders, to whom they are supposed to belong, have no power to take them. They may sell their shares, it is true, but even if they succeed the capital is not withdrawn but transferred to a new owner. Of course I am far from saying that we have a right to take advantage of the helplessness of the investor in order to introduce a policy that would deprive him of his lawful profits; but I hardly think the interests of the investor demand a further reduction of working costs. Let us see.

In his address at the Annual meeting of the Rand Chamber of Mines, held in Johannesburg on March 29th last, Mr. E. A. Wallers, the retiring President, gave his hearers and the world the following interesting information:—The tonnage milled for the year (1914) was 26,549,946. The gold production of the Transvaal for last year (1914) was 8,378,139 fine ounces, valued at £35,538,075, as compared with 8,794,824 fine ounces, valued at £37,358,040, in 1913. This decrease of 416,585 fine ounces, valued at £1,769,965, said Mr. Wallers, "cannot be said to be due to the war, but must be ascribed largely to the disorganisation caused by the strikes of white employees which took place in July 1913, and January 1914." The working costs, according to Mr. Wallers, decreased from 18/3 per ton milled in January 1914, to 16/9 in August, and thereafter increased to 17/5 per ton in December 1914. The total dividends declared for 1914 were £8,404,060, as compared with £8,596,532 in 1913. "These results seem to me, gentlemen," added Mr. Wallers, "to be extremely satisfactory." It is to be presumed that Mr. Wallers meant that the results were "extremely satisfactory" from the point of view of the shareholders and the Chamber of Mines, and it would be churlish not to take his word for it. But if, in spite of the reduction of the dividends by £192,472 from 1913, the position was "extremely satisfactory" in 1914, what excuse has the government for encouraging the policy that reduced working costs in 1914, at the expense of the people of South Africa?

But while we may readily accept Mr. Wallers word for the fact that the position was "extremely satisfac-

tory" from the point of view of the Chamber of Mines, we would be in a better position to judge of the effects upon the community, if he had told us the amount of actual, living capital on which this 8 millions odd were paid, and the class of person that received it. But it is probable that not even Mr. Wallers could give us these figures or that information; and if he could it is certain that he wouldn't. Much of the capital originally invested, even in mines still paying high dividends, is now as dead, as far as the investing public are concerned, as Queen Anne; and the number of shares held by the public, and their nominal and actual value, varies considerably from year to year. Nobody seems able to discover the actual amount of capital that should or does bear interest. Sir Jan Langerman, on the one hand, who ought to know something about it, asked in Parliament during the recent debate on the Budget, in reference to suggestion for nationalisation, "who is prepared to find the two or three hundred millions (a hundred millions or so, more or less, is nothing to Sir Jan) which would be necessary to buy the companies out." If it would require £200,000,000 to buy the companies out the amount paid in dividends represents less than $4\frac{1}{2}$ per cent. which is not so "extremely satisfactory", considering the risks; and if £300,000,000 would be required, I should say the position is extremely unsatisfactory. But the facts are that the 8 millions odd, said to be paid out in dividends, represents only a small portion of the profits derived from the industry, and that very little of these profits find their way into the pockets of those who invest their money in the industry.

Mr. Madeley, one of the Labour members, on the other hand, made the following uncontradicted statement, "They found that a sum of £130,000,000 had been supposedly put into the goldmines on the Witwatersrand up to 1907. But it was admitted that it had taken no more than £30,000,000 to bring the mines to a working stage. Therefore £130,000,000 had been extracted from the pockets of the people supposedly to be invested, and what they wanted to know was where was the other £100,000,000." Let us endeavour to answer Mr. Madeley's question, and, at the same time, throw a little light on the operations of the Chamber of Mines and the Stock Exchange, by a simple illustration. Suppose Mr. Madeley and two or three of his friends, say Messrs. Boydell, Haggard and Maginnes, could obtain

lawful possession of a piece of gold bearing land. The first thing they would do would be to get the Report of a reliable expert. If the report were satisfactory they would naturally float a company for the purpose of raising funds to develop it. They might decide to start with a capital of say, £100,000. They would issue 200,000 £ shares, keeping 100,000 for themselves and selling the remainder to the public at £1 each. They would then have themselves appointed directors and what not, at good salaries, and start developing their mine. They might strike rich and soon be in a position to pay dividends to themselves and the public. But it would not do to pay out all the profits in dividends. Having absolute control over the management they would, if they were wise, put something by, in the shape of a reserve of ore, for a rainy day. And suppose they wished to raise funds to build decent houses for themselves and go into good society, and get knighted, perhaps? In that case they would begin by reducing dividends to vanishing point, and give it out as a melancholy secret that the mine was "dangerous" or about to give in, or something. The public would naturally want to sell their shares; but they could hardly expect full value for them, could they? They would go down, perhaps, to 10/-, to 5/- or even 2/6; and no one would want to buy them even at that. But what is to prevent Mr. Madeley and his friends from buying them? Nothing whatever. And having bought them what is to prevent the dividends from going up? And they would probably go up to 10, 20, or even 100 per cent., for have we not a reserve of ore and several other ways of sending them up? And it is obvious that shares in a mine paying 100 per cent dividends are worth more than shares in one paying no dividend at all, so that if Mr. Madeley and his friends found themselves short of cash they could sell most of their shares to the public at £2 or £3 each. I believe they could even declare that each share was four shares and sell them at £1 each. And having sold them what is to prevent the dividends being reduced to almost nothing again, so that they could repeat the buying up process, which could, in fact, be repeated indefinitely. And if Mr. Madeley and his friends had fifty mines or more under their control, instead of one, and could buy up the press and half the Churches, how much easier and safer it would all be!

One could almost buy up the Government in time, and if the Labour Party became too strong it could be bought up also. Can Mr. Madeley now wonder where those £100,000,000 have gone to?

But, you say the public are not such fools as to allow themselves to be gulled in that manner? What can the public do? Having money to invest they must invest it somewhere, and what better investment could you find than a gold mine, especially if you have not 'had some'? Besides, there are occasional prizes. Mr. Madeley and his friends could hardly buy up all the cheap shares. The public might buy some of them and sell out at the right moment. Some of the original owners, again, could afford to hang on to them and get the benefit of the big dividends. Moreover, I have admittedly put an extreme case. I have merely shown what can be done, and have given an exaggerated idea of what unquestionably is done. But Mr. Madeley and his friends would have to be more diplomatic in their operations. One of them, Mr. Maginnes perhaps, would have to attach himself to some Church, and another—Mr. Haggart for instance—could become President of the Y.M.C.A. and so on. They might even be absolutely honest and pay out all the profits in dividends, share and share alike, between themselves and the public. But if they did they would never grow rich and be able to help the poor; and industry would languish for want of capital. Moreover, the public would rob one another. People will gamble and as long as they are able to buy and sell stock of that kind some will gain and others will lose. Dividends are bound to fluctuate on a gold mine, in any case, and no gold mine can last for ever, so that the last purchaser of the shares is bound to lose all. The person who buys gold mining shares stands either to lose or win, and he knows it. If he loses what does it matter whether it was because the gold mine had "run out" or was put out for diplomatic reasons? But it is essential that the confidence of the investor should be kept up by occasional wins. That is what is meant when it is said that the capitalist is a "shy bird." No wonder he is shy, and he would probably blush himself out of existence altogether unless you keep up the supply of salt for his tail. That is why working costs must be continually reduced. Of course I may be all wrong, and history, perhaps, will be able to explain, in some

other manner, where the money came from which the Chamber of Mines spent in purchasing signatures—at a shilling each—for petitions in favour of Imperial intervention, Chinese labour, and what not; as well as that which was spent in advocating Union, and for winning elections by the Unionist party; and in providing beautiful parks, gilded tigers and brass lions for Groote Schuur. If people want an Empire built they must be prepared to pay for it.

Pretoria, 8th May, 1915.

VI.

Pretoria, 15th May, 1915.

We have seen that the capital invested in the gold mining industry cannot be withdrawn, however anxious the owners might be to withdraw it. But we are told that to interfere with profits, or with the policy of the Chamber of Mines, would prevent fresh capital from coming in. What is the fresh capital wanted for? The acquisition and development of fresh properties? Is there anything to prevent any mining company, or group of companies from devoting part of their profits to the acquisition and development of fresh properties? Ask Sir Abe Bailey, who controls "African Farms," and who is his own Chamber of Mines,—and who runs a daily paper of his own,—and whose company, under his direction, has acquired any number of new properties—worthless and otherwise—without appealing directly to the public for funds. And does it not seem a little curious that an industry which produces nearly £40,000,000 worth of pure "Capital" annually, and which is supposed to have already absorbed £300,000,000 should find it necessary to apply to the "widows and orphans",—about whose interests we hear such a lot—for the capital to develop a new mine? Is this done in order to provide a safe investment for the spare cash of the public; or is it merely an ingenious "suction" process?

We are continually being told that demands for better wages, agitation and labour unrest tends to drive

capital away. Let us now see what inducements are held out to the investor by the Chamber of Mines and the Press. The Editor of the "Cape Times" made the following interesting statement, in an article, deprecating the nationalisation of the industry, published on April 7th last:— "At the end of the war the Union Government, even if it pursues the safest and most conservative policy in regard to the expenditure of public money, will find considerable difficulty in obtaining capital sufficient for its needs. That capital cannot possibly be procured in South Africa: and if the European money market learnt that the Union Government intended going into the Gold Mining business, it would certainly not be obtained from oversea." Why not? Let us hear: "A government's credit varies", says the article, "directly with the rise or fall of its reputation for prudent finance: and if the Union Government by setting up as a gold miner, put its stock on the same level as mining shares, the issue of new stock would speedily become impossible." Why would the issue of new stock become impossible? Can a Government which expects to raise unlimited capital for the purpose of suppressing a strike or a rebellion, or of conducting an expensive and doubtful campaign against a foreign state, not hope to raise sufficient funds to open up a gold mine? We had better let this titled mouthpiece of the Chamber of Mines tell his own story in his own dull way. "The producing mines of the Rand," he says, "are capitalised for about 80 millions sterling, and pay something like 8 millions sterling in dividends; quite a respectable return were it uniform. As a matter of fact we are probably not overstating the case when we say that not 20 per cent. of the existing gold mining companies are paying dividends at all: that very nearly 20 per cent., are producing, but paying no dividends: and that something over 40 per cent., are closed down." Now if that statement means what the ordinary reader would understand it to mean it is certainly a very excellent reason why the Government should not go "into the gold mining business" but it is a far better reason for closing down the gold mines altogether as a swindle upon the public as well as a danger and a curse to those employed in them. Are we to understand, in the first place, that only 20 per cent. of the money invested in the gold mining industry is yielding a return of any kind, and

that that 20 per cent. is only yielding a return of 10 per cent.—a matter of 2 per cent all round? Is this the industry for the sake of which so many respectable men have been, and are being, turned into either criminals or spies, and so many pure women into prostitutes? And for which thousands of healthy men are being filled, in the vigour of their youth, with the most deadly of all diseases? Or, on the other hand, does the statement that “the producing mines of the Rand are capitalised for about 80 millions sterling” not mean, after all, that 80 millions sterling have been invested in them, but merely that 10 millions, or even 5 millions have been “watered” into “about 80 millions?” It is to be presumed that this is where Sir Jan Langerman got his “two or three hundred millions,” which would be necessary to buy out the companies, from. Has Sir Jan the impudence, I wonder, to suggest that the government, in the event of nationalisation, should not only pay full nominal value for this “watered” stock, but that it should buy up the “something over 40 per cent.” of “closed down”—and apparently worthless—mines on the same basis? But perhaps he knows what he is talking about after all. Some of the closed down mines may be as useful and as valuable to the Chamber of Mines as any of those that are paying dividends. Perhaps they are “not dead but sleeping”. It is fortunate, by the way, that the Editor of the “Cape Times” has a better argument than the above against the stupid proposal of the Labour Party to “Nationalise” the mines. It is this:—“the Labour party’s attitude towards the treatment of employees on the nationalised railways scarcely seems to warrant the belief that it would be perfectly content with the condition of the working miner if only the mines were nationalised.” Even the Editor of the “Cape Times” can be logical and weakly sarcastic occasionally! Of one thing we may be certain, however: Whether the amount actually invested in the Rand Gold Mines be 30 millions sterling or 300 millions, only a very small proportion of the amount paid out annually in dividends finds its way into the pockets of the ordinary investor. The real meaning of the passage I have quoted from the “Cape Times” article, is that those who invest their money in gold mining stock are gamblers,—without, however, the usual sporting chance of the common gambler,—while those who invest it in

Government stock are capitalists content with a modest but safe return; and that it would be neither prudent nor honourable for a government to conduct a lottery, not to mention an open swindle.

I have said that the only advantage which the people of South Africa can possibly derive from the Gold Mines is the wages, etc., received in exchange for the labour and other services rendered, either directly or indirectly in the production of gold. But according to the article in the "Cape Times," from which I have just quoted, the government derives an advantage of another kind:— "One way or another" it says, "either from direct taxation or profits, or from indirect revenue through the customs and the railways, the Union Government gets something like 12 millions sterling out of the gold mines of the Witwatersrand....." If that passage were not either a stupid blunder or a silly imposture it would, taken with the other passages I have quoted, amount to this: that the Union Government has entered into a partnership with the Chamber of Mines for the double purpose of cheating the European investor out of his money, and squeezing the last farthing out of the workers, white and black, engaged on the mines. The European investor is cheated by allowing him only 2 per cent. on a very risky investment, while the government walks off with 33½ per cent. of the total product of the industry. The workers are still worse off: the policy of the Chamber of Mines is to reduce wages to a minimum, and that of the Government is to squeeze as much as possible out of that minimum through the customs. But the impudence of the "Cape Times" is even worse than either the trickery of the Chamber of Mines or the tyranny of the Government. If the Chamber of Mines pays the white miner 16/8 for creating 30/- worth of gold, and ruining his health in the process, and the Government forces him to pay 10/- of it in taxes it is called an "indirect" tax on the industry. And if the miner got drunk and was fined 10/-, I suppose it would be called an indirect fine on the industry!

But let us analyse further the statement of the "Cape Times". We have seen that the total amount of gold produced annually in the Rand area is £36,000,000 worth. Of this the shareholders are supposed to get £8,000,000 in dividends, and the Government £12,000,

000 in taxes. That leaves £16,000,000 to provide material and wages. The former includes not only the coal, oil, wood, machinery, etc., for the mines, but also the food, clothing, furniture, motor cars, and what not, used and consumed, not only by those directly employed in the mines, but by the numerous storekeepers, lawyers, doctors, tinkers, tailors, fiddlers, strollers, etc., indirectly provided for. The latter includes not only directors fees, Managers and Engineers salaries, white and black miners wages, but also the fees and perquisites of the political hangers-on, and the storekeepers, lawyers, doctors, etc., aforesaid. Is the "Cape Times" prepared to accept this distribution of the revenue derived from the gold mining industry?

Mr. 'Willie' Rockey, on the other hand, the member for Lanlaagte,—who is in parliament, and in the Unionist party because he attends church regularly, is a professed teetotaler, and has the peculiar faculty of being able to raise a laugh at awkward moments, not by his wit, however,—claimed, during the debate on the Estimates, already referred to, that the Mining industry spends £13,000,000 a year in wages and £12,000,000 for the purchase of goods. (In reference to certain reflections indulged in by Mr. Madeley and other Labour members regarding the methods of the mining magnates, Mr. Rocky observed, according to the "Gallery and Lobby" Reporter of the "Cape Argus"; "Its the luck of the game; some of us know too much about it; had we succeeded we should have been millionaires as we failed we are only members of Parliament." "A roar of laughter, loud and long," adds the Reporter, "followed this climax, and with this Mr. Rockey resumed his seat." A statement of that kind coming from anyone but a good christian or a labour representative would have been considered pretty serious, but from Mr. Rockey, a pillar of the Church, and a member of the party accused of these mal-practices, it was considered a good joke. He probably winked at the Government benches—unseen by the Labour members—as he made it: and Mr. Rockey's wink is more amusing than that of an ostrich, and as reassuring as that of a cardinal). However, even Mr. Rockey's figures are more reliable than those of the "Cape Times." Allowing for some exaggeration we may take it that the £13,000,000 paid out in wages, and the £12,000,000 spent on goods,—

less the amount squeezed out in taxes by the Government,—represents the gross benefits which the people of South Africa derive, either directly or indirectly, from the gold mines. But since the vast bulk of the goods is imported from abroad the net benefits consist of the wages and profits to be derived from the handling and sale of them. And even the thirteen millions sterling spent in wages is not such a huge sum when it is remembered that the industry employes about 22,000 whites and 180,000 coloured people,—natives,—200,000 in all. This works out at no more than an average of £65 each per annum for those directly employed, not to say anything of the thousands indirectly maintained by the industry. Is it any wonder, after all, even from the point of view of the orthodox political economist, that there is more poverty, and more vice that springs directly from poverty, in and around Johannesburg than in any other city or town, in proportion to its size, in the world,—with the exception of Kimberley, perhaps, which, in addition to its other natural advantages, possesses the richest diamond mines that the world has ever known? Is it any wonder that Lady Florence Phillips and other pious matrons should be compelled to forego many of their legitimate amusements, in order to teach the wives and daughters of the poor how to lead honest, pure and healthy lives on an income of nothing? And yet in spite of it all there are people who are perfectly satisfied. Mr. E. A. Wallers, for instance, says that the position is “extremely satisfactory”. Of course there are other industries in the Witwatersrand area. There is a brewery, and innumerable hotels and canteens; there are butchers, bakers, tinkers, tailors, etc., etc., in galore but the only fund available for their maintenance is, according to the Chamber of Mines, the Press, and the political economists, the few millions sterling—say 25 at the very most—derived from the gold mining industry. Will Mr. J. A. Hobson, or some other economist explain how it is that over a million persons manage to subsist on £25,000,000 a year,—or less than £25 each? For they do subsist after a fashion—many of them better than is good for them,—and even those who are rendered superfluous by improvements in machinery and general “speeding up” hang on to the industry as parasites of one kind or another. The only person who has explained it up to the present, as far as

I am aware, is Mr. J. M. Nield, the author of the Minority Report of the Railway Commission; and he not only explains how they manage to subsist after their present fashion, but how they could fully supply every reasonable want without resorting either to vice or crime;—as the majority are now forced to do;—and without injuring the shareholders, or interfering with the directors or their hangers-on—except by finding honest work for them. And that this would not be such a difficult task will be realized when it is remembered that Johannesburg possesses every advantage which the most prosperous inland city or town anywhere could possibly possess, plus the richest gold mining area, and the most prosperous gold mining industry in the world. Mr. Nield's plan, however, would probably interfere, to some extent, with the interesting and ingenious operations of the Stock Exchange, and would establish principles diametrically opposed to all known theories of the political economists. Will the Economists further explain how it was that when mining plant and other requisites, including foodstuffs, etc., had to be transported from the coast in ox-waggons; and when the processes of extracting the ore from the earth and the gold from the ore were primitive and costly, the people were far better, and the shareholders no worse off, than they are now? Mr. Nield also explains this as we shall see.

Before going farther, however, let us see what becomes of the £12,000,000 squeezed out of the industry by the Union Government. Part of it, which the "Cape Times" calls an "indirect" tax,—how much would be difficult to say;—goes to the Railway administration for transport services. The remainder helps to provide fat salaries and emoluments for a Governor-General and staff; Cabinet Ministers and their numerous satellites; Senators and M.L.A.'s; Judges and Magistrates;—to keep the people in awe;—a Defence Force, to keep an imaginary enemy in awe; Universities and Colleges, for the benefit of the rich; experimental farms and an army of Stock, Scab, and Fence Inspectors for the benefit of the lazy; police to protect the property of the rich against the hungry poor; detectives, spies, prisons, reformatories, and one or two insane and leper asylums,—and these only because the inmates have a more dangerous kind of madness, and a more

contagious form of disease, than those outside. A little is handed over, now and then, to the local authorities to help to provide very small salaries for sweated elementary school teachers, and to build and maintain a very inadequate number of very bad schools for the children of the poor. That is all.

His Excellency the Governor-General, who appears to have come out here with the settled conviction that the people of South Africa,—the male portion, at any rate,—are whiskered children; and who addresses them in a sort of baby-talk,—the sort adopted by European officials in their pow-wows with natives,—containing vague references to the great White Chief, the British Navy, the Union Jack,—as if it were a kind of deity,—and what not; and abounding in pastoral metaphors, keeps on assuring us that the gold mines will by-and-by assist us in developing our agricultural and other resources. He cannot see, poor man, that the gold mines are actually preventing the development of these other resources, partly by their very existence, and partly through the policy which the Government is assisting the Chamber of Mines to pursue. How? It is obvious that no industry of any kind can be established, and no resource developed unless a market can be found for its products. The farmers of South Africa would have no difficulty in producing plenty of food-stuffs, etc., if they could find a ready and profitable sale for them. Leather, boots, cloth and clothing of all kinds, furniture, etc., could easily be manufactured on the same terms. But there is admittedly and palpably no satisfactory market for any of these things. Why? Firstly, because the people are too few and too poor;—through unemployment and low wages;—and secondly, and chiefly, because South Africa imports a sufficient quantity of commodities from abroad to more than meet the limited demand. Mr. Nield shows in his report, how the first cause,—the fewness and poverty of the people,—can be remedied. The second cause,—importation of commodities from abroad,—can never be wholly removed. Why not? Because as long as South Africa, or any other country, continues to devote 60 per cent. of its energies to the production of a commodity for which it has no possible use, and which does not form the raw material of any conceivable industry, it must either give that commodity

away for nothing; or it must import approximately 60 per cent. of its requirements in exchange for the commodity it produces for the foreign market. Over 60 per cent. of the wealth produced in South Africa consists of gold and diamonds for which the people of South Africa have clearly no use, and which is exported to other countries. If the people not engaged at present in the production of gold and diamonds attempted to produce the commodities required by those so engaged what would the latter have to give the former in exchange for them? Gold and diamonds? But the people of South Africa have use for only a limited quantity of gold and diamonds; and it would certainly be foolish and unprofitable to think of keeping all the gold and diamonds they produce. And if, as some seem to imagine, the people of South Africa could and should produce and manufacture all their requirements locally instead of importing them, what could they receive in exchange for the gold and diamonds for which they would have no use? The answer that rises instinctively to the lips of the "average citizen",—steeped from his youth up either in the theories of political economists, or the practices of the retail trader,—is "money". It is surely unnecessary to consider such a stupid notion. Nearly everybody but newspaper people and politicians know that all trade is an exchange of one commodity for another, money being merely the medium through which the exchange is effected; and that in the case of trade between one country and another this medium is never employed. Neither South Africa nor any other country could dispose of a single article to the people of another country except in exchange for some other article of equal, or approximately equal, value. But, says the practical politician of the State Socialist type, South Africa should at least produce sufficient of its own requirements to give honest employment to all its citizens. What if it is producing sufficient for that purpose already, if the work were properly distributed? What if some of the people are working too hard and for too many hours out of the 24? This is a question that does not appear to have occurred to the political economists. Perhaps when they have found out all that will ever be known about the "ponometer" (see "Work and Wealth" Chap. 5 page 66) they may be expected to turn their attention to it.

Let us now proceed to the consideration of the present policy of the Chamber of Mines,—which is, as I have said, to reduce the cost of producing gold to a minimum,—and of the inevitable effects of that policy, and the part that is being played in it by the Union Government. There are three generally recognised methods of reducing the cost of producing any commodity, viz. :— (1) Improvements in machinery and methods of production; (2) increases in the efficiency of the labourers engaged in it, in which may be included long hours,—when they don't interfere with efficiency—piece-work and the employment of women and children; and (3) reductions in wages. The first two methods are generally regarded—except by a few cranky humanitarians—as not only legitimate, but praiseworthy and socially beneficial; and the only reason why the third method is frowned upon by humanitarians and economists alike is that it might impose hardships on the labourers—by leaving them hungry, and “cold o'nights,”—and tend to reduce their general efficiency. But the Chamber of Mines has discovered a fourth method which should prove a peculiar puzzle both to the humanitarians and the economists, namely, the gradual substitution of black labour for white. It would be extremely difficult, under ordinary circumstances,—and apart from the advantages to Society of an increase in the gold supply of the Rand Mines,—to say whether or not this policy is to the best interests of the community. There can be no doubt, on the one hand, that gold mining is a very dangerous and unhealthy—not to say deadly—employment, and many might be inclined to think that it is better to sacrifice the lives of black men rather than white men. But we are faced on the other hand, with this double difficulty: that the alternative for white men is unemployment and, therefore, starvation or crime, and that the black man can live just as well without working in the mines,—if he is left alone,—as by working in them, and that he is not particularly anxious to work in them.

But in any case it will be admitted that the effect upon the community as a whole,—apart from the interests of the labourers,—of a reduction of working costs on the gold mines, would be exactly the same whatever might be the method employed in bringing it about. It will be as well, therefore, to consider the general effects of

the policy before attempting to deal with the particular method of giving effect to it.

I think it will be admitted that the general assumption on the question has hitherto been, and still is, that every increase in the amount of social wealth in the aggregate, and of any particular commodity, or form of wealth, from whatever cause it arises, must be to the advantage of Society. Mr. Nield has exhaustively examined this assumption in his Minority Report of the Railway Commission, and has arrived at the conclusion which I have already attempted to explain, but which may be again briefly summarised as follows:—That there is obviously some limit to the demand for commodities, and therefore to the beneficial effects of increases in their quantity; that under the present system of individual ownership of the forces and implements of production, and individual appropriation of the product for purposes of sale, the limit to the demand for commodities is not identical with, nor determined or bounded by the consuming capacity of Society,—which must, however, have a limit also,—but by its purchasing power.—That the present labour supply of Society is more than capable, owing to continued improvements in productive processes, of satisfying even the demands arising from consuming capacity; that some of the labourers are, therefore, either temporarily or permanently unemployed; and that this unemployment, by reducing the purchasing power of Society, tends to further restrict the demand for commodities.—That, consequently, every increase in productive efficiency—unaccompanied by a corresponding increase in consuming capacity or purchasing power,—must inevitably result in industrial stagnation and depression. If this theory, diametrically opposed as it is to the prevailing opinions of economists of every existing school of thought, is correct, it is clear that the remedy Mr. Nield proposes, namely, systematic reductions of hours of labour and increases in wages, must be equally correct, and that a frank recognition of its correctness, and its immediate application to industry would prove a solution of the industrial problem. That this is so in fact will be fully demonstrated in our examination of the effects of the opposite policy pursued in the past, and contemplated in the future, by the Rand Chamber of Mines.

Pretoria, May, 15th 1915.

VII.

Pretoria, 15th August, 1915.

The gold and diamond mining industries of South Africa provide what is unquestionably the most perfect example in existence of the evils of the competitive industrial system; as well as the most striking illustration of the fallacy of the prevailing idea,—noticed towards the conclusion of my last article,—that every increase in the amount of Social wealth in the aggregate, and of any particular commodity or form of wealth, from whatever cause the increase arises, must be to the advantage of Society. These results are due mainly to the peculiar nature of the products of the gold and diamond mining industries. The products of every other class of industry are used and consumed, to some extent at any rate, either by those actually engaged in their production, or by members of the same community through the processes of exchange. And it is clear that even under the present system of production for sale and private profit, an increase in the quantity of the products of such industries, no matter what the cause of that increase may be, must benefit, or appear to benefit, the general public as consumers. But gold and diamonds being neither intended nor suitable for local use, an increase in the quantity produced cannot benefit the people of the country in which the production takes place, unless the increase is accompanied by an increase in the quantity of the commodities for which they are exchanged. And it is ob-

vious that the benefit to be derived from an increase in the quantity of any commodity intended wholly for export, will be strictly proportionate to the extent to which that increase corresponds with the increase in the quantity of commodities received in exchange for it. It must be equally clear that increases in the quantity of gold and diamonds produced, that arise wholly from improvements in methods of production and means of transport; from increased efficiency of the labourers:—unless accompanied by a corresponding increase in their wages;—or from reductions in wages, or in the number of labourers employed, cannot possibly result in any increase in the quantity of commodities received in exchange for the gold and diamonds. Such increases can only benefit the owners of the capital, invested in these industries. And if the capital, or any portion of it, belonged to individual members of the community it might still be plausibly claimed that an increase in the output—involving an increase in the profits—would be beneficial to the community—although, even then, the advantage would clearly be confined to a few persons. But in the case of the gold and diamond mining industries, as all the world knows, the capital belongs exclusively to foreigners, to whom must accrue all the benefits derived from reductions in the cost of producing gold and diamonds. All this has been clearly and forcibly demonstrated by Mr. Nield in his *Minority Report*; and since further illustrated and confirmed, in collaboration with Mr. Connolly, in their book “*Unemployment: its cause and cure*”, to which the reader is referred for detailed facts and arguments.

And whoever considers the recent industrial history of South Africa with any attention will be able to trace for himself the actual operation of the economic laws on which Messrs. Nield and Connolly base their reasonings and conclusions. When diamonds were first discovered in Kimberley, and gold in the Witwatersrand area, there were no railways worth speaking of in South Africa, no coal mines or other industries, and no European industrial population. And yet in spite of the necessity of importing the commodities—including skilled labour—required for the development of the industries from abroad, and of transporting them over long distances and bad roads by ox-transport;—in spite of the scarcity of labour, and the primitive and costly method

of production, the industries prospered, and the returns to capital were highly satisfactory from the very beginning. Trade and industry, in the meantime, flourished, wages were higher than in any country in the world, unemployment and poverty unknown, and vice far less prevalent than it is to-day. The annual value of the gold produced in South Africa had increased from £10,096 worth in 1884—the date of first discoveries on the Rand—to £4,541,071 worth in 1892,—in or about the date of the linking up of the Transvaal railways with those of the coast Colonies,—while the European population had nearly doubled itself. And as long as the methods of production and transport remained more or less primitive and inefficient, necessitating the employment of relatively large numbers of workmen, the country continued to prosper and trade and industry to flourish. Had these primitive conditions continued until to-day it cannot be doubted that both the population and the general prosperity of the community would be proportionate to the expansion of the Mining industries. It may be that the actual quantity and the nominal value of the gold and diamonds annually produced would be less than at present; but the real value to the people would be even greater than it now is, while the number of persons maintained, directly and indirectly would correspond with the total output. No sooner, however, had the mines become fully developed, and all possible routes to the Rand been opened by railways, that signs of depression began to manifest themselves. And every improvement in methods of production—machine drills, etc.—and means of transport—more powerful locomotives, reduced gradients, new routes, and what not—that has since taken place has been invariably followed by retrenchment and industrial stagnation and as Messrs. Nield and Connolly show, these retrenchments did not, and could not, afford any relief, even from the profiteers point of view,—but rather the contrary,—since those who were displaced by the improvements became a two-fold burden to the community: first by the loss of their spending power, and secondly by the necessity of maintaining them at the public expense. The South African war is usually regarded by thoughtless people as the cause of the depression that followed, but it is quite clear that the war deferred and mitigated, rather than occasioned, the depression, just as the present war

will probably be followed by a period of unnatural and temporary expansion,—not in this country, however, for obvious reasons.

It is also vaguely believed in some quarters, and the belief is encouraged by the Press,—in so far as the Press is capable of adopting anything but a negative attitude towards any problem,—that the mining industries are now bearing the cost of the early development and expansion. This is not true, and the Press knows it. Interest and profits on all capital invested in South African industries, both public and private, productive and unproductive, were provided from the very beginning, and there is no burden upon the industries to-day, except the cost of the G. S.-West African Campaign,—that they have not borne all along. The various Colonies, it is true, bequeathed to the Union at their demise, a public debt of some one hundred and five millions sterling, but the assets they bequeathed—as was boasted by the “patriots”—covered that legacy twice over; and but for a paltry deficit from Natal and the Cape—due wholly to their frantic competition with each other to provide cheap transport for the mining industries—all the charges were being met by current revenue. In any case, the surplus revenue in the Transvaal and Free State,—derived solely from the railways, and not from the Mining industries—more than covered the short-fall in the Cape and Natal. These statements are incontrovertible, and the obvious conclusion to be drawn from them is that, owing either to the ignorance or the treachery of the Union Government, a few unprincipled cosmopolitan schemers have been allowed to become possessed of what is probably the richest industrial asset the world has ever seen, and to reap all the advantages of a period of progress almost unexampled in history; while the people are being forced deeper and deeper into poverty and degradation. Literally and indisputably the cause of the South African millionaire and of the poor white and the illicit liquor seller are identical. It may be true, as is often boasted, that whatever material progress has been made in South Africa is the result of the gold and diamond Mining industries. But in the first place, do not these industries belong, by right, to the people of South Africa, as a whole, and not to a few exploiters? And, in the second place, what visible, or adequate, or per-

manent trace is now left of the untold millions that have been taken out of the country during the past twenty or thirty years? Even the dependents of those who died, or are about to die in the service of the Country cannot be maintained at the public expense, but are forced to live upon charity. And there is not so much as a decent public building to remind future generations that their country once produced more millionaires in a period of twenty years or so than many other countries did in as many centuries.

These are no mere speculative theories, but absolute and clearly demonstrable certainties. The inevitable effects of improvements in machinery and methods of production, under an unrestricted competitive industrial system, is to enrich the owners of the machinery and forces of production, at the expense, and to the detriment of the rest of the Community. But, as has been said, in those industries whose products are intended for local use this effect is more or less disguised; and where the machinery and forces of production belong to a portion of the citizens, it is, to some extent mitigated, since the increased profits will be spent locally, and thus indirectly benefit all sections. But in the mining industries of South Africa, which belong wholly to cosmopolitan adventurers, and whose products are useless to the people, it might be thought that the effect would be readily recognised. The illusion, however, is kept up successfully by an instrument that is perhaps the best suited for its purpose ever contrived, namely the South African Press, a most effective and impervious combination of assurance, ignorance, and unblushing mendacity. The task of the Press is the less difficult since the majority of the people of South Africa are attached, in an uncommon degree, to the institution of private property, and are therefore more easily persuaded that every criticism of the evil effects of that institution, and every attempt to mitigate them, is an attack upon the institution itself.

And the Labour Party, which professes to think and to act for the working classes, is too much under the influence of certain ill-conceived, and, for the most part, obsolete economic theories, to understand the real nature of the problem that confronts it; while its members are too preoccupied with schemes of personal ambition and intrigue to listen to those who could en-

lighten it. This is a serious statement I know, but I challenge any member of the party to refute it. There is not a single item on its programme, with the exception of one adopted at the recent Conference, (which does the party no credit, however, stolen as it has been, without acknowledgment or apology, from Messrs. Nield and Connolly's book), that is calculated to mitigate or prevent the evils that threaten the very existence of the industrial population. And that one item—the shortening of the working day for the relief of unemployment—is so hopelessly overshadowed by contradictory proposals that its effect is wholly lost.

To sum up. It must be obvious, on the one hand, that no increase in the output of the gold and diamond mining industries can benefit the people of South Africa unless that increase is accompanied by a corresponding increase in the number of citizens maintained, either directly or indirectly, by those industries. It must be equally obvious that all increases in the output arising from improved machinery, increased efficiency, reductions in wages, or in the relative number of workmen employed; or from the substitution of black labour for white, must have the opposite effect. And we have seen, on the other hand, that the avowed object of the owners of the industries is to increase the output by a combination of all these methods. We have seen further—or we ought to have seen—that the Botha-Smuts government has entered into an alliance with the Chamber of Mines and the De Beer's Diamond Mining Syndicate, for the purpose of carrying out that policy. I have already said that General Botha is probably ignorant of the ultimate effects of that policy, while General Smuts is fully aware of them, but as the policy happens to coincide with his own, he is willing to aid in its accomplishment. In entertaining this belief I may be underrating the intelligence of the former, and the good-nature of the latter, and do not, therefore, insist upon it too strongly.

And what are the inevitable effects of the policy? The ultimate effects, more or less remote, is that when the gold and diamond mines close down—and they certainly cannot last for ever—there will be no means of maintaining a white industrial or commercial population in South Africa. It is frankly admitted by everyone—including the Press, which cannot be accused of overanxiety for the future welfare of the people—that

so far no serious attempt has been made to prepare for the inevitable closing down—partial or permanent—of the mining industries, by establishing others to fill their places. Attempts have certainly been made, but they have been complete failures. Why? I have already given a brief summary of the reason advanced by Mr. Nield in his Minority Report, and will repeat it here because I consider it not only satisfactory but irrefutable. It is this: That no industry can be profitably established anywhere unless a satisfactory market can be found for its products. And there is at present no satisfactory market for the product of any possible South African industry. Innocent people may believe, and do believe, that there are markets if only we could compete successfully with foreigners, but this is not so. There is no local market because the commodities received in exchange for the products of the mining industries are more than sufficient to meet the limited requirements of the population. And there are no foreign markets available because our gold and diamonds are sufficient to pay for all our imports from foreigners;—and it is obvious that all foreign trade must be on the basis of an exchange of commodity for commodity. Many people imagined that South Africa sells and can sell mealies, fruit, cotton and what not, to foreigners for money, but it does not, and cannot, for South Africa is itself the largest seller of money in the world. Money— or, which is the same thing, the indispensable raw material of money—is the staple commodity of South African export, and it would be foolish to export and import the same commodity, would it not?

There is only one method of establishing industries in South Africa, and that is by increasing the number, and raising the standard of living of the people by indirectly taxing the mining industries, by enforcing higher wages and shorter hours to counter-balance improvements in methods of production and means of transport. And these industries can be taxed in this way up to 75 per cent. of their total product without reducing legitimate profits on capital,—but in that case the people of South Africa would have to produce and manufacture their own requirements locally, and could retain for their own use all the gold and diamonds they produce, less the amount required to pay interest and profits on foreign capital. That would be foolish I

know,—and, indeed, impossible since many things must be imported,—but if, as some suppose, a scarcity of money is the cause of poverty and trade depression, why continue to export millions of money annually in exchange for commodities which could very well be produced locally? This inconsistency is partially and vaguely recognised by many well-meaning people who endeavour to meet it either by favouring the arbitrary establishment of industries,—not at their own expense, however,—for the products of which there is clearly no market; or by imposing direct taxation on gold and diamonds.

The first method is so obviously absurd on the face of it, and has failed so often that everyone except ladies in search of variety in their social amusements, or gentlemen in search of popular applause or notoriety have abandoned it long ago as hopeless. The second method cannot be successful unless the taxes are employed to subsidise the industries, which would be at best a roundabout and uncertain method of accomplishing what Mr. Nield proposes. We are calmly told by the politician,—and I have quoted to the same effect from the "Cape Times,"—that before industries can be established in South Africa capital must be raised in the foreign money markets, and that it will be difficult to raise this capital after the war. Why should it be difficult to raise this capital, and why necessary to raise it? What is "capital?" Is not money a form of capital—the most potent form in fact—and is not gold an equivalent of money? And do we not sell nearly forty millions sterling worth of gold annually to foreigners? What do we receive in exchange for it? Certain commodities many of which we could ourselves produce and manufacture, by simply setting our unemployed workmen to work. Will the politician and the Press explain how it is that South Africa, which produces forty million pounds sterling worth of gold annually, is compelled to borrow money from foreign money jugglers, at high rates of interest, in order to conduct a campaign or establish an industry? The whole position is so absurd, and so simple when properly understood that one is almost ashamed to expose it; and yet so tragic in its consequences that no honest man who does understand it can remain silent.

A more immediate, and therefore more disquieting effect of the present policy of the Chamber of Mines is

the gradual and constant reduction in the number of Europeans employed both in the Mining industries themselves, and in all subsidiary industries,—railways, trade, etc. This effect is clearly inevitable. It is probable that the yielding capacity of the mining industries is now, or will very soon be, at its height, and even if no further improvements in machinery or means of transport, and no further “speeding up,” takes place, no increase in the number of openings for white workers, either in the mining industries, in trade or the “professions,” or on the railways, can be expected. I do not say that the annual output of gold may not show a slight increase for a few more years, but every such increase will shorten the life of the mines; while every increase in the quantity of diamonds produced will lessen their actual value. And it is certain, on the other hand, that the yielding capacity will decline eventually, and that improvements in productive processes will continue, and every such decline, as well as every fresh improvement will tend to displace labour, and reduce the chance of providing other means to absorb it.

Now if I am correct in my estimate of the general effects of the policy of the Chamber of Mines and De Beer's (and I think that both the instinct and the commonsense of the working classes, English and Dutch alike, will compel them to pronounce in my favour), is it not clear that the Botha-Smuts government is the worst possible enemy of the Empire as well as of the working classes? For consider. The inevitable results of the policy will be that in a comparatively short period there will be very few English speaking people left in South Africa. This result would probably be regarded with favour by short-sighted and unthinking Africans. It would doubtless suit many of them to see the country return to its old conditions, especially if, in the meantime, they could secure a share of the spoils of the mining industries. This is the real explanation of the attitude of the Botha-Smuts Government. But the policy could not be carried out openly, so that the Government was compelled to beguile the English speaking people with fair words; and I am convinced that whatever support that Government still receives from the African people is due to the belief that Generals Botha and Smuts are insincere in their professions of loyalty to the Empire and of friendship to

the British section of the people. Whether they are or not is a question I will not presume to decide.

Nor could the policy be carried out successfully, even with the assistance of the Unionist party, as long as the working classes remained united, and as long, especially, as the Dutch workingmen could be induced to co-operate with their British comrades, which they were beginning to do. It was therefore essential, that all working class organization should be destroyed, and the Government decided to destroy it. And if it did not wholly succeed, the task was completed by the misguided patriotism of Mr. Creswell and his followers. There can be no mistake about this. Not only were the Dutch working men driven out of the Labour movement by the attitude of Mr. Creswell, but hundreds, and probably thousands of conscientious English workingmen also. No reasonable man could, or would object to workingmen being loyal to the country of their birth or origin, but that loyalty must have a deeper foundation than that of mere conquest. And to expect the workingmen of this country to support the Government and the Unionist party because they were, or pretended to be loyal to the Empire was clearly unreasonable. Did not these bodies pretend to be loyal in July 1913, and did they not crush the miners strike with Imperial troops, and with the approval and applause of the Imperial Government?

I will not attempt to conceal, either from myself or from my readers, the fact that there is something that may appear attractive to the Africander people in the policy of the Government, and that even the National party may be tempted, if returned to power, to try it. Even in that case the danger is less—because undisguised—from the National party, then from the South African-Unionist party. Personally, however, I have too much respect for the Dutch people—to whose faults I am by no means blind—to believe that any considerable section would favour such a policy except openly and deliberately. Moreover, the policy would, in reality, be more injurious to the majority of the Dutch people than to the English. And finally it would be impossible to carry it out except in co-operation with the Unionist party, and such co-operation is now, in my opinion, unthinkable. In any case, should such an attempt be made, I for one, will do all in my power to frustrate it.

