Paris—London via Ruhr.

By T. F. W. NEWBOLD.

The situation presented in both the Ruhr and the Elbe Valley is so grave that the apparent effect of capitalization in these countries is beginning to be felt in Europe. The economic situation in the Ruhr is very difficult for a number of reasons. First, the high cost of labor, which has been a constant factor, makes it difficult for even the most efficient firms to meet the rising costs of production. Second, the competition of foreign producers is putting pressure on the Ruhr industries, and they are faced with the necessity of reducing their costs or being forced out of business. Third, the Ruhr industries are heavily dependent on coal and steel, and the cost of these materials is rising sharply with the war. The Ruhr industries are also faced with the problem of financing their operations. They need capital to expand their production, but they are finding it increasingly difficult to obtain credit. They are also facing the problem of labor relations, and the workers' demands for higher wages and better working conditions are putting pressure on the Ruhr industries to raise their prices. The Ruhr situation is a serious one, and it is affecting the Ruhr industries' ability to compete with foreign producers. The Ruhr industries must find ways to reduce their costs, increase their efficiency, and secure credit to continue their operations.