

Thirdly, to come to an agreement upon naval policy.

As to the first, until at least the British Dominions greatly increase their population and resources, it would seem certain that we cannot win in a naval building competition if the United States seriously desires to contest.

As for the second, an attitude of indifference gets us nowhere and really results in a naval race. If navies exist to support policies which may come into conflict, it is nonsense for Power A to say that it may wish in certain eventualities to frustrate the policy of Power B, but that it is indifferent as to its ability to do so.

As for the third alternative, it necessitates concessions by the British Empire to neutrals in private war, and concessions by the United States as against neutrals in public wars. In other words, we suggest that the two parts of the doctrine put forward by President Wilson must be united.

What are the possibilities in this connection? It seems that the British attitude is undergoing a considerable change. The Manchester Guardian, for instance, speaking on the 12th February, said:-

"Blockade, our traditional weapon in war, has become far more dangerous to ourselves than to others."

On the same day, the Liverpool Shipowners'

Association