

the settlement comes ; but others will have a say in the matter besides the Government of Great Britain. Considering the circumstances under which it was acquired, not even Germany, I should imagine, can expect to get Kinouchon back. And as for the rest, those too far off from any great British dominion to compel its attention, and really at the disposal of the English Government, may possibly be the subject of negotiation ; but German possessions which the Dominions have themselves conquered, and which are within their sphere of solicitude, will have to remain in the hands of their new masters. This will be a blow to Germany's pride and power which some of us might like to avoid ; but it will be inevitable.

Of more immediate interest to us in England is the dramatic transformation which the war is affecting in the economic policy of the Home Government. Under the pressure of necessity the Government, with the complete support of the nation, instantly abandoned the traditional policy of economic inaction. We now wake up every morning to find Government credit extended to some new department of commerce ; some branch of trade put under an embargo ; some enormous purchase of commodities undertaken, such as sugar ; some extensive new manufacture encouraged and financial assistance offered to investors, as for the production of dye-stuffs.

A transformation I have called it ; and yet, after all, it is only the sudden emergence in new fields of that fresh economic courage which has been so remarkably displayed in our recent social legislation. To those of us who are now middle-aged, nothing is more remarkable than the cheerful and unsentimental hopefulness which, in this present generation, has led the nation