The United Kingdom carries her expenditure easily, pays for her army and navy out of ordinary revenue, and has a handsome surplus every year. In the German budget, on the contrary, much of the defence expenditure is called extraordinary, and money for those items is provided in this way:

1907 Loan	£10,042,550
1908 "	12,791,115
1909 "	33,742,245
1910 "	9,536,515
1911 "	10,[illegible]90

Similarly, while the British national debt would, but for absurd wars be soon paid off, the national debt of France increases and is now the largest in the world. Much of that, too, is due to wars, and the total is enormous.

Debt of France	£1,301,000,000
Debt of United Kingdom	733,000,000

Compare these figures with those showing the national wealth of the two countries:

France	£12,000,000,000
United Kingdom	16,000,000,000

The foreign investments of France ane not one-half those of the United Kingdom (a).

Is it any wonder that Mr. Edgar Crammond (an acknowledged British authority in such matters) can truthfully say with reference to British war expenditure, that

"The aggregate expenditure on the army and navy bears a ratio of only 0045 to the national wealth, and .035 to the national income of the United Kingdom. Both these ratios show the relatively small burden which our expenditure on armaments imposes in relation to our wealth and resources" (b).

Mr. Crammond's point may be established either by a comparison of the war expenditnre of the United Kingdom with that

(a) They amount to about the same as Germany's £1,500,000. Webb's *New Dic. of Statistics*, p 82.

(b). *Nineteenth Century* for August 1912, page 27. In the preparation of this paper, I have been helped by Mr. Crammond's three articles in the *Nineteenth Century* of October 1911, and March and August 1912. Many of the figures which I have given may be found either in those articles or in *Statesman's Year Book* 1912.