

## PREFACE

IF this edition (1914) is bulkier than its earlier predecessors, it is chiefly because the events of the year 1911 threw an interesting light upon the bearing of the main thesis of the book on actual European problems. I therefore added to the first part a considerable portion of an address delivered at the beginning of the year 1912 to the Institute of Bankers, which attempted to show just how the principles elaborated here had been working out in European politics.

The chapter on the payment of the French indemnity was re-written for the edition of 1912, in order to clear up misunderstandings to which its first form gave rise. Part III. has also been re-written, in order to meet the changed form of criticism which has resulted from the discussion of this subject during the last year or two.

It is with very great regret that I have seen this book grow in bulk ; but as it constitutes the statement of a thesis still revolutionary, it has to cover the whole ground of the discussion, sometimes in great detail. I have, however, adopted an arrangement and method of presentation by which, I trust, the increase of bulk will not render it less clear. The general arrangement is as follows :

The Synopsis is a very brief indication of the scope of the whole argument, which is *not* that war is impos-