

has happened in the North Sea. Clearly the laws and practices of naval warfare no longer afford security to peaceful shipping. The thriving seaports of the North Sea will not soon forget the terrors and insecurities of this war, with its floating mines and submarine horrors. There is, however, a bare possibility that after the peace commerce and shipping may rise up and force the professional interests to surrender some of the rights and privileges of belligerency. Otherwise there may be no sufficient funds to feed armaments in the future.

This conflict exhibits the destructive effects of war on an unprecedented scale and in unprecedented variety. If you compare the economic spectacle with previous examples, it is like the difference between looking at tiny insects with the naked eye and looking at them through a microscope. In the first place it is *par excellence* a War of Attritions. In one indecisive trench battle at Neuve Chapelle, when ten or fifteen thousand combatants on each side were killed or wounded, more shells were expended by the British artillery alone than were expended by our forces during the three years of the South African War. In fact, shell-fire, variegated with machine guns, poisonous gases, hand grenades, and bombs thrown from the air, has been the staple of this war. Consequently a tremendous output of shells and ammunition and of great and small guns has been required. In Germany, Austria, France, Great Britain, and Russia factories have been diverted wholesale to these purposes, and all the great armament concerns—Krupp, Creusot, Skoda, Armstrong, Vickers, etc.—have been increasing their output all the time. In this respect alone there has been an extraordinary dislocation of industry. A neutral writer, describing the