CHAPTER VII
INSURANCE

"Moreover, neither should a city be thought happy, nor should a legislator be commended, because he has so trained the people as to conquer their neighbours; for in this there is a great inconvenience; since it is evident that upon this principle every citizen who can will endeavour to procure the supreme power in his own city; which crime the Lacedæmonians accuse Pausanias of, though he enjoyed such great honours. Such reasoning and such laws are neither political, useful, nor true; but a legislator ought to instil those laws on the minds of men which are most useful for them, both in their public and private capacities. The rendering a people fit for war that they may enslave their inferiors, ought not to be the care of the legislator; but that they may not themselves be reduced to slavery by others. In the next place, he should take care that the object of his government is the safety of those who are under it, and not a despotism over all; in the third place, that those only are slaves who are fit to be only so. Reason indeed concurs with experience in showing that all the attention which the legislator pays to the business of war, and all other rules which he lays down, should have for their object rest and peace; since most of those states (which we usually see) are preserved by war, but, after they have acquired a supreme power over those around them, are ruined; for during peace, like a sword, they lose their brightness; the fault of which lies in the legislator, who never taught them how to be at rest."

— Aristotle.

The policy of European naval expansion since the beginning of the century is to be attributed to dis-
trust arising out of secret foreign policy. No one can read the miserable story in all its sequence of diplomatic action, and events of aggression, without seeing clearly how closely allied are the dates of ententes, agreements, secret arrangements between naval and military experts, and the alteration in the German Naval Law. It is true the British and German peoples have during the period been treated to declarations of good-will from the representatives of both Governments, and our Foreign Secretary has returned the fine sentiments of German Chancellors and Admiral von Tirpitz, as to peaceful intentions going hand in hand with naval estimates year by year. In the Commons we have had flowing passages containing assurances of affection; and Ministers have dwelt long in many debates on the perfect understandings between the two Governments as to the protection of interests which would never clash. Dreadnaughts and battalions were the mere adjuncts of colonizing schemes which every great civilizing Power must in these progressive days pursue in the interests of its surplus population. Men who ventured to express their fears of such schemes were by the many set down as "Little Englanders," unimportant persons who could never appreciate the real scheme of empire, owing to their dislike of bloodshed. "Timid, sallow looking wretches," so one paper described them, "with more brain than pluck," who could not understand why the nations should spend more and more on arms for murder while the protests of international love increased. The questions and doubts of these folk were by the Jingoes usually thrust aside as the grumblings of pacifists, who neither knew what love of country meant, nor
ever felt the thrill of joy that all the pomp and circumstance of empire brings to men who think imperially. Germany had a Bernhardi, but Britain had a Bernhardi class, which lived and moved and had its being in war. It thought of nothing else but war, and it was recruited from all sections of society.

We have heard the diplomatist defined as the man who lies abroad for his country's good; but it was not until 1909 Britain discovered the men who did it at home for the same purpose. Those who passed the limits of what was strictly true in 1909, all worked for their country's good. It was their excessive patriotism that forced them to exceed the bounds of decency and truth. But now their supporters will say, "Where would England have been if they had not insisted on a big navy?" This question is already being put to pacifists. But another question might be asked, and it is this: "Should we be now at war with Germany if the infamous Jingo campaign of 1909 had not been waged?" To what extent that campaign of bitterness and hatred against Germany helped to make this war possible no one but those who passed through it can tell. Still, blameable as the Jingoos may be, we all must take our share of responsibility.

The excuses of Ministers for the blunders connected with the estimates for 1909 reached the height of absurdity when the estimates of 1910 were introduced. How were they to know Messrs. Mulliner and Company were wrong? and Admiral von Tirpitz and the manager of Krupps were right? How were the Cabinet to know the real reason for the changes in the German Naval Law? Mr. McKenna in March, 1911, told the House that the
German Fleet Law came into existence in 1905, the year before the Liberals took office, and that Germany then spent only £11,000,000 on her navy; but since that time there had been two alterations of a very drastic character which called for an expenditure of £22,000,000, in 1911. From that statement the man in the street had to infer that the Germans forced the pace in the armament race without the slightest provocation from us. In how many debates on naval estimates have members on both sides of the House argued that Germany, and Germany alone, was to blame for all the excessive expenditure on armaments because she had altered her Naval Law? So many people have accepted this reason as the only one that it might be well now to see what there is in it. The dates on which the German Naval Law was amended were June 5th, 1906, and April 18th, 1908. The alteration of June, 1906, increased the number of large cruisers to be built under the Fleet Law by six; that of April, 1908, increased the number of battleships by four. Now, no definite reason has ever been given by Foreign Secretary, or First Lord, or Prime Minister, for the changes in the German Naval Law. If questions had been put to Ministers on this point it is quite possible no answer would have been given. For several years only four members of the Cabinet could have given a proper answer. After the death of Sir Henry Campbell-Bannerman only three Ministers knew the real reason for the alteration in the German Naval Law, until, perhaps, the spring of 1912. When the Cabinet as a whole learned the answer to that question is not known publicly, but the approximate date can be guessed without much compunction.
Early in 1908 there were rumours of a disquieting nature about the departments connected with the Foreign Office, the Admiralty, and the War Office; that we were committed to the obligations of war in case France were attacked by a third Power. Since that time many military, naval, and Foreign Office men have known pretty accurately to what extent we were committed; but not until we were on the very verge of a European calamity was the public taken into the confidence of the Cabinet and told the true reason for all the armament troubles and international anxieties which have affected us since 1906. The Foreign Secretary in his speech in the House, on August 3rd, 1914, revealed the secret which had been marvellously well kept from the general public for eight years and a half; that in January, 1906, he had authorized conversations between British and French naval and military experts to take place, and that he had spoken to Sir Henry Campbell-Bannerman, Mr. Asquith, and Mr. Haldane about it, and had received their sanction.

From the time of the commencement of the German Naval Law until the Liberals came into office in 1906, there can be no doubt as to who forced the pace. In battleships alone our superiority in 1901 was 112 per cent., in 1902 it was 120 per cent., in 1903 it was 165 per cent., and in 1904 it went up to 190 per cent. Taking the five years before the German Naval Law came into existence, we find the expenditure on the British navy, under Mr. Goschen, increased by about £10,000,000. In introducing his last naval Budget, Mr. Goschen told the House in 1900 that Germany was starting a programme of shipbuilding at a cost of £70,000,000, to be spread
over a period of sixteen years. The rise in expenditure during the first five years of the German Naval Law does not show any evidence of Germany forcing the pace. In 1900 Britain spent £32,055,000, and Germany spent £7,472,000; in 1904 Britain spent £42,431,000, and Germany £11,659,000. Another test in expenditure, the three Power test, shows that in 1900 Britain spent £1,110,000 more than Germany, France and Russia combined; and in 1904 Britain spent £6,360,000 more than the same three Power combination. The first dreadnought was built by Britain in 1904–5, and the work was completed in thirteen months. Bombastically our papers announced to the world that we had created a revolution in shipbuilding, and had practically made scrap of most of the big ships of other Powers.

The first alteration in the German Naval Law was made on June 5th, 1906, about six months after the agreement between the British and French Governments authorizing conversations to take place between naval and military experts. After January, 1906, the tendency of the figures is startling. The combination of Britain and France under naval and military experts, coming shortly after the Delcassé interview in Le Gaulois, and the Lauzanne revelations in Le Matin, in October, 1905, forced Germany to alter her Naval Law. The effect of the combination against Germany is remarkable. In 1906 Britain reduced her naval expenditure by £1,679,754, and France increased her amount by £255,275; Germany raised her expenditure by £704,501. The next year, 1907, Britain reduced her estimates by £52,587; and France also reduced her expenditure by £516,445; Germany raised her estimates by £1,618,053. Then,
in 1908, Britain increased the amount spent on the navy by £900,000, and France also raised her expenditure, by £310,515; Germany then increased her naval expenditure by £2,972,637. The net result of the authorization of conversations between the British and French naval and military experts was to force Germany to raise her expenditure on her navy by £5,295,191 in three years. The work of isolation was begun, and Germany set about making full preparations for meeting her “peaceful” neighbours east and west.

The second alteration of the German Naval Law took place on April 18th, 1908. The reasons for the second change in the Naval Law are not far to seek. German naval experts now held that they would have to reckon in future with Great Britain, France, and Russia. Speaking on the naval programmes of great Powers, Sir Edward Grey, in January, 1908, said:

"When I see the great programmes of naval expenditure which are being produced in some other countries, I think it right that the attention of this country should be devoted to these programmes, because if they are carried out in their entirety it will undoubtedly become necessary for us in the interests, not of the Empire, but for the preservation of our independence and for our own safety at home to make further increases in our own navy."

Now the only great Power he could have had in mind was Germany. France was out of the question and Russia was not a Power we could then count against us. If the Foreign Secretary had other Powers than Germany in mind they must have been those of the Triple Alliance. He knew when he made that speech that the military and naval experts
of France and Britain were then formulating plans for the General Staffs; and he must have known the real reasons for Germany's naval expansion since 1906. The speech was really a feeler; it was the Foreign Secretary's way of preparing Liberals in the country for a change of naval policy. It was his way of covering up the blunder he made in 1906, and screening the work of his department, together with the plans of the experts; and throwing the blame of expansion in armaments on Germany, the victim of our Foreign Office policy of secrecy. When one thinks of the way the general public, and indeed leading Liberals, have been misled in these affairs since 1906, it is in itself enough to make any thinking person an anarchist. Governments that cannot be straightforward with a people to whom they are only servants,—because the systems at the Admiralty and the Foreign Office are based on secrecy,—should at least be honest about the difficulties which secret systems raise; and should inform the public as to the dangers and disabilities which make true representative government impossible, and peace a system of grinding taxation.

In the autumn of 1907 Britain concluded an agreement with Russia. Both Governments engaged to respect the integrity and independence of Persia; they declared that they had no intention of changing the political status of Afghanistan; and they contracted to respect the territorial integrity of Tibet. This agreement removed many of the old contentions which lay between Britain and Russia. Taken with the policy of isolating Germany, it was not calculated to mollify the German Government. Besides, Russia was the ally of France. Nevertheless, the Ger-
man Emperor visited London in the autumn of 1907, and was a guest at the Guildhall. On that occasion the Emperor gave an emphatic and impressive declaration, to use Mr. Asquith’s words, that the governing purpose of his policy was the preservation of the peace of Europe, and the maintenance of good relations between our two countries. A people never knows quite where it stands internationally so long as there is only one royal family in Europe, and it certainly perplexed many sober citizens to learn that the potentate which caused Britain so much anxiety in 1905 was enjoying city hospitality in 1907. It was puzzling. But stranger events were soon to happen.

On March 6th, 1908, there appeared in the Times the following letter from its military correspondent, under the title, “Under which King?”:

“I consider it my duty to ask you to draw the attention of the public to a matter of grave importance. It has come to my knowledge that His Majesty the German Emperor has recently addressed a letter to Lord Tweedmouth on the subject of British and German naval policy, and it is affirmed that this letter amounts to an attempt to influence, in German interests, the Minister responsible for our Navy Estimates.”

This was too much for the Jingoes. It was one thing inviting the German Emperor to sample our turtle, but quite another when he invited the First Lord of the Admiralty to reduce the naval estimates. Outraged Jingoes rose to the occasion with unprecedented alacrity. The question was raised in the House of Lords, and Lord Rosebery intervened in the debate to defend Lord Tweedmouth from the bitter attacks of the Yellow press. He said:
“I gather from the newspapers, which seem to have been singularly well-informed of late, that the German Emperor was somewhat disquieted by a letter which appeared in the public prints, in which very pointed note was taken of himself. And if I am still to believe the public prints, he wrote a letter, partly of banter, to my noble friend the First Lord of the Admiralty on this subject, to which my noble friend replied, in, I suppose, as much a tone of banter as one in his situation can employ towards such a potentate as the German Emperor. Out of this we have seen a whole world of absolutely insane inferences drawn—that the German Emperor was attempting to influence my noble friend, with a view to cut down the Navy Estimates, to check the progression of our armaments, to neutralize the defensive activities of our nation, and in some subterranean manner to subvert the whole constitution of the British Government. Surely that is placing ourselves, our Government, our institutions, in a supremely ridiculous position. . . . What then is the lesson I draw from the excitement produced by this very slight incident? It is this—that the responsibility of the press both in England and Germany should be realized by that press, and that they should not lash both nations into a state of soreness which some day may amount to exasperation and may produce the gravest dangers to European peace.”

A copy of the Kaiser’s letter has recently appeared in a London journal, and there is not one word in it to justify the statement made by the Times correspondent. It in no way attempts to influence the naval plans of our Admiralty. What the letter contains is a protest against scaremongers in high quarters; and, in all fairness to the German Emperor, it must be said he had very good reason to protest. The following paragraphs from the letter indicate the character of the whole of it:
“During my last pleasant visit to your hospitable shores I tried to make your authorities understand what the drift of the German Naval Policy is. But I am afraid that my explanations have been either misunderstood or not believed, because I see the ‘German Danger’ and the ‘German Challenge to British Naval Supremacy’ constantly quoted in the different articles. The phrase, if not repudiated or corrected, sown broadcast over the country and daily dinned into British ears, might in the end create most deplorable results. . . . It is absolutely nonsensical and untrue that the German Naval Bill is to provide a Navy meant as a ‘challenge to British Naval Supremacy.’

“IT is very galling to the Germans to see their country continually held up as the sole danger and menace to Britain by the whole press of the different contending parties; considering that other countries are building too, and there are even larger fleets than the German. Doubtless when party faction runs high there is often a lamentable lack of discrimination in the choice of the weapons; but I really must protest that the ‘German Naval Programme’ should be the only one for exclusive use, or that such a poisoned one should be forged as the ‘German Challenge to British Supremacy at Sea.’”

Now when this letter was published some editorial paragraphs accompanied it, in which the following statement was made:

“At the same time, the Imperial German Navy was making swift and steady progress; and its menace to British supremacy aroused considerable alarm in this country. Although the British navy held a superiority over the German navy in ships not of the ‘dreadnought’ type, the balance in ‘dreadnaughts’ was virtually even.”

Virtually even! Let us see. The sentences refer to the naval situation as it was at the time the Kaiser wrote to Lord Tweedmouth, February 14th, 1908.
Britain had then four dreadnaughts, and Germany had not one. Will it be believed in the face of that statement from a London penny paper, published October 30th, 1914, that we had seven dreadnaughts afloat before Germany had one ready for sea? That is just the kind of stuff the scares were made of. But to return to Lord Rosebery’s statement about the Kaiser’s letter.

The yellow press took little heed of his ominous words. Any bit of club-room gossip was gathered for Jingo fuel, and the campaign of envy and hatred pushed for all it was worth in both Britain and Germany. In the House of Commons the pacifists raised a debate on the motion of Mr. Murray Macdonald to reduce expenditure on armaments, but it was defeated by 320 to 73. The navy estimates were introduced on March 9th, the same day the Kaiser-Tweedmouth letters were discussed in the Lords, and revealed an increase of £900,000. Mr. Balfour raised at once the question of German superiority, which only existed in his imagination, and laid the basis of the scare which culminated in the orgy of mendacity of March, 1909.

After the estimates of 1908, the policy of reducing naval armaments was buried, and time was beginning to show that Continental friendships were expensive affairs for Britain to indulge in. But what else could be expected? After the death of Sir Henry Campbell-Bannerman, the Whigs got control of the Cabinet. Peace was in doubt. Retrenchment was blown to the winds, and Reform turned into socialistic channels. The old watchwords of Liberalism were dropped, and the Gladstonian tags fitted no perorations. An effective Opposition could have made po-
litical hay of the Government, but, torn with internal dissension, it languished inept and fatuous. The future looked dark for democracy with the Cabinet assuming more power, the rights of private members disappearing, the doings of the Foreign Office becoming more and more shrouded in mystery, and the growth of influence of armaments rings over the Admiralty and the War Office. The redeeming features after 1908, were the Budget of 1909, and the Parliament Act.

In looking back, no one with an impartial eye can detect any other course open to the governments but one of increasing expenditure on armies and navies. Agreements with France, and Russia, and Japan, to say nothing of all the other serious aggravations referred to by Ministers in their speeches over and over again, could have no other result in Europe than arming the nations for Armageddon. The more agreements we made, the more Germany became impressed with the fact that she was the one Power in all the world Britain was arming against. Her press from the summer of 1909, scarcely ever ceased from pointing that out to the German people. When the scare of 1908 was at its height, Ministers here protested they had no intention of trying to isolate Germany; but it was too late. Leading French publicists said the opposite; many of them frankly condemned the policy of the Entente which had the effect of isolating Germany. Sir Edward Grey, who was responsible for our making so many friendships, tried to make the country believe that the Government had no designs against Germany when they drew up agreements with Russia and France. Yet on April 1st, 1908, before the German Naval Law
was amended for the second time, the navies of
Britain, France and Germany stood as follows:

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<th></th>
<th>Armoured</th>
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<tr>
<td></td>
<td>Battleships</td>
<td>Cruisers</td>
<td>Destroyers</td>
</tr>
<tr>
<td>Great Britain</td>
<td>57</td>
<td>34</td>
<td>142</td>
</tr>
<tr>
<td>France</td>
<td>21</td>
<td>19</td>
<td>48</td>
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<tr>
<td>Germany</td>
<td>22</td>
<td>8</td>
<td>61</td>
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How could any German, whether educated by
Kant or Nietzsche, in the face of these figures listen
for a moment to the amiable phrases of the Foreign
Secretary about there being no desire on the part of
Britain to isolate Germany? Germans, generally,
could not possibly believe that there was no intention
on the part of a large section of the British press and
people, in the spring of 1909, to isolate their country.
Ministers have always striven to keep the public
mind fixed on British and German naval development
only, just as if Britain stood in her old position of
splendid isolation. It would not have suited the
Foreign Office game to let the people know that our
understandings with France and Russia seriously af-
ected the naval programmes of Germany. It had
been said that the only reason why Germany altered
her Naval Law in 1908, was for the purpose of pro-
viding work for her dockyards where trade was
almost at a standstill, and the workers were on the
point of rioting. It is true, trade was exceeding
bad in Germany in 1907, and 1908. But the Ger-
man Government was not as philanthropic as all that.
More likely the big firms demanded more orders, as
they did in Britain, and their demands fitted in with
foreign and naval policy. Anyway, the alteration of
the German Naval Law did not make enough differ-
ence to scare the wits out of our Jingoes and the Government. Without a Naval Law, the Entente Powers, from the time of the big scare, 1909, up to this year, simply smothered all Germany’s attempts to become mistress of the sea. The figures of new construction from 1909 to 1914 will never convince any German that our policy was other than one of complete isolation:

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<thead>
<tr>
<th></th>
<th>Great Britain</th>
<th>France</th>
<th>Russia</th>
<th>Germany</th>
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</thead>
<tbody>
<tr>
<td>1909</td>
<td>£11,076,551</td>
<td>£4,577,766</td>
<td>£1,738,487</td>
<td>£10,177,062</td>
</tr>
<tr>
<td>1910</td>
<td>14,755,289</td>
<td>4,977,682</td>
<td>1,424,013</td>
<td>11,392,856</td>
</tr>
<tr>
<td>1911</td>
<td>15,148,171</td>
<td>5,876,659</td>
<td>3,216,396</td>
<td>11,710,859</td>
</tr>
<tr>
<td>1912</td>
<td>16,132,558</td>
<td>7,114,576</td>
<td>6,897,580</td>
<td>11,495,187</td>
</tr>
<tr>
<td>1913</td>
<td>16,383,373</td>
<td>8,893,064</td>
<td>12,032,516</td>
<td>11,010,853</td>
</tr>
<tr>
<td>1914</td>
<td>18,676,080</td>
<td>11,772,362</td>
<td>13,098,613</td>
<td>10,316,264</td>
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These figures speak volumes. They tell their own story of isolation. The rise in the expenditure of the French and Russian Governments on their navies is seen to be stupendous. And while the patriot is thinking about foreign friendships it might be well to give a thought in passing to the armament ring of Great Britain, to Messrs. Schneider, and to Messrs. Krupp, and figure up what they were getting out of the wholesale trade of murdering millions. Talk about big business! These four countries in one year spend over £50,000,000 on new construction alone. Ten per cent. of it makes a tidy dividend for large numbers of “apostles of peace.” Jingoism is the best and biggest business on the two continents.

Now, no fair-minded Britisher can look at the figures and say that they prove in the slightest degree that Germany intended to smash Britain. The wildest notions of German naval expansion have been sedulously sown in this country for years. Since Mr. Balfour’s pilgrimage in 1909, it is not surprising to hear men, usually well-informed in civil matters, say
that the "Germans are spending many millions more on their navy than we are on ours." But that is one of the tricks of the trade, for the agents of war know their public, and a certain class of patriot as a rule will believe any yarn told by a Lord or a front-bench man.

Is it too much to ask those people who insist on saying Germany provoked this war to "smash us," to try to place themselves in the position of an intelligent German, one sufficiently interested in foreign affairs to inquire what France and Russia, two countries allied against Germany, were spending on their navies; and then say Germany was wholly responsible for the European conflagration? It is the fashion now to try to focus public attention on the White Papers, just as it was for Ministers to keep the public mind bent on Germany's navy; but White Papers record only mere incidents in this affair; they deal with only a little of the doings of diplomatists. This business began before Sir Edward Grey went to the Foreign Office. Our White Paper in itself is only useful for salving the consciences of well-meaning Christians. There is a lot of history connected with this war not to be found anywhere in any White Paper.

Think of the German who knew about the secret articles to the Anglo-French Agreement; who remembered the 1905 scandal connected with the alleged Schleswig-Holstein invasion by the British in support of France; who had a lively recollection of the work of M. Delcassé; and who, in the spring of this year, saw the figures of France's new construction raised from £4,977,682 in 1910 to £11,772,862 in 1914; — and then imagine his feelings when he
read British Ministers' statements about having no desire to isolate Germany. It is all very well for the man who is engrossed in the politics of his own country to say, "Germany forced the pace!" to say, "Germany meant to smash us," and "It was bound to come, and the sooner the better." But surely in the name of all that is reasonable, for the future guidance of the people, for the welfare of the democracies statesmen now prate so much about, is it not of the greatest importance that the people should learn the full lesson of what foreign policy and the armed support of that policy means? It is of course useless to talk about the Golden Rule while Christian nations are busy making an abattoir of Europe, but it should be possible for thinking men and women, for a moment or two, to put themselves in the shoes of a fellow-German. Try it for a moment. Forget Bernhardi, Nietzsche, and all that British literary giants, scientists, and theologians, have said about them. Then think of Russia, and all Russia meant to a German. A man who lived through the Crimean War can appreciate what that means. Perhaps it is quite impossible for one of us to feel what a German would feel on seeing the Russian figures for new construction: in 1910 Russia spent £1,424,013, and in 1914 she spends £13,098,613! Now look at the figures of the two great combinations, the Triple Alliance and the Triple Entente:

**NEW CONSTRUCTION, 1914**

<table>
<thead>
<tr>
<th>Triple Entente</th>
<th>Triple Alliance</th>
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<tbody>
<tr>
<td>Great Britain</td>
<td>Germany</td>
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<tr>
<td>£18,676,080</td>
<td>£10,916,264</td>
</tr>
<tr>
<td>France</td>
<td>Austria</td>
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<tr>
<td>£11,772,862</td>
<td>£4,054,976</td>
</tr>
<tr>
<td>Russia</td>
<td>Italy</td>
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<tr>
<td>£13,098,613</td>
<td>£3,237,000</td>
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</tbody>
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Triple Entente £43,547,555 Triple Alliance £17,605,240
The pacific intentions of the Entente Powers amounted to a two and a half Power standard at least. It must be plain that no assurances of the peaceful intentions of Britain, or the Entente Powers, could, at any time since the death of Sir Henry Campbell-Bannerman, carry the slightest influence in Germany against the actions of our Foreign Office. The preparations for this war were in the making shortly after the festivities of Toulon and Kronstadt, and the Anglo-French Agreement of 1904 was the first step Britain took in the diplomatic game of isolating Germany.

The debate in the House in March, 1911, contained some striking statements from Ministers. The First Lord had to admit he was completely misled in 1909. The facts were right, but the inferences were wrong. The German Government was quite right as to their programme; no acceleration was to take place. It was Britain, not Germany, that was guilty of acceleration. Mr. McKenna said the effect of building the four contingent ships of 1909, "has merely accelerated the date of completion by a couple of years of two of the ships, and will have incidentally the effect of relieving the estimates in the year afterwards." No relief came to justify that statement. The expenditure went up higher and higher each year. Both the gross expenditure, and the money for new construction went up by leaps and bounds after 1909. Sir Edward Grey described the situation with a humour of which he was quite unconscious:

"Before I speak strongly on that point (the evil of increasing expenditure on armaments) I should be misleading the honourable member and the House if because I speak and
feel strongly on that point I gave any impression that the
Navy Estimates now before the House were more than the
Government think is necessary to meet the requirements of
the case this year. The First Lord has had a very difficult
task. He has had to stand against panic and scare, notably
in the election before last, greatly fomented by the calcu-
lations made by the right honourable gentleman (Mr. Bal-
four) which, when the calculations proved to be mistaken
disappeared. . . . We certainly, I think, cannot be accused
of having forced the pace. Our Navy Estimates for 1909
are said to have given provocation. They have not given
rise to increased naval expenditure in Germany, or, I believe,
in any other country. The last addition to the German
Naval programme was settled by law in 1908."

The Foreign Secretary did not know of increased
naval expenditure in Germany, or in any other coun-
try; but it was necessary for Britain to introduce esti-
mates showing an increase of nearly £4,000,000. Yet
no one could accuse Britain of forcing the pace! The
Foreign Secretary made that statement in the
House on the very day when the First Lord said the
alteration of the German Naval Law was the cause
of our raising our expenditure. The debate was
full of instruction as to the value of panics, and the
statement of the Jingo press and armament ring
agents.

In April, 1911, there was a debate in the House
of Lords on Compulsory Military Service. Lord
Roberts led the attack on the voluntary system.
Lord Haldane, who was told in 1906 of the secret
arrangement for conversations to take place between
British and French military and naval experts, re-
pied, and let some light fall on the international
situation, in a passage the significance of which has
been overlooked. He said:
"The German Chancellor, in a speech to which the noble earl referred, spoke of the willingness of his country to exchange naval information with this country, a course which, if taken, must tend in some degree to reduce the risk of scares, which have done so much to force up the naval estimates, not only in this country, but in other countries. Moreover, with France and Russia we are in agreement, and a war in defence of the Indian frontier against Russia appears less likely now than it has appeared for generations. . . . I have always thought that the true Commander of the Forces in this country, naval and military, is not the sailor or the soldier, but the Foreign Secretary."

It is evident, now that we have the figures for expenditure, that the invitation of the German Chancellor was not accepted. His "solemn declaration" of 1909 was ignored, and a panic "without foundation in fact" was the factor that did "so much to force up the naval estimates." Still the chief point of interest in Lord Haldane's extraordinary speech was the admission that we were in agreement with both France and Russia, and the inference to be drawn is that there was no necessity for arming against those countries. Speeches delivered in the House of Lords do not at best receive the attention from the press and from the public they deserve. They do, however, engage the attention of diplomats and legislators in foreign countries, and the fact that Lord Haldane regarded the Foreign Secretary as Commander of the Forces must have occasioned no small surprise on the Continent.

The Moroccan trouble in the summer of 1911 brought Germany and Britain to the verge of war. A little bit of a German gunboat, the Panther, visited Agadir, and scared the British Empire out of its
wits. As for the Panther, the press soon made leviathan out of a herring. In all the sordid history of British Foreign Office deals, there is nothing so utterly discreditable as the business connected with the Agadir incident. Germany was a party to the Act of Algeciras of 1906, a "scrap of paper" containing 123 articles, which confirmed the pledges of the Powers to uphold the independence and integrity of Morocco. The separate Franco-German declaration of February, 1909, has already been referred to; and the secret articles to which Britain was an accomplice, whereby Spain and France were to partition Morocco, it must be remembered, were not made public until November after the visit of the Panther to Agadir. Now the real reason for the appearance of the Panther at Agadir was this: Germany saw France occupy Fez, with the intention of staying there; and Spain in occupation of El-Kasr and Larash; both countries having tens of thousands of soldiers spread over the northern districts of Morocco. Therefore, as a party to the Algeciras Act, and as a partner of France, in the Declaration of 1909, she was not inclined to stand aloof while France and Spain partitioned Morocco. Sir Edward Grey admitted in the House that he was in favour of the French descent on Fez; but he, of course, would give no reason why he approved the French expedition. Secret articles, and backstairs understandings, placed the British Government in an unenviable position. That the whole of our naval and military forces should, because of the commitments of the Foreign Office, be placed at the disposal of French, and Spanish, and British gangs of concessionaires, land-grabbers, and financial sharks,
operating in and about European foreign offices, was to say the least an abominable act of treachery to the people. And that Mr. Lloyd George should lend himself to that kind of work is enough to make one despair of trusting any Radical, once he enters a Cabinet. What would he have said of the business if he had been in Opposition! If Lord Lansdowne, say, had been Foreign Secretary, what would Mr. Lloyd George have said of a British Government lending its naval, military and diplomatic strength to those who made of northern Africa what Belgium made of the Congo?