

Carnegie Endowment for International Peace

DIVISION OF ECONOMICS AND HISTORY

PRELIMINARY ECONOMIC STUDIES OF THE WAR

**EFFECTS OF THE WAR UPON
FRENCH ECONOMIC LIFE**



**CARNEGIE ENDOWMENT
FOR INTERNATIONAL PEACE**

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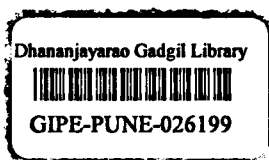
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**EFFECTS OF THE WAR UPON
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A Collection of Five Monographs

EDITED BY

CHARLES GIDE

Professor of Political Science at the University of Paris

The Effect of the War upon the French Merchant Marine, by Henri Mazel
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INTRODUCTORY NOTE BY THE DIRECTOR

THESE monographs constitute a *multum in parvo* of French economic history since the outbreak of the war. Revealing the expedients by which the country gathered in funds enough to carry the war through, they show in what financial condition the country is left. The serious inroads made on agriculture in France made that country, formerly self-sustaining, dependent on importations at a time when the state of the exchanges has rendered that resource difficult and costly. Transportation has been obstructed and the mercantile marine has passed through vicissitudes which have called out energetic measures for restoring it. The output of textile industries has been reduced and the export trade in them has been lost, partly by the difficulty of importing raw materials, partly because of the invasion of the manufacturing section of France by the German armies, and, very largely, by sheer destruction of working people. These effects of war are of such a kind as would naturally be caused by the sudden transfer of the greater part of an entire population from producing to fighting, but the account of the actual extent of them will be found profoundly interesting.

In the changed condition of labour one encounters something even more significant than the other effects of the struggle, and not easily foreseen except in its very general features. An outbreak of war and a sudden decree of mobilization in the very midst of the harvesting season must, of course, cripple the work of the field as it would that of the factory, but it was just at this time, when workers were elsewhere scarce, that the refugees from invaded districts created in certain areas a difficult problem of unemployment. This made necessary a rapid and extensive reorganization of the national working forces, transferring labour to points of greatest need and successfully enlisting the labour of women and of foreign and colonial workers. The handling of such problems and of those connected with wages, during the war and the demobilization at the close of it, affords a shining example of the efficiency of Republican France in industry as well as in warfare, and goes far to explain

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the quick recovery of that country, which bore the brunt of the German attack and was the greatest sufferer by its devastation.

The peace of the world is in no small degree dependent on the commercial regulations of the several countries. It was to be expected that commerce with hostile countries would cease during the war and be resumed at some time after its close, and also that the importation of food from all available quarters would be favoured; but it was hardly expected that import duties, as applied to merchandise generally, would be supplanted, as in the latter years of the war it was, by prohibitions applied to importation from countries both hostile and friendly. Yet such was the case, not only in France, but in other countries. The supreme importance of getting supplies for the army made it dangerous to allow either money or cargo space to be used for bringing in less necessary articles.

Such a control of commerce by states engaged in war is, in reality, only a part of a general fact, namely, that modern warfare has to be carried on by working forces as well as fighting ones, that the population at home and in the field must be mobilized, and that even when conscription ensures great forces in the field, a state is sorely handicapped if it leaves the army of support—the workers in mills, fields, shops, railway cars, and ships—to be secured only in the ordinary economic way. In any great war of the future in which forces are at all evenly balanced, the side will be successful which applies military rules to makers and carriers of food, clothing, munitions, and army supplies, as well as to the fighting army. The government of the whole force at home and in the field will have to be martial. Economic science itself calls for a general supplanting of the ordinary control of production in times of war. Such are a few of the lessons to be derived from this brief compendium of economic facts.

JOHN BATES CLARK,

Director.

**THE EFFECT OF THE WAR UPON THE
FRENCH MERCHANT MARINE**

By HENRI MAZEL

DIRECTOR OF THE REVUE DE LA MARINE MARCHANDE

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