

## BUSINESS GEOGRAPHY

### THE TRADE FEATURES OF THE GREAT COMMERCIAL NATIONS

#### I. THE TRADE FEATURES OF THE BRITISH ISLES

##### LONDON AS A FOOD CONSUMER

LONDON is the greatest seat of trade and commerce in the world. Its commercial greatness is evidenced by its greatness of population. Its inhabitants number over 6,000,000. The houses in which this vast population lives, would, if placed end to end, make a continuous street that would stretch across all Europe and Asia. The mere effort of providing food for this vast population necessitates an enormous commerce. Half a million of beeves are required every year to supply its meat market; also 2,000,000 sheep and 8,000,000 fowls. To supply its fish market 400,000,000 pounds of fish are required, and 500,000,000 oysters. Grain, flour, fruit, butter, eggs, cheese, sugar, tea, and coffee, are brought to London daily in such quantities that the prices of these commodities all the world over are based upon what they will fetch in London. Whole nations and provinces and districts get their subsistence from industries that have for their end the supplying of some of this enormous food demand. Denmark, for example, owes its entire prosperity of re-

cent years to its profitable manufacture of butter for the London market. Brittany and Normandy, in France, are almost wholly occupied in supplying that market with poultry and eggs. The islands of Jersey and Guernsey derive their principal wealth, not, as might be supposed, from the sale of milk and butter, but from the supplying of London with potatoes. Canada during the last six or eight years has built up with London an immense trade in cheese, a trade that exceeds in importance any other that Canada has, while even our own home States — Illinois, Iowa, and Wisconsin, for example — have found new sources of wealth in catering to the London dairy trade. "Elgin" and "Ames" creamery butters are products well known to the London consumer.

#### LONDON THE COMMERCIAL CENTRE OF THE WORLD

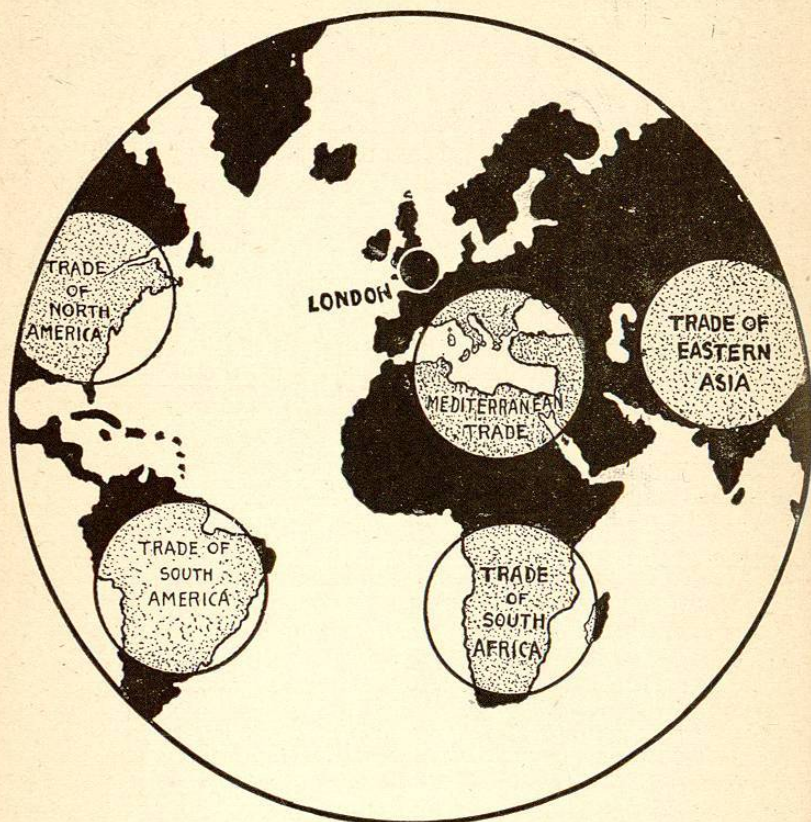
What is the reason of London's wonderful prosperity? Already its population is one fifth the entire population of England and Wales, and it is increasing at the rate of about 20 per cent. per decade. Three hundred people are added to the number every day in the year, a rate of 110,000 inhabitants in the course of the year. It is now one half greater than the total population of all Ireland. London's Scotch population is almost as numerous as that of Edinburgh, while its Irish population is quite as numerous as that of Dublin. Every civilised country is represented among its people, and every civilised tongue is spoken among them. A sea of brick and mortar, even now fifteen miles long and ten miles broad, it is growing at the rate of a new house every hour of its existence. Its streets are already 28,000 miles in length, and these are spreading out so rapidly that every year many whole villages and townships are enmeshed by them. Every day 1,000,000 people enter London by railway, and at

least 500,000 people have occupations in it in the day-time who reside beyond its limits at night. Fifty thousand people have occupations in it in the night-time who reside beyond its limits during the day. It is the largest importing centre in Great Britain, and the largest in the world, and its exports are exceeded only by Liverpool, and not always by Liverpool. It is also the centre of the world's financial business. For example, traders in the East Indies who ship cargoes of spices and other Eastern produce to America, draw in settlement on London rather than on New York, while traders in America who ship cargoes of cotton to Marseilles or Riga, draw in settlement on London rather than on Paris or St. Petersburg. What is it that thus makes London the chief seat of population in the world, the commercial metropolis of the world, the great financial clearing-house of the world?

#### LONDON THE CENTRE OF THE LAND SURFACE OF THE GLOBE

London stands as nearly as possible in the centre of the land surface of the globe. Its situation, therefore, eminently adapts it to be the great centre of the world's trade — the great distributing centre of the world's products. Its ships can go to the farthest parts of the earth, and, loading themselves with the natural products of these parts, can bring them to its docks without breaking bulk, deposit them there for assortment, and then take them away again to other parts of the earth, and do this more economically than the ships of almost any other port in the world. But a greater reason is to be found in the fact that for centuries the British people have pursued a definite policy of manufacture, trade, and commerce, and have had the good fortune to have had that policy interfered with in a less degree than

any other nation in the world by commerce-destroying war, whether internal or external. And whenever Britain has been in external wars her navy has been able



London the natural centre of the world's trade.

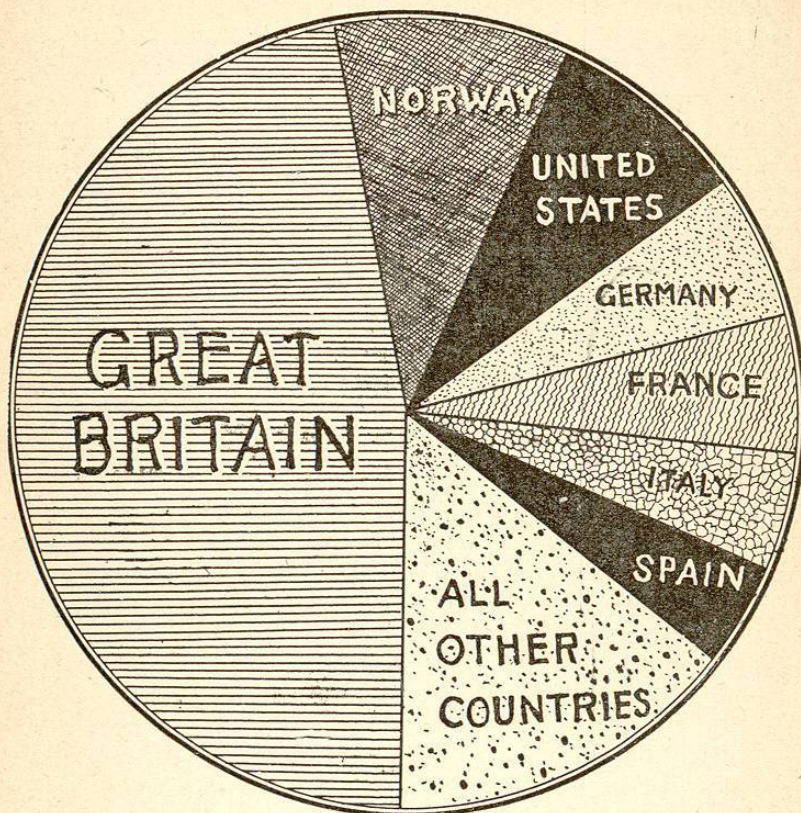
to protect her commercial interests. London, being the capital of the kingdom and its chief seat of trade, has naturally derived the principal benefit from these many

years of peaceful industry and commerce. Then, again, London is favourably adapted to trade in respect to its own country. It is a seaport, sixty miles inland, and is connected by navigable canals with all the other chief manufacturing and commercial centres of the country. Its railway facilities, too, are so complete that there is not a manufacturing town in the whole island that is not within fifteen hours of freighting from it. Then, too, the peculiar configuration of the coast-line of Great Britain makes every point on the island within an hour or two of carriage from a seaport. Finally, all British seaports are in trade connection with London by a coasting service unequalled in the world for cheapness, completeness, and efficiency. In a word, London stands not only in the centre of the land surface of the globe, but also at the commercial centre of its own home territory — that is to say, within easy reach both by water and by land of all the trading and producing interests of a people that for centuries have been leaders in commercial and manufacturing industry and enterprise.

#### GREAT BRITAIN'S COMMERCIAL POLICY

But that which more than anything else has made London the great trade centre of the world has been the policy, now for many years adopted by the British people, of allowing the goods and products of all other nations to enter their ports untaxed. Every port in Britain is a free port of entry for all imported merchandise except spirits, tobacco, wine, tea, coffee, cocoa, and chicory; and ships of all nations are allowed to trade at British ports upon terms exactly the same as those laid down for British ships. The result is that Britain has become the entrepôt or distributing mart for the produce of the world. Ships of all nations are found at

her wharves, and commodities from all parts of the world brought in those ships are found in her warehouses. Her mercantile navy numbers 21,000 vessels, and 8000 of



British mercantile marine.  
Compared with that of other countries.

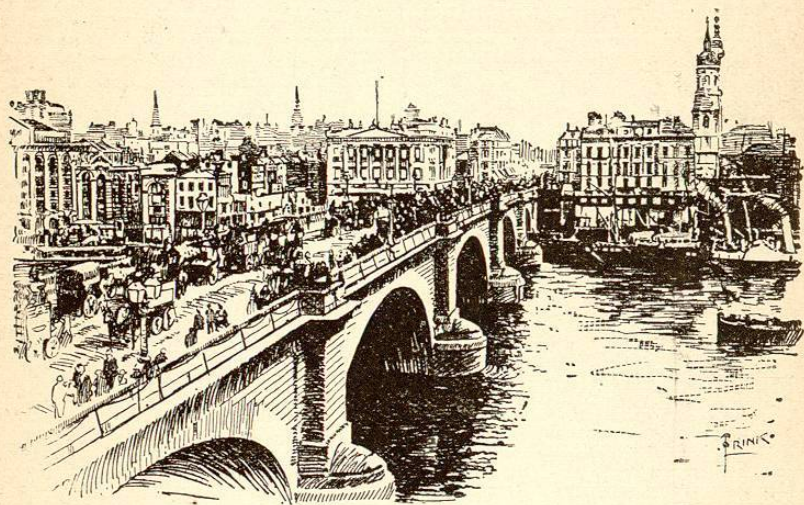
these are steamships. The tonnage of these vessels amounts to over 8,750,000 tons, and of this nearly 8,000,000 is engaged in the foreign trade alone. Her mercan-

tile sailors number over 250,000 men, and over 150,000 of these are engaged in the foreign trade. London is, of course, the chief gainer from this perfect unrestriction of trade. Twenty-seven per cent. of the whole trade of the country is in its hands. Its merchants do business in every seaport on the globe, and the trade of Great Britain with ports in Europe, the Levant, Egypt, India, the East Indies, China, Japan, and Australasia, is almost wholly controlled by them. Its shipping embraces the finest trading fleets known to commerce. Its docks and wharves extend on either side of the Thames for twenty-four miles from London Bridge down to Gravesend, and are the largest and finest in the world.

#### LONDON THE CLEARING-HOUSE OF THE WORLD

A similar explanation is to be given of the fact that London is the great financial centre of the world. The same policy which has made Britain a great trading country has also made her a great manufacturing country. The food products of all the world pour in upon her shores, and Britain has become a cheap place to live in. Her artisans are supplied with the best food that the world can produce, and this at prices that are practically what the British demand makes them to be. The British artisan is therefore both well fed and cheaply fed. As a consequence of this, British manufactures are produced more efficiently and more cheaply than those of most other nations, and they are therefore exported enormously to every quarter of the globe. London, from its accessibility with respect to the great manufacturing centres at home, and from its trade connections and facilities for trade abroad, is the great distributing centre of this enormous manufacture. London exporters have accounts for goods sold by them all the world over. There is,

therefore, no quarter of the world where money is not constantly owing to London; or, if not to London, then to Manchester, Birmingham, Sheffield, Leeds, Glasgow, or some other manufacturing centre in close financial touch with London. In this, then, lies the explanation of the financial supremacy of London. No matter in what



London bridge.

quarter of the world money is owed by any place, the final destination of that money is London; for in almost all cases it will be found that the locality to which the money is owed, if it be not London, will itself be a debtor to London. London, therefore, from necessity, and as a matter of custom and convenience, has become the great clearing-house of the world. The final adjustments of the indebtedness of all the commercial centres of the world are made there.

#### GREAT BRITAIN THE CREDITOR NATION OF THE WORLD

One other reason for the financial supremacy of London lies in the enormous wealth of Britain. For now almost half a century Britain has been importing far more than she has been exporting, and the total volume of her import and export trade is more than quadruple what it was in 1850. The consequence is that not only has Britain been accumulating wealth, but she has been accumulating it enormously. Her accumulated savings, therefore, have been at the world's disposal, and she has had so much money to invest that she has become the creditor nation of the world. The total investments of British capital in foreign countries (in loans, railways, manufacturing syndicates, etc.) is estimated to be the enormous sum of over \$10,500,000,000. London, of course, is the investing, controlling, and supervising counting-house for all this capital. And as so much British capital finds in London its place of investment, it naturally follows that nearly all the remaining unemployed capital of the world, that seeks investment, either is sent to London as a market, or else assumes a price for investment elsewhere which the current price of capital in London warrants it to assume. The London market rate of capital, therefore, determines its market rate in every other commercial centre of the world.

#### GREAT BRITAIN A BEEHIVE OF MERCANTILE AND MANUFACTURING INDUSTRY

Britain like all other civilised countries, was originally an agricultural country. Although for some centuries she has been one of the chief manufacturing and mercantile countries of the world, it has been only during the past

one hundred years, and especially during the past fifty years, that her development in manufactures and in commerce has been remarkable. Britain is still, in respect of quality, the foremost agricultural country on the globe. Her breeds of horses, cattle, sheep, and swine are the standard breeds from which almost all other breeds derive their origin, and by which from time to time they are improved. And nowhere is the raising of grains and roots for food of man and beast pursued with more skill and success than in Britain. But agriculture is fast ceasing to be an important industry of Britain. Two million acres less are under cultivation now than were cultivated fifty years ago. The total amount of wheat raised is sufficient only for three months' consumption of the people; the remaining quantity needed must be supplied by importation. Three fifths of the total population of the island live in towns, and only a small proportion of the population that live in the country is actually supported by agriculture. Agriculture, in fact, supports only fifteen per cent. of the population in all Britain, and in England only ten per cent. Three and a half times as many people are personally engaged in manufactures as in rural pursuits. For three quarters of a century the population in towns and cities has been growing four times faster than the population of the rural parts. At the same time the working power of the urban population has been constantly growing more effective. In fifty years, by the general adoption of machinery, the effective working power of the British workman has been increased sixfold. In England eighty-six per cent. of the total work of the country is done by steam, and in Scotland ninety per cent. Great Britain, therefore, has become practically one great beehive of mercantile and manufacturing industry. Agriculture as a general occupation of the people, except in the production of the finer food products,

such as choice beef and mutton and high-grade dairy products, is no longer profitable. Indeed, during the last fifteen years the plant (including land) employed in agricultural industries has been depreciating in value at the rate of \$150,000,000 yearly; that is, in these fifteen years the enormous sum of \$2,250,000,000 of capital employed in agriculture has been obliterated. But the gain to capital employed in profitable mercantile and manufacturing pursuits has much more than compensated for this enormous loss in agriculture.

#### GREAT BRITAIN'S COAL-FIELDS AND IRON DEPOSITS

One reason for the great development which Britain has made as a manufacturing and trading nation lies in the fact that Britain was the first nation to utilise on a large scale the power of steam as a help to manufacture and trade. The steam-engine was a British invention. The first railways were built in Britain. The first steamship to cross the Atlantic was a British enterprise. A second reason lies in the fact that when Britain began to use steam as a motive power she found her supplies of coal so near her iron mines, and so near her clays and earths needed for her potteries, that from the very first she was able to manufacture cheaply and undersell most of her competitors. Her coal-fields have an area of over 12,000 square miles, and wherever her coal-beds are other natural products have been found near by, so that her manufacturing areas and her coal areas are almost identical. Taking Liverpool, Manchester, Birmingham, Wolverhampton, Sheffield, Leeds, Newcastle, Durham, Bristol, Stoke, Carlisle, Cardiff, Swansea, Glasgow, Paisley, and Dundee as centres, around each of these lies a coal area of such richness as amply sustains it in its commercial and manufacturing pre-eminence. London is almost the only great