

CHAPTER III

VOLUME OF TRADE

Sources of our Imports—Destination of our Exports—
Countries with which we Trade.

AN examination of our imports and the sources of their supply will, of course, indicate how largely we depend upon other countries for our foodstuffs and for the raw materials of our principal industry. I have arranged the chief imported articles in order of their value, so that their relative importance to us may be seen at a glance :—

OVER £20,000,000 P.A.	OVER £10,000,000 P.A.
Cotton, raw	Silk, yarn, etc.
Wheat	Fruit
Wool	Bacon
Oil, fats, and gums	Hides and skins
Wood and timber	Beef
Caoutchouc	Tea
Butter	Cotton yarn
Metals	Leather
Sugar	Mutton
	Maize
	Chemicals

Thus, as will be seen, the greater proportion of our imports is entirely in raw materials and foodstuffs. It is therefore obvious that we may expect to find the countries from which

we buy most largely agricultural and pastoral. The following indicates, in the order of their importance to us, the countries of origin of the principal articles :—

WHEAT, GRAIN :—Russia, British India, Canada, Argentine Republic, Australia, United States.

WHEAT, MEAL AND FLOUR :—United States, Canada.

BARLEY :—Russia, Roumania, United States.

OATS :—Russia, Argentine Republic, Germany.

MAIZE :—Argentine Republic, United States, Roumania, Russia.

It is in respect of our supplies of raw cotton that the United States is placed at the head of the countries from which we import goods, the amount received from that country forming three-fourths of the total cotton imported. The following are the countries supplying us with the bulk of our raw materials :—

RAW COTTON :—United States, Egypt, British India.

WOOL :—Australia, New Zealand, British possessions in South Africa.

When we come to deal with manufactured articles, our purchases are very varied and

spread over all countries of the world, but the total volume of such articles bears a very small proportion to the total amount of our imports, and need not be separately considered.

As we are the largest buyers of raw cotton, so we may expect to find ourselves exporting cotton goods more largely than any other article. Our exports may be placed roughly in the order of their relative importance as follows :—

BETWEEN £25,000,000 AND £90,000,000	
	Cotton piece goods
	Iron and steel manufactures
	Woollen and yarn manufactures
	Coal, coke, and fuel
	Machinery
OVER £10,000,000	OVER £5,000,000
Chemicals, drugs, etc.	Ships and boats
Cotton yarn	Cutlery and hardware
Apparel	Herrings and fish
	Oil, fats, and gums
	Carriages, carts, etc.

The volume of our exports is summarised as follows :—

	ANNUAL AVERAGE OF QUINQUENNIAL	
	1911	1907-11
Food, drink, and tobacco	£29,037,578	£24,501,711
Raw materials ..	53,725,530	53,310,920
Manufactured articles	362,222,627	347,974,355
Miscellaneous ..	9,133,563	7,377,678

It will be observed that we have increased our exports in each division, and

VOLUME OF TRADE

57

although the final official figures for 1912 are not available at the time of writing, it may be taken for granted, in view of the satisfactory character of the estimated returns, that the volume of our foreign trade in 1912 was higher than at any previous period in the history of the country.

British trade is greatest with our Colonies, if the latter are regarded as a unit, but as this would give an erroneous impression, I give below separately each of the countries and States, irrespective of British or foreign nationality, with which the United Kingdom trades according to the total volume of trade, omitting those whose trade is less than £25,000,000.

	TOTAL TRADE IN ROUND FIGURES		
United States	£179,700,000
Germany	116,700,000
India	89,800,000
France	77,700,000
Russia	64,800,000
Argentina	48,700,000
Canada	48,200,000
Belgium	• 37,000,000
Netherlands	36,400,000
Brazil	34,300,000
New Zealand	30,300,000
Egypt	29,800,000
New South Wales	28,600,000
Denmark	25,400,000

Our total trade with the British Dominions is increasing far more rapidly than the trade with other foreign countries, a sign pointing to an expansion in the productive power of our Colonies and a demand for industrial machinery and manufactured articles to meet the needs of their growing population. The total trade of the United Kingdom with foreign countries during the quinquennial period, 1907-11, was £4,234,200,000, which compares with £3,521,700,000 during the previous quinquennium, 1902-6. The total trade with the British Dominions for 1907-11 was £1,522,200,000, which compares with £1,221,300,000 for 1902-6. Our trade with our Colonies, therefore, during the later period increased by 25 per cent., as against an increase of 20 per cent. in our trade with foreign countries. Moreover, the figures for the trade with foreign countries include the Egyptian trade, which is under British administration and has advanced very considerably during the past five years.

The foregoing figures establish the two following facts :—

Firstly, that our commerce depends mainly upon raw materials imported from foreign countries ; and secondly, that our

manufacturers have relied largely upon the British Dominions for the recent increase in their trade.

Neither fact is quite satisfactory, and sooner or later British manufacturers will have to face two problems : (1) how to obtain raw materials without depending on foreign nations; (2) where to sell goods when the British Dominions have arrived at the stage when they can manufacture for themselves what the British manufacturers at present supply.

These two points we shall have occasion later to deal with at length.