

GROWTH OF THE WORLD'S WEALTH.

(By Sir George Paish.)

At no time in history has the economic condition of the world improved as rapidly or as much as in the past hundred years, and at no time has the mental uplift of the average man been greater. Nor has progress been confined to one or two nations, as it was apt to be in former times; it has extended round the world from East to West and from North to South. All countries have not advanced at an equal rate, but all have progressed in a marvellous manner. To describe in detail the economic and mental improvement of the past century would need volumes. One has, however, merely to refer to a few things to show the greatness of the progress.

EUROPEAN INCREASES.

The wealth of the United Kingdom in 1814 was computed at about £2,500,000,000, while a conservative estimate would place it now at about £17,000,000,000, a sixfold increase, while population has grown less than two-and-a-half-fold, or 130 per cent. The income of the British people in this period has increased about eightfold, from £300,000,000 to £2,400,000,000. The wealth of France has expanded five-fold, from under £2,000,000,000 to nearly £10,000,000,000, while her income has risen from £250,000,000 to about £1,200,000,000 with only a one-third-fold (33 per cent.) increase in population. The progress of Germany has been equally remarkable. A century ago there was no Germany—only a number of German States by no means over-burdened with income or with riches. Their aggregate wealth and income were probably less than France's. Now United Germany is estimated to possess an income of nearly £2,000,000,000 and accumulated wealth of about £16,000,000,000. During the century Germany's population has grown from 24 millions to over 67 millions, or 180 per cent.

GROWTH IN YOUNGER COUNTRIES.

But if the economic welfare of the older countries has improved in this remarkable manner, what of the younger States, which have attracted vast numbers of persons from the densely populated districts of Europe? The progress of the new countries is still more noteworthy, and the advance in the well-being of their cities still more marked. For the most part the persons who migrated to them were inconceivably poor and destitute, and these have attained incomes and wealth much greater, on the average, than persons who elected to remain in the older countries. During the last hundred years the wealth of the United States has increased from about £350,000,000 to something like £30,000,000,000, or nearly ninetyfold; and the income has risen from less than £100,000,000 to about £7,000,000,000 a year, while population has grown from 8 millions to 98 millions, a twelvefold expansion. The progress of the other young countries has been small in comparison with the growth of wealth in the United States; nevertheless, when one remembers the meagreness of the population of Canada, of Australia, of the Cape, and of South America, and the smallness of their incomes in the early part of last century, the really wonderful advance in their economic well-being becomes apparent.

THE CREDIT SYSTEM—GREAT BRITAIN.

In no other country is the credit system as fully developed as in Great Britain. Environment and

character seem to have created a spirit of enterprise, a willingness to take risks, and a confidence in the integrity of others in greater measure in the British than in other nations. But, whatever may be the cause of their action, the fact is that the British people have provided a larger amount of capital than any other country for developing the supplies of natural wealth throughout the world wherever found. Beyond this, British bankers, by means of the large sums deposited with them, finance the larger part of the world's international commerce, and it is computed that about £450,000,000 of British money is employed in the discount of international bills. Furthermore, the British people lend large sums to individuals, corporations and governments in many countries for temporary purposes, over and above the vast sums supplied as permanent capital. Lastly, British banks have been created to operate in a great many colonial and foreign countries, and not only is the capital of these institutions British, but they are supplied with large amounts of deposits obtained in this country. In fact the spirit of confidence and of trust, which has animated the people of Great Britain in an increased degree in the past century, has caused them to place the greater part of their rapidly growing savings at the service of others, both at home and abroad. It is evident that upwards of £10,000,000,000 of British capital out of £17,000,000,000 is now employed by other than the owners, and that of this sum about £4,000,000,000 is embarked in colonial and foreign countries. Could the spirit of trust and of confidence in the good faith of others be greater than this? One has difficulty in realizing that only a century ago almost the whole of the country's wealth, which then was so small, was carefully guarded by its possessors, who employed it mainly in the cultivation of land, in the construction of houses, in factories, and in mercantile establishments, to which they gave personal supervision.

INCREASED WEALTH OF YOUNG COUNTRIES.

No group of countries has derived greater advantage from the credit system than the various agricultural States of the New World, which have obtained vast supplies of capital from Europe.

It is evident that the young countries would have developed very slowly indeed if they had been unable to borrow the capital needed by incoming immigrants to place them on the land and in the mines, and thus to gain access to the inexhaustible supplies of natural wealth which these countries contain. The amount of capital obtained by the United States from abroad is calculated to reach £1,200,000,000, while the amount of foreign capital invested in Canada is about £700,000,000. In Argentina foreign investments of capital now exceed £500,000,000, and in Brazil about £300,000,000. In the whole of North and South America the investments of foreign countries are not far short of £4,000,000,000, including the investments of the United States in Mexico, Canada and other countries. Of this total Great Britain has supplied about £2,300,000,000. Australia and New Zealand have been supplied with nearly £500,000,000 of foreign capital, almost entirely British, and South Africa with about £450,000,000. The capital entrusted to Russia, largely by France, but also by Germany, Holland, Belgium and Great Britain, is about £800,000,000. The expenditure of these vast sums has transformed the wilderness into cultivated farms,