

There the obstacles to trade are not of the secondary order, resulting from the temporary interruption in the delicate balance of the market machinery ; they are of that absolutely primary character which is involved in the sheer physical impossibility of obtaining the imports and disposing of the exports to which its economic life has been adjusted.

Germany in the last half-century has been rapidly industrialized. Its industrial and commercial population, which in 1882 was only 45 per cent of the whole, was in 1895 50 per cent, and in 1907 56 per cent. There has been, as we all know, a most wonderful growth of manufactures, due partly to natural abilities, partly to the discovery of coal resources, which forty years ago were quite unknown. It is possible for a country, sufficiently vast in area and varied in resources, to expand its manufactures without ceasing to be self-contained : the United States would be a case in point, were it not for its cotton export. But in a country like Germany, its vast manufacturing expansion could not have taken place without the acquisition of a wide foreign market ; and as manufactures require raw materials, and as foreigners cannot buy unless they also sell, large exports have necessitated large imports. The exports of Germany have steadily been coming to consist more and more of manufactured goods, and its imports more and more of food-stuffs and raw materials. Germany, again, might conceivably have been so placed geographically as to have access by land to its chief markets. It has indeed access by land to a large part of the European continent : but that has only furnished a comparatively small part of the market she has obtained. As long ago as 1900, it was reckoned by a distinguished German economist that 70 per cent of German