

Lane. And these form only one section of London's customers. Another comes to London to buy non-British manufactured goods—to limit ourselves to these at the moment. Millions of pounds worth of German toys and steel goods, of French silk manufactures, of Bohemian fancy wares are sold there to foreign clients through the agency of English middlemen.

**§ 2. Historical Factors—Navy.—Colonial Empire.
—Purchasing Power.**

London finances trade. London acts as agent for the satisfaction of speculative instincts. London puts up raw material to auction and London sells a great part of the world's finished products. Why London in particular? Why not New York, Paris or Hamburg? There are very many reasons. First we must remember the course of historical development. At a time when, on Manhattan Island, one or two Dutchmen were beginning to found the colony of New Amsterdam, at a time when Berlin was a wretched provincial town, and when communication between Paris and the rest of the world was carried on by primitive waggons and little Seine barges, London was already a great trading centre. In Germany the lack of railways kept international trade within very narrow limits, and brought about such results as that of two towns less than 100 miles