

from 1932 to 1935 the rise in the quantum of capital goods amounted to about 40 p.c. as against only 7 p.c. for the latter. Yet, owing to the heavy contraction of trade in capital goods during the early depression years, the quantum of trade in such goods, calculated on a 1929 basis, still lagged behind that in other goods. Indications are that the trade in capital goods continued to increase more rapidly than that of other goods in 1936. The foregoing division between capital and other goods is, at best, a rough one. It is obvious that many goods of wood and metal, though semi-durable, are distinctly consumption goods. It is likely that the diverse tendencies indicated above would be even more pronounced if the division between the two categories could be made more accurately. The recent expansion in armaments throughout the world should be borne in mind in connection with trade in capital goods.

Geographic Distribution of World Trade.—In Statement II below, showing the percentage distribution of world trade by continents for the period 1929-36, the figures for each continental group are the sums of those of the individual countries comprising such group and therefore include trade between the members of the group. The United Kingdom and the United States have been separated from the remainder of their respective continental groups because trade tendencies in these two principal trading countries show movements differing from those of the remainder of their continental groups. Thus while the total trade of the United Kingdom has become an increased percentage of total world trade, that of the remainder of Europe has become considerably less. The trade of the United States has declined materially as a percentage of world trade, but that of the remainder of North America (chiefly Canada), after declining during the depression, was about the same percentage in 1936 as in 1929.

II.—PERCENTAGE DISTRIBUTION OF WORLD TRADE BY CONTINENTS, 1929, 1932, 1935, AND 1936.

(Basis: Recorded values in U.S.A. old gold dollars.)

Continental Group.	Imports.				Exports.				Total Trade.			
	1929.	1932.	1935.	1936.	1929.	1932.	1935.	1936.	1929.	1932.	1935.	1936.
	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.	p.c.
Europe (incl. U.S.S.R.).	55.5	60.6	57.4	56.6	48.8	51.1	48.1	46.5	52.4	56.2	52.9	51.7
United Kingdom.....	15.2	16.3	16.7	17.7	10.8	9.9	10.7	10.3	13.1	13.2	13.8	14.1
Other Europe.....	40.3	44.3	40.7	38.9	38.0	41.2	37.4	36.2	39.3	43.0	39.1	37.6
North America.....	16.1	12.5	12.6	13.9	19.5	16.3	15.9	16.4	17.7	14.2	14.2	15.1
United States.....	12.2	9.5	9.9	10.9	15.6	12.2	11.5	11.4	13.8	10.8	10.6	11.2
Other North America	3.9	3.0	2.7	3.0	3.9	4.1	4.4	5.0	3.9	3.4	3.6	3.9
Latin America.....	7.7	5.4	6.6	6.6	9.6	9.1	9.9	10.0	8.6	7.2	8.2	8.3
Africa.....	4.8	5.8	6.4	6.3	4.5	6.7	7.2	7.2	4.6	6.2	6.8	6.7
Asia (excl. U.S.S.R.)....	13.2	13.7	14.4	13.7	14.9	13.7	15.6	16.3	14.0	13.7	14.9	15.0
Oceania.....	2.7	2.0	2.6	2.9	2.7	3.1	3.3	3.6	2.7	2.5	3.0	3.2
World.....	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0	100.0

The above analysis of trade by continental groups may be supplemented by analysing the trade of the principal political groups or empires, as in Statement III. As in the case of the preceding statement, the figures for each group are the sums of those of the individual countries comprising the group.

The share of the British Commonwealth (including colonies, protectorates, etc., as well as the Dominions) in world trade fell from 27.9 p.c. in 1929 to 26.7 p.c. in 1931, but has since increased to 29.8 p.c. in 1935 and 30.9 p.c. in 1936. The increase between 1935 and 1936 was due to the expansion in imports as well as exports, but, while the United Kingdom herself accounts for the bulk of the rise in the share of world imports, her share in world exports declined. The rise from 1932 to 1936 in