Growth of markets (domestic and international) and free trade

- **British exports**
  - 30% — North America and West Indies
  - 30% — Europe
  - 20% — Asia
  - Rest — South America, Australia, New Zealand
  - **By 1850, exports generated 10% of Britain's national income**
    - Britain country most exports in the world
- **Infrastructure**
  - Well-established ports
  - 1760 — 600,000 tons of merchant shipping
  - 1792 — 1.5 million tons of merchant shipping
- **Banking system**
  - Insurance — Trust
  - Entrepreneurial revolution
- **Government**
  - **William Pitt**
    - Earl of Chatham
    - Son of a merchant who made huge profit in India
    - 1763
      - End of a war with France (over colonies)
      - Ensured that Canada became British
      - Ensured commercial interests predominated in India and West Indies
    - 1783 — US peace treaty — Free trade — By 1800, US 25% British exports
    - 1786 — Established commercial treaty with France (traditional enemy)
      - Enabled British goods to be sold more freely into France
      - In return, French could export products (like wine) to Britain
    - 1815 — Peace treaty with France — Commercial interests in Africa, West Indies, India and Australasia protected
  - **George Canning**
    - British foreign secretary + MP for Liverpool port — Chosen by ship owners and merchants
    - Recognised **independance of breakaway spanish colonies** in South America in 1820s — Ensured British merchants could sell there
  - **System**
    - Main role — Maintain law, defend country + defend and advance commercial and industrial interests
    - Principal source of income — Tax on imports and exports
      - Lenient
      - Free trade encouraged - no tariffs
      - **Laissez-faire**
    - Regulation — East India Company difficulties — Managed trade with India and Far East

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