



6.2 Balloon race, Ranelagh, 1906.

Internationally, by the start of the twentieth century, Britain, reaping the rewards of early industrialisation, had firmly established itself as the world's greatest trading nation and most influential economy. Sterling was viewed as roughly equivalent to gold and was used as an international currency much as the dollar is today; and this, along with the strength and sophistication of Britain's financial institutions and their large and sustained capital exports abroad, meant that Britain was effectively an economic anchor for the rest of the world. As one economic historian puts it:

In 1900 London was the world's capital city three times over – in political terms as the fulcrum of the British Empire, in commercial terms as the centre of banking and finance with sterling the dominant international currency, and in industrial terms as the largest port in the largest trading nation in the world.

(Paul Johnson, 'Introduction: Britain, 1900–1990', in Johnson (ed.), *Twentieth-Century Britain*, p. 1 [Bi])

On the surface at least, Britain would maintain this position of pre-eminence until the outbreak of war in 1914.

### Notes of discord

Beneath the apparently smooth continuities from the late nineteenth century, however, another story was beginning to unfold and, even at the start of the century, the apparently robust health of the nation was showing signs of failing

on a number of fronts. The literal poor health of the many British recruits who were rejected as unfit by the Army for the Boer War (1899–1902) was a stark reminder of widespread poverty and malnutrition in the country, but it also serves as a suggestive image of other underlying weaknesses in Britain's situation at the time. A series of early defeats in the Boer War itself showed that Britain's apparent military might was not unassailable; and the very fact of the conflict (in addition to continuing troubles in Ireland) stood as a significant challenge to the hegemony of an empire that had come to be viewed almost as part of the natural order of things.

Moreover, while Britain's economy was still growing steadily, it was in fact growing more slowly than its major international competitors, Germany, France and America, and its international trade markets were increasingly coming under pressure from these countries. The staple industries mentioned earlier were strong and successful still in their own terms, but they were not making the same rapid productivity and efficiency gains as their competitors abroad. Although the full implications of this relative slow-down would not work themselves out until the economic crises of the post-war period, in retrospect the Edwardian period appears to be the point at which Britain's Victorian economic development finally peaked and began to fall back.

Many Edwardians seem to have sensed this and, notwithstanding the actual (if modest) improvements in their standard of living as compared to the past, believed themselves to be living through a period of serious decline. This somewhat paradoxical perception is frequently mentioned by historians of the period and it can be explained partly by the point above about *relative* international decline, and partly by frustrated expectations in that the great promise of Britain's Victorian successes was not being realised as rapidly or as

### The Boer War, 1899–1902

The Boers were descendants of the Dutch colonists in South Africa who, in the Great Trek of 1836, had moved from the British-dominated Cape Colony across the Orange River to the north-east region which later became the Transvaal and the Orange Free State. Britain soon annexed this region too but then allowed self-government to the Boers, before once again annexing the Transvaal in 1877. This eventually led to the First Boer War of 1881 when the Transvaal regained its autonomous status. The British continued to harbour direct claims on the territory, however, and increasingly so following the discovery of gold there in 1886. Tension between the British and the Boers rose sharply after the abortive Jameson Raid (1895–6) – a British-backed plot to overthrow the Transvaal Government – and relations then continued to deteriorate until the Boers pre-emptively declared war in 1899. Britain went to war enthusiastically on the crest of a late-Victorian wave of popular patriotism – not to say jingoism – and there was every expectation of a swift and decisive victory over the diminutive forces of the Boers. It was assumed that the whole affair would be over in a matter of weeks, but, although the British were eventually victorious, it took 450,000 British troops more than two and a half years finally to defeat the 50,000 or so Boers, with the loss of thousands of lives on both sides. Thomas Hardy memorialised the many anonymous individual tragedies of this now often-forgotten war in his poem 'Drummer Hodge' (1899), while the future Liberal Prime Minister, David Lloyd George (who had opposed the war), later reflected sarcastically on the kind of patriotism 'that swells with ostentation when it thinks of an empire of 400,000,000 that can, in three years, conquer a little community of herdsmen, the population of Bristol'.

(Quoted in Johnson (ed.), *Twentieth-Century Britain*, p. 137 [Bi]).