

Cotton is no more a natural production of Massachusetts than of Canada. Free Trade catechisms for little boys are luminous on the advantages which the baker, the butcher, the grocer, and the farmer, derive from exchanging commodities: but they fail to show how two bakers, for example, can drive a mutually profitable trade with each other, any more than did the two boys who thought they had made five dollars apiece by many exchanges of jack-knives. The reasoning employed is, in fact, little else than the confounding of natural, essential distinctions; and the carrying over of arguments, which hold admirably in certain cases, to others in which they do not hold at all. Yet for all that—the large prominent fact of the success of the English experiment of nearly free importations of food and raw material, which is just the half of the true home industrial system, has in the popular mind given a charm to what is called Free Trade that is not easily broken.

It is an admitted fact, that the great increase in exports of British manufactures, within twenty or thirty years past, has mainly been made up of exports to South America, Asia, and generally to countries in a backward state of development. Exports to the more advanced countries of Europe, again, on the other hand, show but a trifling general increase, in some instances, a decrease instead. Some years ago the *North British Review*, a high Free Trade authority, thus described a process which has since been going on at an increasingly rapid rate:—

“ We have now many rivals, where formerly we had none; we formerly supplied nations, which now partially or entirely manufacture for themselves; we formerly had the monopoly of many markets where we are now met and undersold by young competitors. To several quarters we now send only that portion of their whole demand which our rivals are unable to supply. A far larger proportion of our production now than formerly, is exported to distant and unproducing countries. A far larger proportion now than formerly, is exported to our own colonies, and to our remote possessions. More, relatively, is sent to Asia and America, and less to Europe. Countries which we formerly supplied with the finished article, now take from us only the half-finished article or the raw material. Austria meets us in Italy; Switzerland and Germany meet us in America; the United States meet us in Brazil and China. We formerly sent yarn to Russia: we now send cotton