and wool, and these commodities are brought to New York, there is or ought to be in the course of trade another profit; and the American merchant gains both ways. On the other hand, if the Fall-River cloth is sold in Chili, and a bill of exchange is bought with the proceeds of the sale, and the same remitted to the United States, there will not only be but one profit, but in addition a loss to the American merchant on the rate of exchange (which has to come through a third country); for exchange in Chili on London uniformly rules high—as high as from 12½ to 15 per cent. But from this latter tax the Englishman, because his commerce with Chili is reciprocal and in the nature of barter, is practically exempt. Technically, therefore, while a bill of exchange on London, bought in Valparaiso, will settle a debt as readily at Fall-River as at Manchester, an American merchant who should undertake to sell cloth in Chili and buy exchange with the proceeds for home remittance and payment, would find himself "nowhere" in competition with his English competitor. "Merchant" also apparently overlooks the circumstance that for the United States to sell goods to South America, and take pay for the same at the place of sale in bills of exchange drawn upon England, is in effect an exchange of commodities with England. For with what, if not in exports to this country, could England pay its bills of exchange? And does it not follow that, to be of any use to this country, a South American trade