



CHAPTER II

FUNCTION AND THE LAW OF NATURE

THE popular idea of Free Trade is that it dates from the agitation which ended in the repeal of the Corn Laws in 1846. This is in a way natural; for behind the Corn Laws Protection found its last shelter, while the circumstances of Cobden's attack and Peel's surrender are so dramatic as to overshadow its previous history. But it is not the truth. For the abolition of the Corn Laws was, after all, only the culminating point of a struggle between two conceptions of society and economics that had been waged since the fourteenth century. Viewed in this light, the issue between Free Trade and Protection appears as a much more important and much more fundamental question than it is customary to regard it, inasmuch as it is not merely the question of whether imports should or should not be admitted free of duty, but in its logical implications is finally the question of whether industry should be regulated or should not. This may perhaps sound strange to-day when it is customary for the question of foreign trade to be considered as a separate issue. But it would not have appeared strange to Quesnay, Adam Smith, Cobden or any other early advocate of Free Trade; for this was the issue as they understood it, and was the sense in which they spoke of Free Trade, which to them not only meant all that we mean by a policy of free imports, but all that we understand by *laissez-faire*. And this is reasonable, for it is only when used in this sense