

tion here by the sword.' The East India Company, when Mun wrote, did not own a square foot of Indian soil. Their first territorial possession, the site of Fort St. George at Madras, was not rented until 1639-40, and the island of Bombay had yet to be acquired as part of the dowry of the Portuguese bride of Charles II, being ceded to the English Crown in 1661, and handed over by the King to the Company by the charter of March 27, 1669. As merchants, no more and no less, the Company were jealous monopolists in India, unrelenting to English interlopers, as they styled those of their countrymen who attempted to trade in Indian seas without becoming members of the Company; but their interests as importers into England of Indian articles, some of which competed or threatened to compete with home products, inclined them to free trade in respect of imports and made them also early opponents of the widespread and long-lived fallacy that a country is impoverished by sending money out of it. 'It is not therefore the keeping of our money in the kingdom, but the necessity and use of our wares in foreign countries, and our want of their commodities that causeth the vent and consumption on all sides which makes a quick and ample trade.'¹ In the East Indies the Dutch were savagely exclusive in regard to other Europeans, and, at the time when Mun wrote, had the taint of the Amboyna massacre attaching to them, but in the Netherlands they kept, and by the nature and limited extent of their homeland were forced to keep, open or nearly open ports, and down to the time of

¹ Mun, pp. 42-3.