<p style="text-align:center">**Activity 2. Mill's Economic Defense of Imperialism (1848)**</p>

Source: John Stuart Mill (1848). *Principles of Political Economy with some of their Applications to Social Philosophy*, Book 3, Chapter 25 (London: Longmans) (http://www.econlib.org/library/Mill/mlP.html#, accessed February 15, 2010).

Instructions: Read passages A and B and answer questions 1 – 3.

A. There is a class of trading and exporting communities, on which a few words of explanation seem to be required. These are hardly to be looked upon as countries, carrying on an exchange of commodities with other countries, but more properly as outlying agricultural or manufacturing establishments belonging to a larger community. Our West India colonies, for example, cannot be regarded as countries, with a productive capital of their own. If Manchester, instead of being where it is, were on a rock in the North Sea, (its present industry nevertheless continuing,) it would still be but a town of England, not a country trading with England; it would be merely, as now, a place where England finds it convenient to carry on her cotton manufacture.

B. The West Indies, in like manner, are the place where England finds it convenient to carry on the production of sugar, coffee, and a few other tropical commodities. All the capital employed is English capital; almost all the industry is carried on for English uses; there is little production of anything except the staple commodities, and these are sent to England, not to be exchanged for things exported to the colony and consumed by its inhabitants, but to be sold in England for the benefit of the proprietors there. The trade with the West Indies is therefore hardly to be considered as external trade, but more resembles the traffic between town and country.

Questions

1. Why does Mills argue that British West Indian colonies can "hardly to be looked upon as countries"?

2. According to Mills, how should they be viewed?

3. In your opinion, why is this statement by Mills considered an economic defense of imperialism?