

would raise our 31 million to over 46 million. Presumably Insurance Policies also come within Mill's definition of "a claim by A on the wealth of B." This would further increase our total by 12 million to 58 million, and allowing only 2 million as a percentage of the 44 million returned as "Other Property," we arrive at a total of 60 million sterling to be deducted from our 340 million Individual Capital Wealth.

Multiplying both factors by the Death Rate of 1 in 50 our sum stands :—

Million £.		Million £.
340 x 50	...	17,000
<i>Less.</i> Million.		
60 x 50	...	3,000

Leaving £14,000,000,000 as Effective Capital Wealth of the Nation.

My own opinion is that this estimate considerably overstates rather than understates our Effective Capital Wealth.

If Mill's principle be correct, our calculations go to prove that the Capital of the Nation is in reality smaller than generally supposed, and the return on that Capital proportionately greater, for Income is not affected by valuing Capital either up or down. An important deduction appears to follow.

If our National Capital be smaller than generally supposed, and the return upon it larger, that would explain how war involving colossal expenditure could be carried on for many years without the Nation coming to a standstill industrially. The large expenditure made apparently out of Capital would in reality have been made for the greater part out of Income, and an outstanding conundrum of economics would