

industrial enterprises, while our Bank Rate ought to fall permanently to the neighbourhood of 1 per cent. A stupendous development of Banking, Trade, and Industry should follow. The professional investor or Rentier would, of course, suffer by the reduction in his interest, but his loss would, from a National standpoint, be far outweighed by the gain of the Merchant and Manufacturer. A National Debt fosters the Capitalist-Rentier at the expense of the Capitalist who embarks his capital in Industry. To confuse these two classes of capitalist is an economic mistake. The Rentier is not a creator of wealth. On the other hand, the capitalist-adventurer is essentially a creator of wealth. He is probably the most valuable economic asset the Nation possesses. It is he who founds banks, constructs railways, canals and docks, opens mines, establishes factories, and runs great businesses. His ideal is to run a risk and take a profit. If his capital be confiscated, the whole Nation will suffer acutely, and general ruin may result. None will suffer in such case more severely than the lower classes, for it is the enterprise of the capitalist-adventurer that founds new industries, opens fresh markets, and creates a fresh demand for labour. The abolition of the National Debt would put economic pressure on the Rentier by reducing the return on his capital, and so stimulate him to turn capitalist-adventurer and earn a larger return by embarking in trade. This would necessitate study, watchfulness, and activity on his part to safeguard his capital. Investment in Government stock calls for the exercise of none of these qualities. The exercise of these qualities stimulates the tendency "to produce two blades of grass instead of one," and so greatly increases the production of National Wealth. Increased production is followed by an absolute bettering of conditions for all, whether the proportioned distribution be just or unjust.