

actively engaged in Production has to be met out of the surplus over their own consumption produced by those citizens actively engaged in the process of Production. Economic considerations pure and simple would dictate the destruction of every useless or non-productive member of the Nation. But, as earlier stated, economic considerations are inextricably mixed up with ethical considerations. Both economic and ethical considerations appear, however, to dictate as a principle of statesmanship the reduction to its minimum of the proportion of non-producers to producers, as thereby the greatest mass of wealth will be produced and the standard of life raised for the Nation's citizens as a whole. Statesmanship, therefore, indicates the extinction of the Debt as sound policy.

We can now reply to our main question (No. 2), "What would be the resultant gain of abolishing the National Debt?"

1. The abolition of a burden equal to the support of two million idle mouths.

2. The reduction of the rate of interest payable by Industry and Commerce to one-half its present rate.

3. The conversion of a non-productive Rentier Class into a class of useful capitalists through the economic pressure of a low return on capital at loan.

4. The placing of the country in an unequalled position for industrial competition with other Nations possessing National Debts through lowering of the cost of production consequent on the obtaining of Capital cheaply.

Question No. 3.

We come now to the consideration of main question No. 3, "Can the Debt be abolished without inflicting injus-