

8. That the abolition of the Debt would benefit the country enormously by reducing the rate of interest payable by Industry and Commerce and placing it in an unequalled position for production and trade compared with Nations that have debts.

Finally, what is the alternative to a Capital Levy? Next April's Budget alone will show, but a rise of Income-tax to 15s. in the £ for large incomes must be contemplated if our annual Budget at its present rate is to balance.

By April next the Nation will have to face its real financial situation, and—so will its rulers. We have three months in which the Government and the taxpayer can slumber in a world of roseate dreams and unrealities, and then we shall awaken to face an ice-cold shower-bath in the shape of three alternatives :—

A crushing Income-tax, or Profits Tax.

A Capital Levy.

Inability to meet our financial engagements, commonly called Bankruptcy. Our proposed suspension of Interest payments on our American Debt is the first indication of what may happen in this direction. We have three months to slumber on, or to think over which alternative we shall adopt.