



because his shoulders are proportionately far stronger), in taxing large fortunes we are laying the burden on wealth acquired by luck, and not by thrift and industry. These remarks, of course, apply with double force to large fortunes acquired by inheritance, for a man being born to wealth is a matter of pure chance, and not of merit. The Levy should be for eight thousand millions, large enough to cover both the internal and External Debts. The six thousand five hundred millions of the former could be paid off at once, and a balance of 1,500 millions remain in the Government's hands with which to pay off the latter as opportunity might render desirable. This 1,500 millions would represent a claim by the Government (A) on the Assets of the Capitalists (B), but instead of being transferred directly to the Nation's foreign creditors, it might be better for the Government to treat with these and utilise its funds for the redemption of the External Debt on the best possible terms. The ideal should be to extinguish the External Debt at the earliest possible moment, but our total exportable capital might not allow of this except with great inconvenience and perhaps loss to the Nation, a wise conservation of National resources in the hands of an able Committee of Public Finance might be most to the Nation's advantage. As regards the payers finding the Levy, it would be of minor importance to them how the details of settlement of the External Debt were arranged. If a Levy be made, it should be made on an heroic scale; there should be no two bites at the cherry. The whole Debt should be cleared off. A Levy on a sufficiently large scale does not run the same risk of repetition that would accompany a smaller Levy. It must be faced that before long a Labour Government may come in power, and Capital Levies would appeal to many of the Labour following as an easy way to meet financial difficulties. If our Debt were once wiped out, taxation within the year for the purpose of the year should be our principle, and the