some of the services which the Federal Government provides the people.

In other words about three out of four of the voters in the United States seem to be in agreement with the Eisenhower-Nixon policy.

¶ Between the other two policies—that is, raising taxes or inflating the money supply—there is no intelligent reason for not supporting the higher taxes, because inflation is not only taxation—*it is the worst possible kind.*

Under its glamorous disguise, inflation has the effect of a capital levy—that is, it takes a percentage of everybody's money.

It takes from the very rich, the rich, the middle class, the poor and the very poor.

How does inflation do this?

Let's think back to 1940 and the following inflationary years that reduced the dollar to a 50¢ piece.

Had the government balanced its budget during this time your savings would represent *twice as much money* as they now do because they would *buy twice as much.*

Consider an insurance policy taken out in 1940 to send a boy through college in 1959.

The insurance money will of course, be paid in full, but it will now buy only *two* years of college instead of *four.*

So, although inflation doesn't actually take any *dollars* away from us, it takes away the *value of our dollars,* and this is just as bad as taking the dollars as a levy or as a tax.

¶ In fact inflation is much worse than regular taxes because it is *triple taxation.*

We are first taxed when the value of our money goes down.

We are taxed again to pay the interest on the national debt caused by inflation.

Then our children *will be taxed all over again* to pay off the debt.

¶ So, as we said, between proposals number two and three, that is between raising taxes and continuing Federal inflation, there is no valid defense of the latter—if spending must be increased taxes *should be* increased.

However, if the 72% of the people who are in favor of the Eisenhower-Nixon program to limit spending to present income would take the trouble to tell Congress how they feel, proposals number two and three would probably be forgotten because Congress usually does what the majority of the voters say they want done.

The question, with an enormous question mark behind it, is *will they do it?*

Our guess is that they won't take the trouble.

Such is the history of rich, complacent nations.