

Whatever ~~the~~ reasons the capitalism we face today is not ^{what} ~~the same as~~ ^{it used to be} before.

The classics used to see it as a surplus producing machine consisting of industry directly ~~from~~ which was financed by banks & capital markets. The financial system drew its income from the surplus produced by industry (etc).

Now the financiers to an ^{just as the government derives its income from it,} increasing extent cater for other people & derive their interest not from the surplus but from other sources — for example, from government, i.e. from taxation which only partly comes from the surplus; ^{from} the increased value of land & shares which ultimately means the income of home owners, and from the income of consumers, mostly (credit worthy)

The interest thus is increasingly ~~a~~ a direct levy on the consumer. ^{proportion of} If the ^h volume of debt which is not eliminated from the surplus increases ~~steadily~~ continuously, the "direct levy" will grow, too. (2)

We are immediately reminded of the more ^{commonplace} ~~popular~~ problem of a permanent budget deficit, which implies an increasing

the question is can this be a permanent feature of the system, or must it lead to basic difficulties?

2 But they get the same thing received via pension funds or other forms of saving; (social funds)