

ITALY

Although Italy delayed her entrance into the war until May 24, 1915, her war expenditures may be said to have begun at the same time as those of the other belligerents whose active participation commenced earlier, for the costs of armament and mobilization during the months of preparation entailed heavy burdens. Her expenditures from August 1, 1914, to the end of 1917 may be stated as follows:

ITALY'S WAR EXPENDITURES, AUG. 1, 1914-DEC. 31, 1917

Period	
Aug. 1, 1914-May 30, 1915 (preparation).....	\$180,077,000
June 1, 1915-June 30, 1916 (13 months).....	1,884,387,000
July 1, 1916-June 30, 1917 (fiscal year).....	2,437,914,000
July 1, 1917-Dec. 31, 1917 (six months).....	*1,575,000,000
Total.....	\$6,077,378,000

* Estimated on the basis of a monthly expenditure of \$362,500,000, the average of the twelve months ending October 30, 1917.

These expenditures do not include the ordinary military expenditures contained in the prewar budgets, which amounted to about \$188,618,000 a year. For the thirty-one months of war this would amount to \$487,264,000, and if this be added to the above figures it would give a total of about \$6,600,000,000.

The money necessary to defray these expenditures was raised in Italy, as in the other countries, primarily by means of loans. First the Bank of Italy and other banks made statutory advances to the government, on terms similar to those of the Bank of France.

Treasury bills were also made use of, but not to the same extent as in England and France owing to the slighter financial development of Italy. Chief dependence has been placed on long term loans, for which moreover the duration has from the begin-