

### 300 THE POLITICAL ECONOMY OF WAR

At this rate the total budget cost of the war for a year would be £3,650,000,000. If this sum constituted the whole new debt of the belligerent Powers, the interest charge to support it, at 5 per cent., would be £182,500,000—a perpetual mortgage on the industry and commerce of the belligerent nations. Roughly speaking, the direct expenditure of the governments will be reflected in additions to the public debts. Great Britain alone has paid a tiny portion of the cost by augmenting taxation. All the Continental Powers have suffered a heavy loss of revenue, but they have paid partly by privation, and partly by issues of depreciating currency, as well as by loans and borrowings from their State Banks. Precisely how this budget cost of the war has been divided between the combatants is still something of a mystery; but it may be presumed from such figures as are available that the war debts and the new charges for interest of the governments for the first year will work out somewhat as follows in millions sterling:—

	New debt.		Annual charge.
Germany . . .	900	at 5 per cent.	45
Great Britain . . .	800	" 4½ "	36
Russia . . .	700	" 5½ "	38½
France . . .	600	" 5 "	30
Austro-Hungary . . .	500	" 6 "	30
Turkey . . .	100	" 5 "	5
Italy . . .	100	" 4½ "	2½
Belgium . . .	50	" 6 "	3
Servia and Montenegro . . .	50	" 5 "	£500,000
Japan . . .	10		
<b>Total</b>	<b>£3,810,000,000</b>	<b>Total</b>	<b>£220,250,000</b>

This total, it will be seen, is rather more than the 10 millions a day with which we set out. But this