

1918

I

WHY THE WAR COSTS SO MUCH

[A "Note" in the *Economic Journal* for March, 1918, on the Finance Accounts for 1916-17 and the first three *Reports of the Select Committee on National Expenditure* (No. 102, and Nos. 151, 167 and 188 of 1917).]

THE Finance Accounts appeared unusually late this year and only in time for this number of the *Journal*. A wholly laudable, but somewhat pathetic, striving for economy has led to the disappearance of some dozen blank or nearly blank pages and of the familiar blue cover. Otherwise, to a superficial view, the war has made little difference: the sum paid for the salaries of the Six Trumpeters in Edinburgh has fallen from £98 8s. 5*d.* before the war to £77 5s. 10*d.* because "the salary of one Trumpeter has been suspended for the period of his absence on military service," but "The Poor Scholars of Oxford," though the proportion of them absent is more like 5 in 6 than 1 in 6, receive as usual the £3 1s. 6*d.* which they have had ever since the riot on St. Sepulchre's Day in the reign of John. Some day, perhaps, after the war the Treasury may find time to eliminate unnecessary detail, and insert instead more particulars about some of the larger items.

Comparing the figures with those of the last year of peace, 1913-14, we find that the total expenses of civil government, including education, old-age pensions, health and unemployment insurance, labour exchanges, grants in aid of local taxation, and the Post Office have remained almost stationary at about £97 millions, natural increases and increases due to the war being about balanced by war economies and savings due to absences on military service. Interest on debt, including that on the "Other Capital Liabilities," was about £20 millions in 1913-14 and had