

**THE COST OF THE WAR: A BRIEF  
RECORD AND ANALYSIS OF THE  
FINANCES OF THE WAR, IN THEIR  
RELATION TO THE WORLD AT  
LARGE**

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**MECHANICS AND METALS NATIONAL BANK**

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# THE COST OF THE WAR

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The Mechanics & Metals National Bank

20 Nassau Street, New York City

CAPITAL, SURPLUS AND PROFITS, \$16,000,000

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## FOREWORD

**B**ECAUSE there was not available in convenient form a summary of war costs, and believing that such a summary, with related facts bearing on the demand for capital, would fill a public want, we undertook the task last year of preparing a volume entitled "War Loans and War Finance." The part taken by the United States since its entrance into the war has been of such importance that we have felt impelled to carry forward the record of war finance into a new volume, which we present herewith, and which we have called "The Cost of the War."

It was a difficult matter to gather some of the information which follows, and present it in statements that would agree with others that from time to time have been made in responsible quarters.

Assurance is given that in cases where there are no official returns the figures were studied carefully, and their origin examined so as to base them on the best available authority. The reader will find in the following pages material that has been brought together for purpose of information. The need for a statistical summary of the finances of the present struggle was the sole incentive in carrying out the work. It is hoped that what we have done will prove to be of real and lasting value.

THE MECHANICS & METALS NATIONAL BANK

October, 1917.

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1. The first part of the document discusses the importance of maintaining accurate records of all transactions and activities. It emphasizes that proper record-keeping is essential for transparency and accountability, particularly in financial matters. This section also outlines the various methods and tools used to collect and analyze data, ensuring that the information is reliable and up-to-date.

2. The second part of the document focuses on the implementation of these practices. It provides a detailed overview of the systems and processes in place, including the roles and responsibilities of the staff involved. This section also addresses the challenges faced during the implementation phase and the strategies used to overcome them, ensuring that the organization remains on track with its goals.

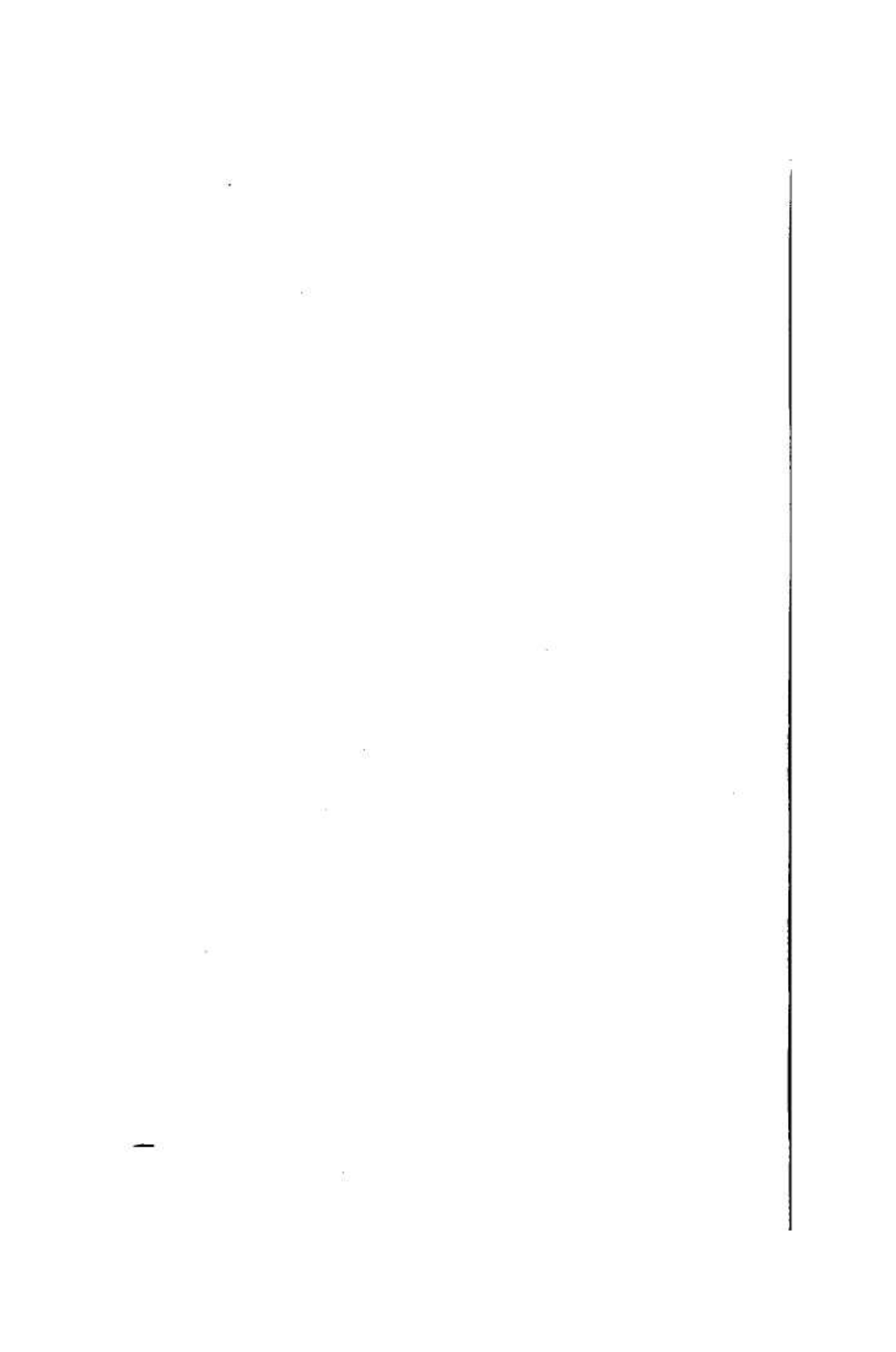
3. The third part of the document discusses the results and impact of the implemented measures. It highlights the significant improvements in efficiency and accuracy achieved, as well as the positive feedback received from stakeholders. This section also includes a comparison of the current state with the initial baseline, demonstrating the effectiveness of the changes made.

4. The final part of the document provides a summary of the key findings and recommendations. It emphasizes the need for continuous monitoring and evaluation to ensure that the implemented measures remain effective and relevant over time. The document concludes with a call to action, encouraging all staff members to continue their commitment to transparency and accountability.



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## THE COST OF THE WAR

**T**HE greatest war in human history has entered well upon its fourth year. Its cost has grown to such amounts that the average imagination cannot grasp the significance of the figures. Already the money expended has been more than a hundred thousand million dollars. Each month it continues, nearly five thousand million more is spent.

These colossal sums seem unreal, yet they are a very real measure of the financial effort accompanying the military effort of the nations engaged in hostilities.

Taken as a whole, the war is costing four times as much as when it started. The daily expenditure was then figured at \$40,000,000. Now it is a little short of \$160,000,000, the difference being accounted for by the greater area covered, the increased use of men and material, the necessity of replacing exhausted equipment, the rise that has taken place in wages and commodities, the entrance of the United States into the conflict. Early in 1914 it would have been said that the cost of such a war would drain the world's financial resources before six months had passed, and compel a stop. It was held for some time after the war began that the nations could not continue to pile up, day by day, the appalling burden of expense that was involved, and it was then written by one who expressed the belief of a large part of the thinking community, that "a waste of from \$25,000,000 to \$50,000,000 a day, in addition to thousands and thousands of lives, means chaos, if it means anything, when continued for long."

The war is in its fourth year; its daily cost has risen to a figure four-fold that of 1914; yet chaos seems less imminent than at the outset of the war, and ruin and national bankruptcy are considered sufficiently remote to permit all the powers to go on borrowing freely, and to contemplate still further credit operations and life sacrifices in the prosecution of their several ambitions to fight on and vanquish the enemy.

All of this is in line with precedent. The Thirty Years' War reduced the tangible resources of the German States to a