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ECONOMIC AND FINANCIAL SUMMARY, 23rd DEC. 1918.

ECONOMIC.

SYRIA AND CILICIA.

1.—SUPPLIES.

Sis, Hajjin and Marash were L. of C. Depôts of the XII A.C. These places export raisins (and their juice in the form of *pekmez*), haricots, onions and cereals in large quantities. Nearly all the meat for the IV Army during the war was supplied by these districts, where the grazing is good and abundant.

Marash supplied the equipment of the transport animals. The Supply Depôt was transferred to Aintab about September last. One of the chief local industries is weaving (cotton goods). Although cold in winter, there is an unlimited wood supply in the neighbouring hills. Last spring and summer labour units were employed charcoal burning.

The rice crop about Bazar Jik and Kefr Dis in the plain between Aintab and Marash is being gathered. On November 27th there were about 30,000 kilos of wheat and barley at Jerablus. Up to the 20th of that month, about 20,000 kilos had been removed to Birijik and the remainder was in course of being transported there.

Killis.—A town comprising about 1,000 Turkish, 200 Jewish, and 100 Armenian houses, as well as about 10 Kurds. The chief products are wheat, barley, lentils, arak, raisins and olive oil.

About the 25th November at Adana two or three large stacks of wood were seen at the station; at Mamoure one stack of 20 to 30 tons, and at Islahie two truck loads near a stack of over 15 tons. Stacks of wood are also reported at Meidan Ekbes; nine miles N.W. of this place is an oak forest, and during the Turkish occupation about 1,500 Prisoners of War were employed in felling timber, 170–240 tons being railed daily to Meidan Ekbes. Frequent complaints are heard as to the lack of labour for cutting and loading wood fuel. Only small quantities of the latter are seen at branch stations and junctions. It is reported from Adana that the Turks are sending by rail large quantities of wood towards Bozanti.

Damascus.—Nearly all the wheat in Damascus comes in by camel from the Hauran and Jebel Druz. If the railway could be used it would save most of this expense, but the Hauran merchants would lose their profit on the transport. Ample quantities of grain can be bought in the Hauran and Jebel Druz if payments are made in cash. In the summer, corn caravans arrive daily, but in the winter, only every three or four days, about 150–200 camels at a time. There are supposed to be two months stocks for Damascus in the shops, but private people have considerably larger reserves.

Hauran.—An agent recently returned from the Hauran and Jebel Druz, confirms previous reports as to the bad effect on grain prices produced by the despatch of an officer to buy for the Lebanon in the Deraa area. The Druse who have still some 50,000 to 70,000 tons of grain, were preparing to lower their prices, but the movement was checked by the signs of demand, supplied by this officer's visit, and the prices immediately stiffened.

It is said that if one ship load of corn were to arrive in Syria from some other part of the world—India for instance—and the news were spread abroad it would have the immediate effect of causing the prices of cereals to fall, as the merchants would be afraid of the country being flooded with foreign wheat and stocks being left on their hands.

2.—PRICES—SYRIA.

Date, 27th November.

BIRIJIK.

	...		P.T. (sagh) per oke.
Wheat	...	4½	" "
Barley	...	3	" "
Rice	...	35½	" "
Molasses	...	12½	" "
Lentils	...	3¼	" "
Butter	...	32¼	" "
Olive Oil	...	24	" "
Mutton	...	8	" "
Honey	...	17	" "
Raisins	...	12	" "
Sugar	...	120	" "
Bulghur	...	7½	" "

Constantinople.—A Turkish officer of some standing, who left Constantinople early in December, states that the prices there are so high that the bare necessities of life are almost unobtainable, except by the rich. They are already falling, but it will probably be two years before they approach the normal level again. The inflated prices are due more to business speculation on the part of Greek merchants than to actual lack of supplies.

3.—COMMUNICATIONS.

The railway between Adana and Mersina (but little used), is of normal gauge as far as Karajelas. At this latter place the bridge was destroyed by the British Navy early in the war, and has only been repaired for Decauville traffic. The line is Decauville as far as Mersina. Supplies for Karajelas from Mersina and Selefke are carried on this line.

The normal gauge railway runs between Meidan Ekbes and an oak forest about 10 miles to the N.W. There are said to be 50 rolling stock which have been used solely for the conveyance of wood fuel to the main line.

BRITISH PRESSURE IN THE EAST.

Extract from an article, under the above title, which appeared in "Der neue Orient," Berlin, 20th Sept., 1918:—

"What the British lack is communication between Mesopotamia and Syria. For months past British forces have been acting against Amman and Eastern Palestine with the object of gaining the entire Hejaz Railway and joining up the railways of Mesopotamia with those of Palestine. If Amman were to fall into the hands of the British, the isolation of the Arabian Peninsula would be an accomplished fact, (even though we still held Damascus), and the railway from India to Cairo could be completed. For months past the broad gauge railway between Cairo and Palestine has been in operation, with the result that the British can maintain a large army on the front. If the British succeed in capturing Amman during the course of the winter, and as a result in isolating the troops between Maan and Medina and along the Hejaz Railway, it would be childish to maintain that the defence of Damascus would be so easy! I am not exaggerating. The British have made vast progress in Palestine. I am certain that they will do all that is humanly possible to conduct a new campaign this winter in Palestine to reach the Hejaz Line, east of Jordan, and so establish touch between Mesopotamia and Palestine, and consequently between Mesopotamia and Egypt."

FINANCIAL.

A.—TURKISH MONEY VALUES.

Aintab (14-11-18).	£.T.1. (gold) = 150 P.T. sagh.
	1 Medjidieh = 23 P.T. sagh.
	£.T.1 (paper) = 26 P.T. sagh.
Marash (21-11-18)	£.T.1 (gold) = 150 P.T. sagh.
	£.T.1 (paper) = 27½ P.T. sagh.
Damascus (1-10-18)	£.T.1 (paper) = 6 P.T. sagh or
	9-10 P.T. Churuk (Damascus piastre).
" (25-10-18)	" " = 15 P.T. Churuk.
" (27-11-18)	" " = 20 "
" (3-12-18)	" " = 20 "
" (9-12-18)	" " = 38-39 P.T. Churuk.

This last rate is as high as it was two years ago. Latterly a report has been in circulation that in Constantinople the pound note is worth seventeen shillings and sixpence, but the commencement of the rise in Damascus does not seem to have been influenced by any such rumour. There is a great deal of movement in paper of all values. During the first fortnight of this month the exchange value of the Turkish pound (paper) in Egyptian piastres rose from 8-15 to 17-20.

It is reported from Aleppo that Turkish officers and officials are being paid in gold. Paper money is rising there owing to the rumour that the British will guarantee the Turkish bank notes.

B.—GERMAN.

(i.) EXCHANGE.

The following figures represent the extremes in value of 100 Marks (paper currency) on neutral exchanges during the period 30th October-26 November, 1918:—

	Par.	Maximum.	Minimum.
Denmark.	88.88 Kr.	55.70 Kr. (Oct. 30)	48.50 Kr. (Nov. 26)
Norway.	88.88 "	53.50 " "	46 " "
Sweden.	88.88 "	51.85 " (Nov. 1)	45.25 " "
Holland.	59.26 Fls.	34.60 Fls. (Nov. 2)	30.95 Fls. (Nov. 13)
Switzerland.	123.44 Frs.	72 Frs. (Oct. 30)	63 Frs. (Nov. 25)

(ii.) MONEY MARKET—BERLIN.

From a reliable source it is learnt (1) that there is a great shortage of bank notes in Germany and (2) that industrial stock is falling, though not so rapidly as might at first sight be expected. The reason for (1) is that people do not know what to do with their money. Rich people have already as much deposited in the big banks as they desire to risk; war loans afforded no desirable security and new companies cannot be floated. Poor people are solving the difficulty by hoarding money in their own houses while those men whose assets are too large for such hoarding are buying the issues of the mortgage banks which are now regarded as the soundest investment.

INDUSTRIAL.

1.—FARMING IN TURKEY.

(a.) Economically Turkey is an entirely agricultural state. Tillage and cattle-breeding were, and still are the support of Turkish industry. Only about 4% of the total area is under the plough. The incredibly backward methods of the Anatolian peasant are shown by the following: A fragile arrangement of wood worth about four francs is used for a plough, drawn by a wretched little donkey. The tip of iron on the plough (sometimes substituted by a cow-horn), does not cut deeper than three or four inches and the soil is never turned. But little is known of manure and irrigation; harvesting and milling methods are primitive.

(b.) The classes engaged in pasture and tillage dislike modern implements. The big landowners, who themselves farm, are hampered by their inability to carry out repairs, and spare parts can only be obtained from the manufacturer abroad. To enable the middle and lower-class proprietor to obtain implements, it is proposed that the National Bank should buy the implements for the farmers and be repaid in kind by the latter.

(c.) Irrigation is in progress in Cilicia, and in the districts of Angora and Konieh, where the peasants are also using modern implements. Armenia and Asia Minor are extremely fertile, and Mesopotamia, besides being the land of railways and express trains, will produce corn and cotton in plenty. At any rate, Turkey would not have to import wheat again.

(d.) Vegetables and fodder for cattle exist in abundance. Turkey needs nearly 200,000 tons of sugar per annum, and spends about £35,000 abroad to make good her deficiencies. The sugar-beet production of Anatolia should improve, and a refinery has been erected near Sivas.

Fruit, wines, olive-oil, coffee (mokka from Yemen), could be much developed; cotton has a rich future before it, so has tobacco. Country-bred horses, donkeys, camels can be reared in increasing quantities, and encouragement should be given to small farmers interested in the dairy industry.

(From an article in the "Deutsche Levante Zeitung," June 16th, 1918).

2.—SOAP-MAKING.

The well-known brand "Carmel Soap" was first manufactured in Haifa by a German named Struve over forty years ago. The machinery of the soap factory is very old and requires renewal, and the fame of the "Carmel" soap was such that there will undoubtedly be an attempt to resurrect the business. This soap should not be confounded with the crude soaps generally produced in Jaffa and Nablus. Some qualities were perfumed; others were made from a specially pure distillation of olive oil, which yielded a wax-white soap, which met with a large sale in America, and among religious persons in all parts of the world. This particular soap was moulded in a peculiar form, and it became so celebrated that Austrian soap-makers turned out an imitation of the real article. All these "Carmel" soaps were put up in attractive card-board boxes, containing half a dozen cakes, and certain qualities were perfumed and coloured.

3.—MINERAL WEALTH.

The mineral wealth of Turkey has, up to the present, never been estimated by competent authorities; consequently, according to the newspaper "Bergwerkszeitung," it is hardly permissible to speak of a mineral "wealth" of the Ottoman dominions; such an expression is not in accordance with the facts. Published reports on the subject are based partly on the superficial researches of unreliable "experts," partly on the obviously too optimistic description of interested individuals, and partly on the extravagant fabrications of native authorities who take delight in talking about their fairy Eldorado. The truth, unfortunately, is that mineral "wealth" is to seek. Minerals are to be found, but not in any workable quantity; the discovery of a small quantity anywhere is sufficient to make the local inhabitants think that mineral wealth surrounds them.

The finder used to hurry to Constantinople to obtain concessions on a large scale which were generally granted, at least in the early days, without further enquiry or evidence, provided he paid the requisite fees. We can now say with absolute confidence that Turkey is poor in iron-ore and that manganese or chrome-ore are but rarely found. Copper is certainly scarce. The only minerals likely to prove more productive are lead and zinc. Coal is obtainable in certain places, but it is chiefly in the form of lignite. Probably the richest deposits are those of meerschaum at Eskischehir (near Malatia), and of course the petroleum of northern Mesopotamia and elsewhere is very valuable.

(From "Der neue Orient," Berlin, September 20th, 1918).

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