

The Spoiling of Turkey

BY J. T. WALTON NEWBOLD

[We publish, below, one of the most important articles that has yet been written by J. T. Walton Newbold in his brilliant survey of the economic factors which are causing strife among the imperialist States in the Near East. These articles have been appearing in the COMMUNIST REVIEW for several months and were written with the hope that the Labour movement would prepare itself for the struggle which the writer prophesied would take place in the Near East. The romantic leaders of the Labour Party were too busy denouncing French imperialism to notice what their own imperialists were doing. While we were unable, several months ago, to persuade the Labour Party leaders to study the facts regarding the Near East, they were ultimately forced, by concrete events and a series of crises, to take action on the matter.]

There is abundant food for thought in Newbold's article this month. His analyses explain why Lloyd George diverted troops from France to the East at a most critical moment during the war, a tactic which led to a serious disaster for the British Army and which resulted in the death of thousands of soldiers; Newbold's searchlight also exposes the reason for Churchill's gamble at Gallipoli with its mountain of proletarian corpses.—ED. COMMUNIST REVIEW.]

GERMANY ENTERS THE EAST.

JUST at the time when the British Government was pre-occupied with the diplomatic preliminaries of the South African war, and was making, in addition, very considerable increases in its naval armaments, with a view of strengthening the China Fleet against the eventuality of a crisis in its relations with Russia on the Pacific sea-board and at Peking and Tientsin, the German capitalists took advantage of so unique an opportunity to clinch the bargain with the Ottoman Government and to secure the definite concession for the Imperial Ottoman Baghdad Railway. The moment was chosen with an eye not only upon the entanglements into which Britain and Russia were getting, the one in South Africa, and the other in the Far East, but with a keen appreciation of the internal strife which was, at that time, weakening the French Republic, newly recovering from the turmoil of the Dreyfus scandal, and about to embark on an acrimonious campaign against the unlicensed religious orders of the Roman Church.

The domestic and foreign difficulties of Britain, Russia and France prevented either of them giving much attention to the pre-

liminaries of German railway construction in Asia Minor, which engaged the Deutsche Bank and Dr. Siemens during the years 1899 to 1903. However, Delcassé was in Petrograd in 1899 and, again, in 1901, whilst, in 1900, France made strong representations to the Ottoman Government concerning its treatment of French creditors having claims upon the revenues of the Haidar Pacha and Angora Railway. France might be pre-occupied, but she had not forgotten her interests in that quarter. She was exerting just enough diplomatic pressure to obtain for the *Banque de Paris* and the newly-formed *Banque française pour le Commerce et l'Industrie* a share in the financial operations connected with the new railway project. French Radical diplomacy and French Radical high finance were knowing very well how to blow hot and cold now in Petrograd and again at Frankfurt and Berlin. At that period the Republican Left, from Delcassé and Rouvier to Millerand and Briand, was seeking to withdraw France from the chauvinist antagonism to Britain and Germany, which, under Clerical and Nationalist influence, she had been developing, and was inclining her towards that cosmopolitan outlook which invariably characterises the foreign policy of any section of the capitalist class at the stage of development at which the *Bloc* of the Republican Defence then was.

BRITAIN COUNTERS GERMANY.

But the annexation by Britain of the Transvaal and the continued and reinforced regime of the British occupation in Egypt brought very considerable interests in investments and in banking belonging to the *personnel* of this Republican Left permanently under the British flag. The foreign and colonial policy of the British Government under Lord Salisbury had not only resulted in the great Rand mines, so largely capitalised by the Jewish houses of Amsterdam and Paris, becoming British, but had brought British, French and Belgian capital very closely together in West and Central Africa.

With the accession of Edward VII. to the throne of the United Kingdom, and the vast opportunities which this gave to the Sassoons, Sir Ernest Cassel and the Gunzburgs to exert their influence in high places, Britain, Belgium and France began to come very much closer together in the realms of high finance and of high politics. The Sassoons and the Reuters (barons in Coburg) were pushing into Persia from the south, and the Belgian financiers were pushing into Persia from the North.

On the 28th May, 1901, the original pioneers of the venture, out of which the Anglo-Persian Oil Company has subsequently evolved, obtained from the Shah of Persia exclusive privileges to search for, develop and carry away and sell petroleum, natural gas, asphalt, etc., in all provinces except five throughout his empire, and, in 1903, at the instance of the British Admiralty, Lord Strathcona, an especial and intimate friend and adviser of King Edward VII., subscribed the money for the initial development of these properties.

In the same year, 1903, the relations between Britain and Belgium became increasingly friendly, and next year, in April, 1904, the Anglo-French Agreement was signed, not immediately mentioning the Ottoman Empire, apart from Egypt, but bringing to a happy cessation the rivalries of the two Powers in the Near East.

In the course of an article in *Near East* (5/1/10) there occurred a rather curious and insinuating commentary upon one of the major consequences of the Anglo-French Agreement, which, assuredly, in view of all that has happened recently, makes one pause and think.

"There is," says *Near East*, "the fact that the *Entente Cordiale* . . . served to detach the French Government from the interest in the Baghdad Railway it had hitherto shown."

In other words, Rouvier and his associates, messieurs the agents of the French Radical bourgeoisie, were induced by a cunning but thoroughly courteous British Conservative Foreign Office to stop looking so intently at Asia Minor and beyond it at Baghdad and Delhi, and to direct their gaze instead upon Tangier, Fez and the road to nowhere that lies beyond!

THE RENAISSANCE OF HELLENISM.

Meanwhile, in 1902, yet another house of cosmopolitan financiers, welcome at Court, friendly with the Rallis, and influential alike in London and Paris, the *d'Erlangers*, together with the railway contracting subsidiary which they had organised for carrying through public works in Central and East Africa, viz., Pauling & Co., and the French makers of rolling stock, the *Société des Batignolles*, constituted a new company, the *Société Hellenique des Chemins de Fer*, whose purpose was to be to build and operate a line running from Athens to Larissa in Thessaly. This track would, once it was completed, not only help to develop the potential cotton-growing tracts of Boeotia, but would give the Greeks a strategical advantage in any subsequent endeavour to advance from Thessaly into Epirus and Macedonia. Signally defeated in 1896, the Greek bourgeoisie had no intention of acquiescing in its ignominious position, and was only waiting a favourable opportunity to reopen the Cretan question and to renew its attempt to possess itself of Salonika.

In 1904, the same group, that of the *d'Erlangers*, together with the *Banque de l'Union Parisienne* and numerous firms in London and Marseilles interested in the dried fruit trade, promoted, in conjunction with the *Bank of Athens*, the *Privileged Company to Protect the Production and Commerce of Currants*, which placed considerable capital at the service of Greek viticulture and trade.

In 1905-6, three interesting events happened in relation to Greece.

In March, 1905, was formed the Phil-Hellenic Society of France, with Georges Clemenceau—who, subsequently, helped Venizelos to obtain Smyrna—as an original vice-president and Aristide Briand as an original member.

In July, 1906, the Cretans, under Venizelos, re-commenced their agitation for autonomy and union with the Hellenic kingdom, and, in August, 1906, the *Banque de l'Union Parisienne* subscribed a 50 per cent. increase in the capital of the *Bank of Athens* to enable the latter to take over and develop the *Credit and Industrial Bank of Greece*.

Next, in February, the Bank of Paris and the Imperial Ottoman Bank issued a big loan for Serbia, and it became obvious to the Turks that they were being encircled and that they were becoming a prey to big capital and foreign control without and within.

ON THE EVE OF REVOLUTION.

Menaced on every side by the capitalists of the Entente, who, whether operating in Persia, Egypt, Serbia, or Greece, encircled the Ottoman Empire and threatened it with eventual strangulation, the Sultan Abdul Hamid, on the morrow of the Russo-British Convention with regard to Persia, gave new and enlarged privileges to the Deutsche Bank and the other concessionaires interested in the Baghdad Railway project. Thinking, doubtless to put himself and his empire under the protection of the Power which delighted to honour his capital with the most magnificent embassy buildings that it anywhere possessed, the Sultan and his advisers gave into the hands of German imperialism the whole resources of Asia Minor.

He did this, unfortunately for him, just at the time when the British Admiralty was thinking in terms of oil fuel and when it had every intention of reserving to its own future use not only the petroleum resources of Persia, but those, also, of Mosul. The interests of the British Navy and those of the capitalists of Bombay were equally disturbed by the intervention of German high finance in the regions between Angora and Baghdad.

Concession hunters were active in all parts of the Near and Middle East. The great oil "boom" was well in progress and the whole of the territories of the Ottoman Turks seemed big with hope if not with promise. When, therefore, the Sultan virtually closed the book and handed over to the highly centralised capitalism of Berlin the treasury of Asia Minor's mineral and agricultural riches and, simultaneously, the accursed Greeks were menacing Salonika, little wonder that the *bourgeoisie* of the latter town, an oasis of Judaism in a desert of Bulgar, Greek and other peasant peoples, took steps to save the common fatherland from the dangers that alternately penetrated and encompassed it.

The population of the Asiatic territories of the Ottoman Empire came, for official purposes, under three categories, viz. : Mussulmans, Jews, and Christians. These, religious in character, in the simple economy of those regions, reflected also a reality of racial and class distinction. The Mussulmans, whether Turkish by race or not, were attached to the soil as cultivators or as owners. The Jews and the Christians, the latter either Greek or Armenian, were engaged in trade and, in some measure, in handicrafts. The Armenians displayed a remarkable aptitude for the banking business, whilst the Greek was a success as a merchant and shop-keeper. Prior to the rise of the Greek Nationalist movement, the Greek subjects of the Sultan's had not much cause of complaint on the score of persecution, and many of them had been high in official favour, and financial opportunity had been theirs. The Jews had, however, the advantage that their religion does not regard themselves as having placed themselves beyond the pale if they embrace, in addition to their own beliefs, the faith of Islam. Consequently, the rise of Jews to the rank of vizier was by no means impossible, and throughout the empire members of their creed and race were to be found in the highest positions of trust.

In Constantinople, Damascus, Alexandria, Jerusalem, Baghdad, Brussa, Adrianople, but, above all, at Salonika, there were large and influential communities of Jews. Most of these were Maranos who had fled from Portugal and Spain to the hospitable land of Suleyman the Magnificent, there to escape from the merciless terror

from the friendly Ottoman to the hostile Greek.

Therefore it is easy to understand why the Turkish Revolution of 1908 had its headquarters in Salonika and why it came about in the manner and at the time that it did.

THE MATERIAL BASIS OF FRENCH MASONRY.

The Committee of Union and Progress, which derived its inspiration from Paris, was controlled by the Freemasons of the Grand Orient of France, and had also its connections, as was revealed after the event, with the Masons of Vienna. It was the faithful instrument of the Parisian and Viennese banking junta, which, working through the Laenderbank and its *filial*, the Bank of Salonika, sought to reconquer the East from the Deutsche Bank and the Bleichroders.

Superficial criticism of French bourgeois cosmopolitanism in banking generally confuses the obvious intercourse existing between the Banque de Paris and the Société Générale de Paris on the one hand and the Viennese credit institutions on the other, with something that it, most emphatically, was not, viz., an amiable and concerted alliance between the French Jews and the financiers of German Imperialism. There was, after 1870, an antagonism of the most acute nature dividing the banking interests of France and of Germany.

The houses at Frankfurt that had, in the days before the defeat of Austria and the consolidation of the German Empire around the Prussian kingdom, been essentially cosmopolitan in their operations had needed to make their choice as to whether they would remain German institutions and incline towards Berlin, or whether they would gravitate toward Paris and their reinforce the cosmopolitan elements around the Banque de Paris. Many of them did the latter, but, where they remained predominantly German, they introduced or, rather, perpetuated in German finance a cosmopolitanism that was alien to the spirit of the great Berlin banks of the Inquisition. To him they had brought their wisdom and their skill in the casting of cannon and the making of gunpowder, arts which they introduced among the Turks, and so contributed in no small measure to the successes of their patrons whose armies had, on one occasion, to be bought off by bribes, disguised as loans, from the walls of Vienna.

In Salonika, the Jews were so numerous that it became known as "the Mother of Israel."

Thus, into a city, Hellenic in origin, Roman by conquest, Byzantine by tradition, surrounded by the Slavonic "Greeks" and Bulgars of modern times, held and, in large measure, occupied by the Ottoman Turks, there came many thousands of Spanish and Portuguese Jews to reinforce the earlier Roman Jews and themselves to be reinforced thereafter by co-religionists from the Danube valley.

Salonika was thus, for centuries, a great emporium whose commerce was in the hands of Jews, maintaining traditional links with the entire Levant, doing extensive business with Marseilles and the Western Mediterranean, having ramifications of intercourse through Smyrna, Damascus, and Baghdad into the Indies, and, latterly, becoming, thanks to the opening of the railway from Belgrade, one of the chief outlets of Austro-Hungarian commerce.

Families, like the Oppenheims of Frankfurt, Vienna, Constan-

tinople, and Alexandria, the Camonder of Constantinople and Paris, or the Vitalis of Salonika (who go by the name of Whittalls in Smyrna), had no satisfaction in seeing the Benachis of Alexandria and the Rallis of Chois coming in the baggage wagons of Venizelos and his Cretans to Salonika or to Smyrna. These privileged bourgeois of an earlier dispensation approved neither the diversion of East European traffic from Salonika and Smyrna to Sofia and Constantinople nor the threatened transfer of the two former ports

Austrian banking, like South German banking, had this same hesitant direction, and, whilst it always tended to lean upon some centre of greater strength, it was by no means happy in its general dependence on Berlin. Consequently, one sees again and again the Banque de Paris or the Société Générale de Paris operating not only in the Balkans, but also with Viennese houses at the same time that the whole trend of German and Austrian diplomacy was hostile to such penetration.

This cosmopolitan strain in French bank capital was, therefore, not running counter to, but was actually the under-current of the masonic intrigue and the diplomatic policy of the French Republic. It prompted the campaign of the Grand Orient in favour of the Self-Determination of Small Nationalities, and was in fundamental antagonism to the notions of Kaiserism and a Central European Statism.

The Turkish Revolution of April, 1908, was, therefore, the first shot in the war between the French banks and the German Empire. It struck a deadly blow at the influence of the latter in Constantinople, and, whilst the Radicalism of the first phase was modified later as the conservatism of Anatolia, made itself felt at the expense of the predominantly petit-bourgeois and cosmopolitan elements that held sway in Salonika, it was some time before the Young Turks, irritated at the obvious tendencies of the Venizelist party in Greece, oriented again towards the only possible ally of Turkey at that time, viz., Germany.

MAMMON IN MESOPOTAMIA.

Amongst the first things that the Young Turks did was to introduce modifications into the mining laws so as to make easier the leasing of concessions to foreign capitalists, and within a few months the capital was agog with adventurers from every country in the capitalist world.

In the *Economist* (5/9/08) "great hopes" were "placed in the exploration of the wealthy mines of Asia Minor, which unjust laws made inaccessible to the foreigner." *Near East* (October, 1908) remarked:—

"The fabulous mineral wealth of the country will now be opened up. Great tracks of virgin forest lands bearing rare and valuable woods will be exploited, oil-wells will be tapped, irrigation will produce a ten-fold crop to that now secured and enhance the value of the land, and agriculture will flourish. . . . Roads, railways, telegraphs, and public works generally will be engineered tending to advancement and enrichment."

As for the *Manchester Guardian*, quoted in the above periodical, its correspondent was sending home these glad tidings to the Rallis in Cottonopolis:—

"The needs of the country are inestimable. . . . The

rich grain products of Syria are now unmarketed because there is no feasible way of bringing them over the mountains of the Mediterranean coast. . . . This new Turkey is, in short, a virgin field for the engineer and the capitalist."

One of the first steps of the new Government was to engage the services of the great Indian irrigation expert, Sir William Willcocks, for five years to act as official adviser for irrigation works in Mesopotamia. This was followed up by a valuable concession to the Euphrates and Tigris Steam Navigation Company for a new service of steamers on the rivers, whilst at the same time that the *Sassoons* were coming into this shipping venture, they, together with *Brown, Shipley & Co.*, the Anglo-American cotton bankers, the *Bank of Liverpool*, the *Banque de Bruxelles*, and the *Société Générale de Paris* were promoting the *Eastern Bank, Ltd.*

Founded in 1909, in the same year but some months later than the *Anglo-Persian Oil Co., Ltd.*, this bank, incorporating the great cotton-growing and vending interests of Liverpool and Bombay, was an implicit challenge to the German capital interested in the Baghdad Railway.

The issue at stake in this region can be judged from the following statements made in 1919, the one by Robert Fleming, one of the big men of Dundee, who is interested in oil:—

"Mesopotamia is a land that Western effort may cause to overflow with wheat and oil, if not with milk and honey" (*U.S. Commerce Review*, 21/3/19);

and the others from the *Board of Trade Journal* (16/1/19):—

"Germany's main purpose in building the Baghdad Railway and in penetrating Lower Mesopotamia was to turn the country into a huge cotton field. For cotton-growing, Mesopotamia is said to have great climatic advantages, and a Mesopotamia under cotton, and directly connected with Germany by railway, might have made the German Empire independent of overseas supplies. Mesopotamia is, even in her present state of decay, a large exporter of dried fruits, and a considerable exporter of barley and wool. In wool, especially, there are almost unlimited possibilities.

"Until Germany appeared in the trade of the Persian Gulf, the trade in cotton goods was entirely in the hands of Great Britain and India, and though Lancashire remained predominant, the competition of cheap German cloths was beginning to be felt. At present the bulk of the trade with Mesopotamia is naturally British and Indian."

To say that the trade in cotton goods was entirely in the hands of Great Britain and India was synonymous with saying that it was in the hands of the Rallis of Manchester and the Sassoons of Bombay.

These were the gentry whose interests were menaced by Germany and who knew then as now and any time during half a century how to make their own pecuniary gain appear in the transcendental disguise of Christian civilisation and British imperial glory.

CASSEL AT CONSTANTINOPLE.

Meanwhile, the more immediate patrons of the Turkish bourgeoisie, the interest, who for some two years prior to the Revolution had been transmitting moneys through the Italian and French masonic lodges, were happy to see the new administration appoint

as its financial adviser Charles Laurent, President of the French Board of Audit. "Under his able and disinterested guidance," said *Near East* (Nov., 1908), "the finances of Turkey will be remodelled in keeping with Western requirements." That, to say the least, was very nicely phrased and most delicately put. It was also, in all probability, consonant with the interests of truth.

When we recall that this gentleman subsequently became President of the all-powerful Union of Metallurgical and Mining Industries of France, and was, in 1919, made French Ambassador to Berlin, we understand where and how to place him.

In the following summer, the Banque de Paris, the Société Générale de Paris, and the French and British banks operating in Vienna undertook a reorganisation and increase of capital of the Banque de Salonique, appointing a representative of the Banque de Paris as president.

By this time the great game of concession hunting and of political intrigue had become fast and furious. The hotels of Constantinople were crowded with financiers and their technical advisers, whilst at Athens, in Sofia, and, further away, in London, Paris, and Berlin the diplomats and their experts were working overtime.

Whilst Sir Wm. Willcocks had been engaged as adviser on the irrigation requirements of Mesopotamia and Charles Laurent as adviser on finance at the capital, Admiral Gamble of the British Navy was taken on to re-organise the Turkish Fleet. The Turks were going to send their youths to Paris for financial and legal training, to Berlin for military instruction and to Britain for engineering and other studies. They had not much time for the Imperial Ottoman Bank or for Armstrong, Whitworth and Co., but the star of Vickers was decidedly in the ascendant. This was not surprising in view of the connexions which that superlatively shrewd and supple firm has, at one time or another managed to establish with men trained in the business methods of Pera and the diplomatic niceties of the Yildiz-Kiosk.

It had been fortunate in securing, as a director, Vincent Caillard, who had been a member of the Ottoman Debt Council from 1883 to 1898. This gentleman had then become the very shadow of Sir Ernest Cassel, who was on the best of terms with the Société Générale de Paris and the Banque de Paris. It had obtained for its European manager, Francis Barker, the son of an eminent and influential private banker in Constantinople, and it seems to have had as its local agents the Whittalls, who were big people in the barley trade of Smyrna, and were really, Vitalis, of Salonika.

Whilst the Société Générale and the Banque de Paris were improving the shining hour at Salonika or seeking concessions for tramways or other undertakings in the capital and, in the case of the former, collaborating with the Sassoons and the Banque de Bruxelles in the Eastern Bank, their friend and associate, Sir Ernest Cassel, who had for more than twenty years been a very present comfort in time of need for the Vickers firm, was obtaining a bank concession for himself.

The story of this is the more interesting in that he was balked in his major project by the French and that out of this concern, in its attenuated and fitful survival, developed the Levant Company

and the various activities in which the British Trade Corporation has engaged in Eastern Europe since 1919. It is interesting in that it was formed to facilitate the business of Vickers as armament contractors to the new Turkey, and that it was modelled upon the same plan as Sir Ernest's National Bank of Egypt. It is interesting and all important in that in and around this enterprise and its offshoots has been centred all the intrigue of British capitalist imperialism at the Straits and at Constantinople.

The *Economist* (21/8/09) remarked:—

“We note the creation of a new National Bank, formed partly with British capital, though with the co-operation of the Banque de Paris et des Pays Bas. The Bank is promoted by Sir E. Cassel, Lord Revelstoke, Sir Alexander Henderson, and other well-known financiers; Sir Henry Babington Smith has been induced to leave the Post Office for Constantinople in order to act as President. The bank directorate will have the benefit of Sir Adam Block's experience.”

The same journal, on September 27th, 1910, stated that Sir Ernest Cassel was busy negotiating a loan for Turkey on condition that the Government transferred its accounts from the Imperial Ottoman Bank to the National Bank of Turkey. This, of course, aroused the antagonism of the French interests predominant in the former institution, and the fact that Cassel was in touch also with the Deutsche Bank—never in pre-war days a very far cry from Vickers, who lived on the best of terms with its engineering associate, Siemens-Schackhert—helped to bring the whole weight of French diplomacy into the scale against him.

In its issue of October 1st, 1910, the *Economist* complained that:—

“The National Bank of Turkey was founded with the approval, if not at the expressed wish, of the British Foreign Office, to represent English finance in Turkey, so that English sympathies for the new régime might be assisted by material help, or, at least, might not be crushed by the pressure of financial arguments applied by other countries . . . its action is deprecated by the high and mighties of the Foreign Office who raise political objections.”

This opposition, it alleged, was inspired by France, and the able writer of *Les Emprunts de l'État Ottomane*, M. Poulgy, remarks that in trying to place his Turkish loan in Germany, Sir Ernest Cassel “had counted without the Entente Cordiale.”

FRANCE PREFERS THE GREEKS.

The Turks had, in the autumn of 1910, hastily ordered two cruisers from Germany, and despite the placing of a contract for gunboats with a French firm, the French Government was hindering the Turks in the floating of a new loan.

At the same time, the *Crédit Mobilier Français* and a number of smaller French banks, including that of *Louis Dreyfus & Co.*—which had connections with French Menshevism and M. Albert Thomas—was nibbling around this same question of a loan and had a good deal to do with checkmating Cassel.

Finally, however, the Turkish Minister of Finances lost patience alike with London and Paris and placed the loan with the Deutsche Bank on unfavourable terms for Turkey.

Meanwhile, other French interests, notably those of the *Banque*

de l'Union Parisienne and the *Comptoir National d'Escompte de Paris*, were bringing financial assistance to Greece.

There, a crisis was rapidly developing, having its nominal inspiration, of course, in Crete, where the *Ethnike Hetairia*, "subsidised," said the *Economist*, "by Greeks outside the Greek Kingdom," was again making a demand for union with Greece. In August, 1909, matters came to a head in that direction. In the following January, Venizelos landed in Athens. Next summer there was more trouble in Crete, and in 1910 Venizelos, assuming for the while his pose of a moderate, became head of the Greek Government.

All this time, from 1907 to 1911, first one French bank and then another was helping now this and now that Greek bank to increase its capital, whilst the *Ionian Bank*, a "British" institution, opened up in Alexandria in 1907 and steadily developed connections and branches throughout Egypt in the following years. The mass of the foreign population of Egypt being Greek and the cotton trade of the Soudan being almost exclusively in their hands, one can realise the strength of the ties which were linking together Alexandria and Athens.

When Venizelos became Premier of Greece, one of his first measures of reform was to establish a Ministry of Commerce, Agriculture and National Economy, and therein to instal his friend, Emmanuel Benachi, President of the Greek Colony of Alexandria, member of the Egyptian Agricultural Society, member of the Council of Sir Ernest Cassel's National Bank of Egypt, and head of the firm of *Davies, Benachi and Co.*, of Liverpool, Manchester, Alexandria, etc., etc., "the leading British concern in cotton exportation."

Turkey drifted back into dependence on Germany. Greece obtained the assistance of France and Britain whilst in several promotions, such as the *Anglo-Russian Trust, Ltd.*, we find Anglo-Greeks actively and prominently participating.

Yet such were the cross currents in the Balkans that in 1911 we find the Turks placing orders with Vickers, Ltd., and Armstrong, Whitworth and Co., Ltd., for two new battleships—on whose equipment British Naval inspectors, superintending the inexperienced Turkish inspectors, had instructions to place the British Admiralty mark—and, in 1912, the Greeks ordered the super-dreadnought, "Salamis" from the *Vulkanwerfte* of Stettin.

MORE VICKERS.

Early in 1914, the Turks, who had already leased the Stamboul Dockyard to Vickers and Armstrong-Whitworth for an extended period, borrowed £3,000,000 from the *Perier Bank* of Paris to enable them to purchase from Brazil the luxuriously equipped battleship, "Rio de Janeiro," but, whilst this last word in gun-carrying capacity changed her name to the "Sultan Osman," the only active service she ever saw was under the Union Jack as the "Agincourt."

The British Admiralty delayed her delivery—she was ready months before the War—on the plea that to send her out to the East would be to precipitate trouble between Greece and Turkey, and promptly confiscated her on the outbreak of war with Germany. The Turks protested but without getting any satisfaction, and, in their anger, welcomed the "Goeben" and the "Breslau" in

exchange, and *thereby afforded the Entente Powers with the excuse they were seeking for picking a quarrel with the real objective victim of the War of 1914.*

The whole business of Sir Ernest Cassel in endeavouring to set up a land mortgage and general banking institution like the National Bank of Turkey was apiece with his activities in Egypt, with the sending of the British Naval Mission to Constantinople under Admiral Gamble in 1908, and with his subsequent recommendation to the Turks to order ships from Vickers. British capitalism was seeking in 1908 to establish itself at Constantinople as it had done at Cairo years before.

The composition of the board of the Cassel bank, including the inevitable Baring, a civil servant from the G.P.O., the Smyrna Agent of Messrs. Bass, Ratcliff and Gretton's barley purchases, showed clearly enough the imperialist motive in mind. Defeated in this project and acquiescing in this defeat, not too active at this time in the finance and politics of Greater Hellenism but leaving this dubious, because then unproven, asset to France, content to leave Russia and Germany to settle accounts at the Straits, British capitalism made no false steps in the areas that more immediately mattered to it.

British capitalism made certain of Southern Persia and made equally sure, also, of Mesopotamia.

British capitalism made certain of Southern Persia and made megalomania which is its inherent, and, seeing its stage of development, inevitable characteristic. It just saps and mines, mines and saps at the foundations of those states whose territories it covets and which it may reasonably hope, in time, to appropriate. Then as pieces become dislodged it quietly and unobtrusively pockets them and proceeds to loosen the next.

The Middle Eastern Empire has been a long time in gathering, but its planning is of a very recent date. Churchill is the testator not the originator.