

The Cauldron of the East

[While the eyes of most people are watching the amazing developments in the European situation, it is necessary to emphasise that an equally critical problem is rapidly rising in the Near East. In order that our readers may understand what is behind the conflict between France and Britain, and between Turkey and Greece, we have arranged for three very important writers to deal with the subject. The writers show how much Soviet Russia is concerned in anything that happens in the Near East. Newbold's analysis of the financial ties that bind Greece to Britain also shows, indirectly, what the Entente financial groups in the grain trade lost when the Bolshevik revolution tore the Ukranian and Volga grain areas from their grasp. We have here an additional reason why Soviet Russia was attacked by armies financed by Entente money; why these armies sought to devastate the Ukranian and Volga regions; and why the Entente States refused to help to fight the famine when it appeared in those very districts. The article by Rosenberg clearly proves that the European crisis has important roots in the Near East. Finally, Radek deals with the internal problems of Turkey and states the attitude of the Soviet Government towards that much harried country, and incidentally offers it some good advice.—EDITOR OF COMMUNIST REVIEW.]

1. The Greek Grain Kings

By J. T. WALTON NEWBOLD

IT is a feature of history, as it is presented by the orthodox interpreters of events and movements, that it omits to mention or, at all events, seriously to take into account what are amongst the most obvious factors determining its course.

During recent years there has passed into circulation in Europe and America an immensely voluminous literature dealing, from one point of view or another, with the complex problems of Balkan politics. It has championed the several causes of the separate nationalities and religious faiths. It has explored the superficialities of the present and the profundities of the past. It has added whole libraries to the already abundant studies of ethnology and the vast range of polemical and propagandist material arguing for and against the cult of Islam or one or other of the Christian faiths.

But almost without exception there occurs not so much as a hint or a suggestion of the great underlying influences which have, at successive though intermittent stages, but with continuously increasing emphasis, pushed into the foreground of international politics the conflicting interests and aspirations of the Ottoman Empire and the Greek Nationalists. It is the silence upon these matters, whether the result of a deliberate conspiracy or, as is more probable, of an utter inability to comprehend their significance, which makes a mystery of a present-day political issue which is of epochal importance to the peoples of Europe and of Asia.

THE QUESTION OF THE KHALIFAT.

The question of the integrity of the Ottoman Empire and the retention by the Khalifat of Constantinople and other holy places of Islam has become one of the greatest gravity throughout vast areas of Asia and of Africa. The indignation caused by the support given by the British Government to Greek claims in Asia Minor and Greek aspirations again to rule at Constantinople is causing a seeth-

ing ferment throughout India and Egypt. Tens and hundreds of millions of peasants and proletarians, upon the surplus of whose labour the economic and, in the last resort, the imperial power of British capitalism has come, in the course of its expansion, to rest, are receiving an added stimulus to revolt by reason of the indignation which they feel at the aid that Britain is, officially, rendering to the Greek Imperialists. The resentment which the Punjabi subjects of the British Raj are feeling at the disturbance of their customary mode of life by their growing initiation into the deceptive rites of exploitation under the yoke of industrial capitalism; the anger which the tribesmen of Irak and the Hedjaz experience at the intrusion into their midst of mining prospectors and drillers for oil; the rage which the Egyptian peasantry and town dwellers know as the British aeroplanes sweep over their villages and cities, keeping watch and ward for Allenby—all these and a score of other and gathering hatreds find their common link and their sanctification in the thought of the indignities heaped upon the Khalif of Islam by the single enemy and the identical plunderer of them all.

Everywhere throughout the Near and Middle East outrage is being done in these days to the accepted customs and the traditional beliefs of centuries by the insinuatingly insistent advance of a new economy, an economy of exploitation alien to the immemorial habits of tribal herdsmen and peasant cultivators. To make the innovation more abominable, it comes in the guise of the Greek, comes in the person of a huckster no less importunate and much less tolerable than the Jew, comes in the service of a type which, as the officialdom of the old government of the Sultan and his viziers, was notorious for its exactions and its overbearing audacity. It is this fact of the increasing saturation of the East with Greek capital that makes it so important to understand the economic basis of Greek Nationalism and of the surreptitious influences which, in so many parts of the British Empire and spheres of British investment, are really fed from the same source as the forces of Greek "Liberation."

CORN FOR CALICO.

The rapid growth of manufacturing industry in this country towards the end of the eighteenth century, with the resulting increase in population occasioned, in all but very good seasons, an extensive demand for imported corn. This demand was supplied in the main from Poland, and the traffic passed either through Danzig and other ports of the Baltic or else through Odessa on the Black Sea. The corn trade was largely in the hands of German Jews from Frankfurt and from Hamburg, but no inconsiderable part was in those of the Greeks. There was repeated reference to this trade in Russian corn through Odessa made inside and outside of Parliament during the agitation for the Repeal of the Corn Laws. One writer, in 1839, made significant allusion to this trade in Russian corn in these words:—

"We know by repeated experience that the Russian Government, despotic though it be, dare not offend the great proprietors of the soil, by risking that export trade to England, upon which their revenue principally depends. . . . It was the national resentment kindled in Russia, by the interruption of commerce, which gave birth to the grand effort against France, then apparently irresistible,

which ended in the downfall of Napoleon." (*Effects of the Corn Laws*, R. Torrens.)

The corn trade with Russia, it is evident, was even in 1812 a factor of consequence. It was still more important in 1820 and in 1830. In the latter year statistics prepared in Frankfurt showed that an enormous proportion of the grain trade with Russia was in Greek hands. In the former year, Britain was sending more than 13,000,000 yards of cotton cloth to Russia, and in 1837 more than 23,000,000 lbs. of cotton twist. Great volumes of calico were also being sent to Turkey and being paid for in corn.

Another writer, in 1840, in *Influences of the Corn Laws*, dilated on "the regular and extensive trade" in wheat "carried on between Odessa and Malta, Leghorn, Trieste, Marseilles, and other places." In Odessa and in Moscow there were, from 1814 onwards, most influential associations of Greek merchants maintaining very intimate relations with the Czarist Ministers. For a time, according to J. Gennadius, Greek Minister to this country, the Rallis organised the trade in corn between Odessa and this country.

When we remember how important a trade for industrial England was that which exchanged the universally needed wheat for the calico of Lancashire, we understand better the enthusiasm of Joseph Sturge, corn merchant, of Birmingham, W. E. Gladstone, son of the corn merchant Gladstone, of Liverpool, and Richard Cobden, calico printer, of Manchester, for free trade in corn and calico between Britain and Russia and for liberty for the Greeks to enjoy undisturbed the transport of these to and from Roumania and the Ukraine.

Considerable before 1850, the import of wheat from Russia, after that date, became very great indeed. In 1850, the imports from Russia totalled 630,000 quarters. By 1860, they had considerably exceeded 1,000,000 quarters, a level not reached by Canada until 1880, or South America until 1891. By 1905 they exceeded 6,000,000 quarters.

THE GREEKS AS CAPITALISTS.

These figures give some idea of the immense value of this trade and the profits that must inevitably have accrued to the Rallis, the Rodocanachis, and others who carried it on. The Greek bourgeoisie, always powerful in Roumania, and long established as traders and bankers in Constantinople and in Smyrna, was becoming the creditor of Czarist Russia, of the enfranchised nations of Greece and Roumania, and of the bankrupt Empire of the Ottomans. They were becoming most influential as merchants, as bankers, and as shipowners in Trieste, in Leghorn, and in Marseilles. They were entrenched in Liverpool and Manchester, in Amsterdam and New Orleans. They were not only in corn, but also in raw cotton. They were becoming concessionaires of the mineral oil lands of the Caucasus and the minerals of the Donetz. They were interesting themselves in railways in all the countries where they handled grain shipments.

They became in awakening Russia and in the "liberated" territories of the Balkans as, also, in Turkey, of their "oppressors," universal providers of mercantile services and of credits. The richest of the Greek bourgeoisie hailed from an island opposite Smyrna, viz., Chios, "the garden of the Archipelago." Thence

came, according to Gennadius, in *Hellenism in England*, the Rallis, the Rodocanachis, the Mavrogordatos, the Petrocochinos, the Agelastos, the Argentis, the Sechiaris, the Scaramangas, and many other families, who, in Alexandria, Constantinople, Marseilles, London, and Manchester, have become well-known in merchandise and in shipping. All of them closely associated together, whether in business or in more intimate marital relations, these immensely wealthy families constitute what is, beyond the shadow of a doubt, one of the most powerful groups in world capitalism.

THE MIGHTIEST OF MERCHANTS.

There is no firm of merchants anywhere so influential as that of Ralli Brothers. They are generally acknowledged as being the greatest traders in the world. Their transactions in wheat, which is but one of the staple commodities they handle, not infrequently run into the tens of millions sterling. They have enormous interests in Argentina and in India, where, to the most remote railway depot, they are known as clients to be treated with expedition and respect. They do a huge business in cotton and in jute. They are big merchants in rice and other cereals. Beginning as traders in the corn and cotton of Asia Minor, the corn of Russia and the cotton of Egypt, they have extended their activities to embrace the commerce of whole continents. They have become rich beyond the wildest dreams of avarice. Rarely to be detected in politics, and seldom, if ever, appearing in any prominent capacity in banking or investment, one is conscious of the influence which they exert by reason of the fabulous credits at their disposal, and the position they they have long held in high society.

The daughter of Thomas Ralli, the grain "king" of Odessa, became the wife of Sir R. C. Moreton, Master of the Ceremonies at the Court from 1887 to 1913, and *her daughter's husband, Lord Byng of Vimy, has recently been appointed Governor-General of the greatest corn-producing and exporting province of the Empire, the Dominion of Canada.*

Gennadius, long the Greek Minister to this country, received his financial training with and continued, on his own confession, on the closest terms with Ralli Brothers. He was a most intimate friend of King Edward, and extremely influential in all affairs wherein finance commingled with diplomacy.

The Rallis of the present generation are known, whilst British in nationality and residence, to exercise enormous weight in Greek politics, being, as Gennadius says, "passionately devoted to the great and glorious Fatherland."

GREECE IN THE AGE OF IMPERIALISM.

That the merchant princes of Greece should, in these days, be so potent, whether in Britain or in the homeland, is not to be wondered at, when one recollects that the fundamental basis of their economic power is also the fundamental commerce of capitalist society. They have, for a whole century, traded in cotton, the greatest of the staples of British manufacture. They have traded, also, in jute. They have handled wheat, the universal and indispensable necessity, the primary foodstuff of a people which seldom has more than six weeks' food supplies in hand in the country. They had the initial advantage of securing the sentimental attachment, combined with the community of economic interest, of the

Liberal capitalists and those progressive Tories who, in Manchester and Liverpool, were in the critical years of Greece's economic regeneration and national emancipation themselves accumulating vast surpluses for investment, and, at the same time, waging class conflict with the Turkey, Levant, and India merchants of an older school. They were able to establish connections with persons powerful in the financial world and influential in politics—such men as Ricardo, Cobden, Gladstone, Goschen, Evelyn Baring, and, later, Milner, Long, and Churchill.

They were trading and negotiating money transactions in the seething cauldron of Near Eastern diplomacy, in a position to drive good bargains and secure valuable patronage now from one high contracting party and now from another.

Russia, Austria, Germany, Belgium, Italy, France, Britain, and America—in all of these the Greek bourgeoisie was buying and selling cotton and corn, lending and borrowing cash and credit, making bargains in the market, the stock exchange, and in the chancelleries. In every capitalist country these traders in the staples were reproducing, on a heroic scale in this, the imperialist period, the achievements of the Portuguese and Frankfurt Jews in the Europe of Louis XIV., of Charles XIII., and of William III.

These Greek bourgeoisie had great expectations that, as a result of the Balkan and the Great Wars, wherein they were making enormous profits as war contractors and financiers, they should enter into and exploit the disintegrated provinces of the Turkish Empire. They had high hopes of falling eventual heirs to the Straits over which they foresaw Britain, France, and Czarist Russia would inevitably quarrel. They dreamed and, until the Bolshevik Revolution spoiled their scheme of brigandage, not without good grounds, of tremendous opportunities to develop the resources of the Danube valley, Poland, the Ukraine, South Russia, the Caucasus, Anatolia, Syria, Mesopotamia, Egypt, the Soudan, and Algeria. Amid the ruins of the French, British, and Russian Empires, the Greek bourgeoisie saw rising a new dominion, a new republican régime, reviving the ancient glories of Ionian Chios in the Age of the Amphytionic League, when, once before, its argosies came from Pontus laden with golden grain.