financial and political differences between Georgia and Azerbaijan caused continuous friction. This friction reached a crisis in February, 1919, when Azerbaijan refused to pump any more oil into Georgia, owing to the unwillingness or incapability of Georgia to pay for the oil which she had already received. Georgia was reduced to only three days' reserve before British efforts succeeded, after great difficulty, in reaching a settlement, and pumping was resumed.

Supply of relief material to Armenia became possible in February, 1919, at first only on a small scale since the Armenian railways were in even worse condition than the Batoum-Tiflis-To commence with, a few relief trucks were attached to each British supply train, but a separate service of 20 trucks daily was eventually arranged. Armenia's attempts to open passenger traffic, however, upset this arrangement, and, shortly after this had been rectified, political differences between Armenia and Georgia resulted in obstruction on the part of the latter to the passage of relief material. Hardly had this obstruction been dealt with when railway transport in Armenia again broke down, owing to Tartar-Armenian hostilities in the Araxes valley.

An indication of the improvement effected in the working of the Trans-Caucasian Railway during the period of British occupation is afforded by the fact that throughout the evacuation of the British troops from Georgia, Armenia and Azerbaijan (15th August to 9th September), every train ran to schedule time, and the transport of troops was effected without a hitch of any kind.

## (9) The Administration of the Oil Industry and Pipe Line.

On the arrival of the British at Baku, the oil situation was chaotic. There was no attempt at either co-operation, mutual exchange or purchase between Georgia and Azerbaijan. Both the pumping of oil through the pipe line and the carriage of oil by rail had ceased. Labour troubles were continual. All these difficulties were finally overcome by careful handling under British management, and by the advance of money to pay the workmen, and this in spite of a maximum of ignorant obstruction on the part of the Azerbaijan Government.

The industry was thus saved from apparent ruin. The oil fuel supply to the railways of the Caucasus and Persia was assured, and a reserve supply was built up for the use of the Royal Navy in the Black Sea.

The administration of the oil industry was carried out by Lieut.-Colonel J. A. Rule, O.B.E., to whose knowledge and ability its success was largely due.

## (10) Control of Caspian Shipping.

British control of the merchant fleet at Enzeli had already been instituted during the summer of 1918, and in the autumn a shipping controller had been appointed. On the occupation of Baku, every endeavour was made to restart trade without delay. The shipping, which had been nationalised, was denationalised, and the controller worked through a representative board of shipowners. During this period of supervision and control a large percentage of the merchant fleet, which numbered 147 ships

in all, were repaired, the dockyards were opened, piers put in order, harbours dredged, notably at Petrovsk, shipping companies reopened their offices, the lighthouse department was put into good working order, and all demands for transport were successfully met.

demands for transport were successfully met.

When the military evacuation of TransCaucasia took place in the autumn of 1919, the
Royal Navy personnel were also withdrawn
from the Caspian.

The following statistics show the work done up to 31st July, 1919:---

1			
Ships under British control		147	
Average tonnage	• • •	2,000	tons
Russian troops carried	•••	63,859	
Refugees repatriated		63,000	
Other passengers carried		325,900	
Cargoes carried		416,058	tons
Vessels salved	4;	5	

## (11) British Intervention in Internal Hostilities.

Possibly the most important function of the British army in Trans-Caucasia was that of intervening in the hostilities, which were a matter of frequent occurrence, between the various states and factions. The following are the more important instances in which British intervention was necessary. There were many others of a less important, though none the less difficult, nature, all of which were successfully dealt with by British officers, backed sometimes by small detachments of British troops:—

## (a) Georgian-Armenian Hostilities in the Borchalinsk Area.

On 9th December, 1918, hostilities between Georgian and Armenian frontier posts broke out in the area south of Tiflis, known as Borchalinsk, which had been ceded to Turkey by the Treaty of Batoum in June, 1918, but which was claimed by both Georgia and Armenia.

On 21st December, Armenia formally declared war upon Georgia, and hostilities commenced, during which the Armenian troops achieved considerable success.

Three days later negotiations were opened at Tiflis under the presidency of Major-General Sir W. H. Rycroft, K.C.B., K.C.M.G., who was then on a visit of inspection in the Caucasus, and an armistice was arranged.

Hostilities did not, however, cease until the arrival on 2nd January of Captain A. S. G. Douglas, O.B.E., Rifle Brigade, with a small detachment of British troops.

The peace negotiations were continued for some time under the presidency of Lieut.-Colonel R. N. Stewart, O.B.E., M.C., 2nd Bn., Cameron Highlanders, and, thanks mainly to the tact and diplomacy of this officer, a detailed peace was signed on 17th January, 1919.

Meanwhile Captain Douglas had been appointed Military Governor of the disputed territory with a small escort from the Rifle Brigade and a few troopers from the Lothian and Border Horse, supplemented by local police, enlisted and trained by himself. He successfully and peacefully controlled and administered a turbulent district of 1,000 square miles throughout the period of British occupation of Trans-Caucasia.