

**TIMES Russian Oil 19.9.39.**

A study of available statistics goes far to remove the fear that Russia's entry into the war arena will ensure Germany of ample oil supplies. Reliable information regarding Russian oil production and consumption is difficult to obtain, but foreign trade returns show that in recent years exports have been falling rapidly. In fact in 1938 they amounted to no more than 930,000 tons, and in view of the continued expansion of domestic requirements it seems probable that they have declined further during the current year. Thus, even if Russia had remained strictly neutral she would have had but a small surplus available for the belligerents. Now that she has mobilized some 4,000,000 men all of this surplus, and more, will be required to maintain her armies in the field.

Of course, Russia has great potential reserves, but it is doubtful if her existing methods permit them to be properly tapped and production increased; even if she is willing to accept German technical assistance it must of necessity be some considerable time before the additional oil becomes available. Moreover, lack of transport facilities will prevent any large quantities of Russian oil from reaching Germany, despite the fact that the territories of the two countries are now more or less contiguous.

But even if the oil is available and transport can be arranged, it would be wrong to assume that Germany will be able to obtain all the oil she requires, for she will find it difficult to pay for it. Her foreign exchange resources are known to be quite small, and Russia is hardly likely to allow her credit. It is true that some barter arrangement could be made—Russian oil for German machinery, for instance—but long before the War Germany's labour force and manufacturing facilities were strained to the utmost, and it is difficult to imagine that output can be expanded now that all her man-power has been drawn into her fighting forces.