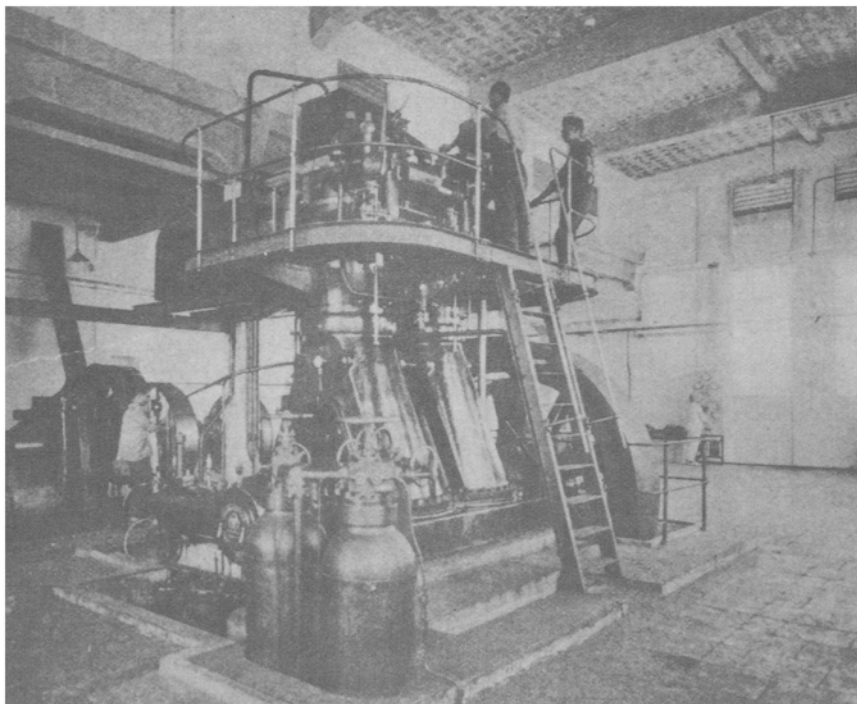


# Ancient Palestine Has an Up-to-the-Minute Soap and Oil Plant

By WILLIAM SCHACK

One and a Quarter Million Dollars Are Invested in a Plant That Produces Linseed, Sesame, Cocoonut, Sun Flower, Olive and Other Oils Besides Laundry and Toilet Soaps.



*Diesel engines insure a continuous power supply*

ONE of the outstanding sights of the ancient city of Haifa, in the north of Palestine, is the plant of Palestine Oil Industry Shemen, Ltd. This splendid, modern structure is most picturesquely located, situated as it is in a grove of date palms on a strand that curves between Haifa and Acre, where the Bay of Haifa is hollowed out of the Mediterranean Sea. Behind it rises Mt. Carmel, rapidly

being developed as a summer resort not only for West-Asiatics, but for Europeans as well.

The site of the Shemen plant is not merely pretty and healthful, however; it has its great commercial advantages. In the first place, it fronts on the Nablus Road. This great artery of commerce runs east from Haifa, cuts straight through the heart of the most recently developed agricultural settle-



*A view of the main factory building, with pressing plant, boiler room and refinery appearing in the background*

ments in the Valley of Esdraelon, and finally runs down into the well-populated central portion of the valley into the city of Jerusalem.

Another great advantage to the factory is its location on the Bay of Haifa, which unquestionably is destined to be the scene of great harbor improvements in the immediate future. At the present time Palestine has no good port. The one at Jaffa is rocky and narrow on the sea side and too cramped on

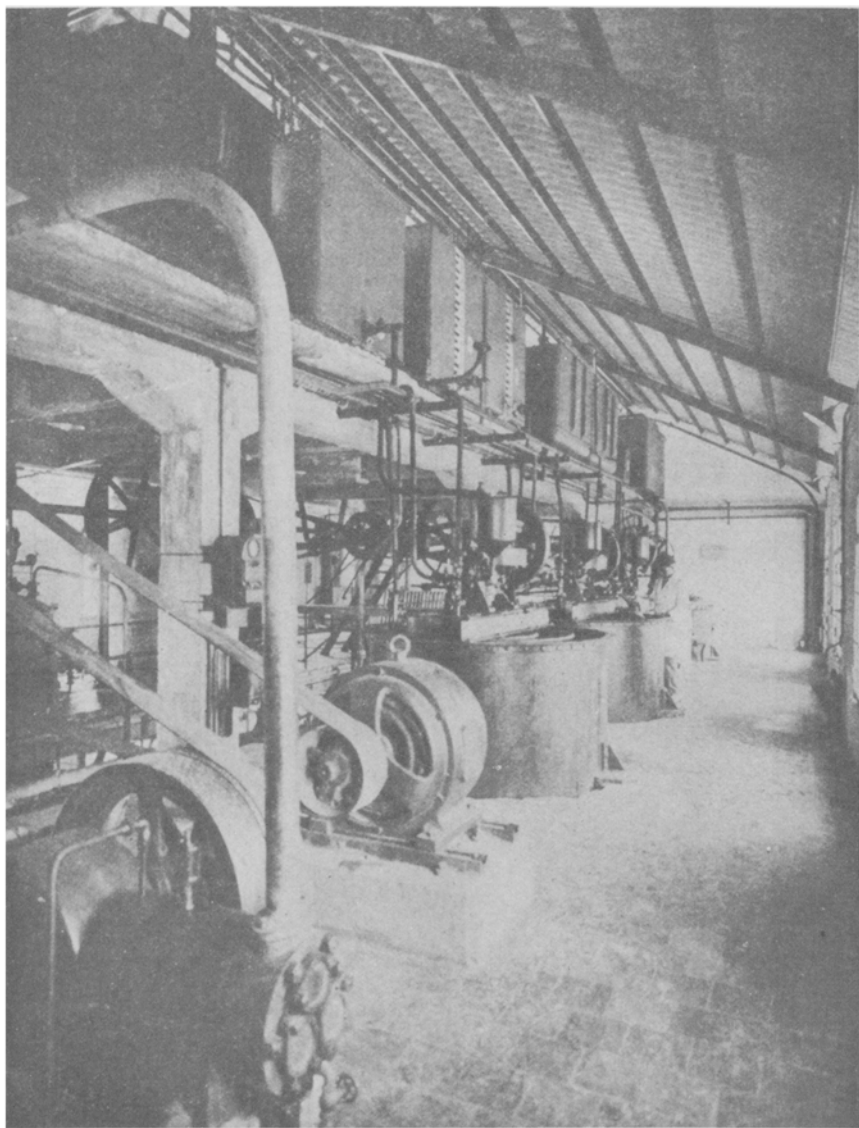
the land side. It takes care of most of the sea transport of the country now, as it has done for a long time, although articles weighing more than three tons are entered at Haifa. Haifa has certain advantages which make it probable that the extensive sums of money which will be needed for making a harbor will be used there. One of the major reasons is that this part of the country has seen the largest industrial development.



*Grounds surrounding Palestine Oil Industry Shemen, Ltd.*

Before touching on the Shemen plant itself, it might be well to explain how such modern factories have happened in so honorable and ancient, but quite desolate a land. The whole impetus to the industrial

development of Palestine is of very recent origin. Before the war the country was visited by tourists, mostly for its religious associations; no one thought of Palestine as modern in our western sense.



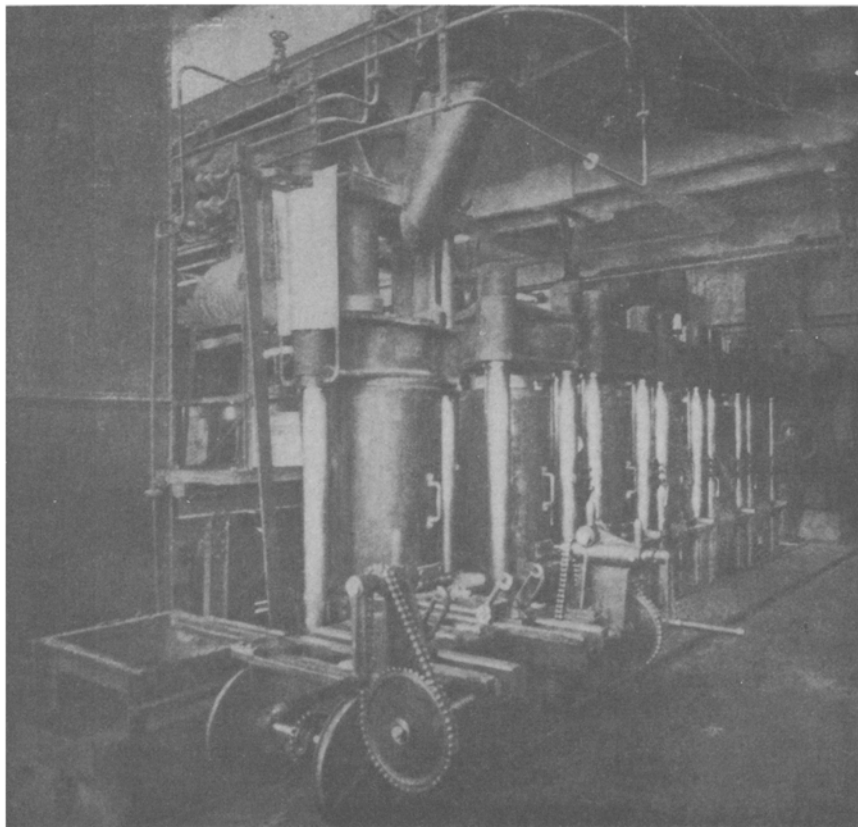
*A view of the refinery*

The natives—the overwhelming majority of them, at least—lived in the primitive fashion of their remote ancestors, and the Turkish government did nothing to improve the standard of living. There were virtually no decent roads, no effectual railroad service, no stimulus to rising above the crude agricultural methods practiced (and still practiced, by the natives), no industry.

The country took on new life when it became a mandate of England and the latter issued the Balfour Declaration pledging itself to foster the development there of a Jewish homeland. For a genera-

tion some Jewish colonies had been at work at orange and vine growing and wine making with notable success; but now, in addition to the infusion prior to the agricultural settlements, industry sprang up. And along with the laborers, skilled and unskilled, who in the last five years have come in from all parts of Europe, manufacturers have come to put their experience and capital to work in the new country. Factories, smaller and larger, have begun to dot the country.

The Palestine Oil Industry Shemen was organized chiefly by a group of Russian Jews, E. Pineson



*A battery of oil presses*

being president of the concern, and the manager, S. Glucksmann. Now, towards the end of its second year of existence, the enterprise is beginning to pay its way. It is capitalized at 250,000 Egyptian pounds, or \$1,250,000, of which one-half is invested in the plant itself.

This company produces linseed oil and edible oils, especially olive oil, as well as sesame, cocoanut and sunflower oils. In soaps, besides a laundry article, it turns out toilet soaps of various grades, particular attention being paid to castile soap. The olive oil is made on the premises for this purpose, the olives being of domestic origin. According to S. Slitzan, engineer and assistant manager of Shemen, they are a very superior variety, the best in the market for olive oil purposes. It must be remembered that the

cultivation of this fruit in Palestine is as yet far from intensive. Besides improvements in quality, the quantitative production is capable of enormous increase. Great areas of the Judaeian hills, now bare and stony, lend themselves to terracing for olive cultivation. A half hour north of Jerusalem is a Russian colony of long standing which has done excellent work in this direction. The following are the official figures for olives and olive oil production over a four-year period. In reading them one should make note of the fact that there was a terrible spell of three bad farming years, 1922 to 1924, due to irregular rainfall.

	Production in Tons			
	1921	1922	1923	1924
Olives . . . . .	405	3755	1116	3864
Olive oil . . . .	594	3297	2983	4901



*Part of the soap factory, where the soap is cut in bars and packed*

The olives are brought directly to the plant from the villages, pressed the same day and refined. The oil is not stored at all for future sale but disposed of at once. During the interim when no olives are available, and therefore no business is to be done with them, the plant turns its attention to other products, also seasonal.

Although the chief market for the Shemen products is Palestine, Syria and Transjordan (Iraq) also absorb some of its output. England has also proved a good buyer of its soaps, and some were sold in the United States. The company's inadequate dealer credit arrangements in our country, however, have greatly hampered its activities there.

Of the raw materials, part of the sesame seed if produced locally and the remainder of this seed comes from the Sudan in Africa and from India. All of these olives are secured locally. The other raw materials are imported; copra, for example, coming from Ceylon and the South Sea Islands.

The seedcake by-product known as "kuzba" is sold for fodder.

At present, with the country in the throes of a slump due to over-expansion, the plant is employing only one shift; but at a full three-shift operation its capacity is 25 to 30 tons of oil seeds per day. In each shift 80 people can be used. The average wage for an unskilled laborer is \$1.50 per day, and the scale runs up to \$2.50 for more skilled operatives. All the men, by the way, have been trained in the Shemen plant for their work, and they have made very satisfactory progress, according to Mr. Slitzan. The wage scale, as in all of the Jewish worked enterprises in the country, is far above that prevalent in all of the surrounding

Mediterranean country; for Jewish workers cannot exist on the extremely crude scale of living in which natives of these lands exist. These Jewish workers have brought with them the eight-hour day of the West. Fifty cents a day for a twelve-hour day represents an average native standard.

Everything in the plant press room, refinery and soap factory is modern, in accordance with the best standards of practice. Power is generated on the premises by means of Diesel engines.

The remote location has its drawbacks, naturally. Last year, for example, the company incurred a heavy loss because it could not get barrels (sent from Italy) on time.

It is interesting to note how superior quality wins out over all sorts of prejudices. It is common knowledge that the modern colonization of Palestine by Jews has met with stiff Arab resistance in certain quarters. Five years ago there were serious riots when native agitators interpreted the Balfour Declaration as a signal for a militant Jewish conquest. Though the Arabs, rich and poor alike, have in every instance gained economically from the advent of the Jews, indirectly, from the example of their modern methods, and directly from their active purchasing of land and agricultural produce, yet there are still agitators, most of them actuated by political motives, who keep up an offensive, within the law. Such an attitude, of course, has been inimical to Jewish products; but little by little the Arabs have taken to quality goods. The Shemen people have been through the same experience; but now they are selling soaps, for example, above the heads of the Arab makers, to Arabs, and in Arab strongholds.