

Cigarette money in pow camp

[Literature](#), [Russian Literature](#)



Cigarette money in P. O. W Camp Prisoners in P. O. W camp used cigarette money in trading commodities within the camp. The use of cigarette money established a form of a closed economy that had close semblance to the economic world beyond the camp.

How cigarette qualified as money in P. O. W camp

Cigarettes qualified as money in P. O. W camp by acting as a measure of value. Whereas barter trade existed in the P. O. W camp and acted as the alternative to cigarette money, cigarette money was preferred because it enabled the setting of a standard value of commodity that was equivalent to a given number of cigarettes. For example, while in the P. O. W camp, Radford sold treacle ratio for four cigarettes. Cigarettes qualified as money because it acted as a standard of deferred payment. Some buyers took commodities on credit with a promise of paying an agreed number of cigarettes in the future. Just like modern currency, cigarette money acted as a store of value so that buyers could keep their extra purchasing power for use when the Red Cross issue arrived. Traders accumulated cigarette money to help them purchase more stock when commodities arrived (Radford 5).

Factors for debasement of cigarette money

The fact that cigarettes served both as money and as a smoke was a factor that led to the debasement of cigarette money. Buyers in the P. O. W camp savoured high quality cigarettes for smoking and only used those that were of low quality for trading. The method used in making different cigarette brands was another factor in the debasement of cigarette money. For example, machine-made cigarettes that were supplied by Red Cross could afford more than hand-rolled cigarettes. Lack of homogeneity in the worth of

certain cigarettes led to the debasement of cigarette money. For example, some hand-rolled cigarettes were doubted for low quality and extreme thinness and some sellers would reject them. The cunningness of buyers in P. O. W camp to try to maximize on the few available cigarettes led them dismantling big machine-made cigarettes in order to make many smaller ones. Price fluctuations affected the stability of cigarette money and it would fall in value when prices went up (Radford 5).

Factors that led to inflation in the P. O. W camp

Like in modern economic times, a fall in the value of cigarette money was one of the factors that caused inflation in P. O. W camp. The decrease of the value of cigarette money led to inflation because some traders felt that they needed to charge more in order to realize meaningful profits. The anticipation and arrival of commodities in the P. O. W camp was another contributing factor for inflation. This manifested in price hikes when the day of the arrival of commodities approached. Inflation in P. O. W camp was accelerated by growth in the number of prisoners. These price hikes targeted primarily prisoners new in the camp who bought more because they were not used to life in the camp. High inflation was also experienced after prisoners received good war news. Weather changes were another cause of inflation. For example, the price of soap went up during hot weather (Radford 6).

In conclusion, the ability of cigarettes to act as a measure of value and as a standard of deferred payments was aspects that qualified their use as money in the P. O. W camp. The double function of cigarettes as both money and smoke was a factor that led to the debasement of cigarette money. The

devaluation of cigarette money and weather changes were factors that contributed to inflation in the P. O. W camp.

Work Cited

Radford, Robert. The Economic Organization of a P. O. W Camp. *Economica*, November, 1945. Print.