

# Homogenising the Nation, Turkifying the Economy

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## THE TURKISH EXPERIENCE OF POPULATION EXCHANGE RECONSIDERED

*Ayhan Aktar*

*There is no greater sorrow on earth than the loss of one's native land.*  
Euripides, 431 B.C.

*No serious historian of the nations and nationalism can be a committed political nationalist ... Nationalism requires too much belief in what is patently not so.*  
Eric Hobsbawm (1990)

### Introduction

Commenting in 1922 on the export of nationalism to Greek and Turkish societies, the British historian Arnold Toynbee noted that 'the inoculation of the East with nationalism has from the beginning brought in diminishing returns of happiness and prosperity' (1922: 18). The compulsory exchange of populations between Greece and Turkey demonstrates this point. The forced migration of well over one million Greeks and Turks not only increased chaos and despair among the migrants, but also profoundly changed the social and political texture of both countries. Concentrating mainly on Turkey, I argue that the exchange reduced the possibility of foreign intervention in her domestic affairs by homogenising the population along ethnic and religious lines, which in turn promoted the formation of a nation-state similar to western models. However, the exchange's effect on the economy of the new state was damaging, and necessitated many years of structural modification and readjustment.

## **A balance sheet: comparative advantages and disadvantages of the exchange of populations**

The Ankara Convention of 10 June 1930, signed by Turkey and Greece, provided a solution to the problems still outstanding from the compulsory exchange of populations in 1923. A careful analysis of the U.S. archive documents of the period indicates that American diplomats had perceived the population exchange and its attendant problems as a great obstacle to restoring peace in the Balkans. Following the Ankara Convention, an extensive report on the population exchange prepared by Raymond Hare in October 1930 assessed the economic and political consequences of the exchange: 'By the way of making a general summary of the situation, it might be said that Greece has gained economically and lost politically, and that Turkey has gained politically but lost economically (p.132).'<sup>1</sup>

For Greece, the political losses came in the form of outside interference. Between 1922 and 1930, Greece had spent more than £10 million on the settlement of Anatolian refugees. Mostly financed by foreign loans, the cost to Greece of this expenditure was a yearly debt-servicing burden of approximately £2.9 million. Indeed, because of the cost of mobilisation and the Asia Minor adventure, Greece had been in desperate need of foreign assistance from the beginning of the 1920s, as a direct result of which Greek politicians adopted a development strategy whereby in return for financial aid they accepted a certain amount of political interference by outside powers (Petropoulos 1976: 160). Acceptance of foreign intervention thus became a *modus vivendi* for the Greek political establishment.

Conversely, Turkey's major political gain was to rid her domestic affairs of interference from the Great Powers, a problem that had plagued the Ottoman Empire throughout the nineteenth century, for with the emptying of Anatolia of its non-Muslim minorities there was no longer a basis for such interference.<sup>2</sup> In addition, unlike Greece, Turkey did not receive any foreign assistance to facilitate the integration of the Rumelian<sup>3</sup> refugees into the national economy. Although Turkey was economically shattered and the government could not even spend £1 million on settlement and other refugee-related programmes, the advantage for Turkey was that it incurred no financially and politically crippling debts to the Powers. Combined with strong economic protectionism and a clearly asserted neutrality in international relations, the consequent level of non-intervention that the Turkish political elite was able to enjoy is arguably the most important achievement of the Kemalist regime.

## **Transformation of the social fabric: a search for ethnic homogeneity in both countries**

In the post-Lausanne period, Turkey and Greece were occupied with building nation-states, the distinctive feature of which was the emphasis on an

ethnically homogenous population. In a long speech given to the Greek Parliament on 17 June 1930, Prime Minister Venizelos urged ratification of the Ankara Convention. In so doing, he analysed the dominant political tendencies of both countries as follows:

Turkey herself – new Turkey – is the greatest enemy of the idea of the Ottoman Empire. New Turkey does not wish to hear anything about an Ottoman Empire. She proceeds with the development of a homogeneous Turkish national state. But we also, since the catastrophe of Asia Minor, and since almost all of our nationals from Turkey have come over to Greek territory, are occupied with a similar task.<sup>4</sup>

The fact that both political leaderships were busy completing ‘a similar task’ within their respective domains provided the objective basis of rapprochement between the two countries in the 1930s.

However, the process of forming ethnically homogeneous nation-states did not take place all at once, nor was it mainly the result of the compulsory exchange of populations between Greece and Turkey themselves. For Turkey, it was the result of the ten years of war between 1912 and 1922 (the Balkan Wars, the First World War and the War of Independence). The first examples of population exchanges between Turkey, Greece and Bulgaria took place just after the Balkan Wars of 1912/13. Then, during the First World War, the Armenians of Anatolia were forced into migration or worse, massacred.

The Ottoman population census of 1906 indicates that within the borders of present-day Turkey the population at that time was 15 million. However, the first Turkish population census to be conducted under the republican regime, in 1927, indicates that the population of the country had decreased to 13.6 million. McCarthy calculates that nearly 18 percent of the Muslims in Anatolia perished during the ten years of war (1983: 133). Changes in the ethnic and religious composition of the population were also dramatic: Keyder states that before the First World War, ‘one out of every five persons [20 %] living in present-day Turkey was non-Muslim, after the war, only one out of forty persons [2.5 %] was non-Muslim’ (1987: 79).

This drastic decline in the number of non-Muslims had severe economic consequences for Turkey. Observers of the period have noted the decisive role of Greeks and Armenians not only in petty trade and credit activities, but also in wholesale internal trade, in import and export, and in the overall financial structure of Turkey. As a careful observer of the pre-war period, Sussnitzki presents the fact that: ‘The Greeks and Armenians are preponderant almost everywhere. Neither the Arabs and Persians, who are able traders, nor by and large the Jews can compete with them’ (1966: 120–21). The departure of the Greeks and Armenians from Turkey meant that the most productive elements of the population, and a good deal of the entrepreneurial know-how, had left the country for good. Thus, when the republic was formed, the bureaucracy found itself largely unchallenged (Keyder 1987: 79), enabling the Kemalists to implement policies of turkification in the early years of the republic without much opposition.

For Greece, however, while the Muslims that left Rumelia were mostly peasants, the incoming Anatolian Greeks were mostly urban artisans or from the commercial classes. Indeed, the influx of refugees from Turkey had positive repercussions on the commercial and industrial life of Greece, and was in fact responsible for a short-term economic boom in the post-Lausanne period. As Yiannakopoulos clearly argues: ‘The urban refugee population was a source of cheap labour as well as skilled craftsmen. The country was enriched by men of proven business competence and experience’ (1992: 42). According to the survey conducted by the League of Nations in 1926: ‘Of the 7,000 merchants and industrialists enrolled in the Athens Chamber of Commerce, 1,000 were refugees, while the proportion was even higher in Piraeus. In 1961, 20 percent of Greek industrialists had been born in Asia Minor and Eastern Thrace’ (cited in Yiannakopoulos 1992: 42). Commenting on the economic prosperity that Greece experienced in the 1920s, one foreign observer made the following comparisons: ‘Thus, we may expect the Asiatic Greeks to bring to Greece the same kind of stimulus that England and America received from Huguenots expelled from France in the seventeenth century, and that Turkey benefited by when she welcomed the Jews exiled from Spain [in 1492]’ (Mears 1929).

The influx of Anatolian Greeks and the departure of Muslim peasants greatly contributed to the realisation of ethnic homogeneity in Greece. As the Greek member of the Refugee Settlement Committee, A. A. Pallis, stated in a report that was summarised in a U.S. diplomatic dispatch, ‘[Greece] has been rendered racially more homogenous by the exchange, its minority population now amounting to only six percent of the total population as compared to 20 percent in 1920’ (Hare 1930: 94). This was no doubt a considerable achievement, and very similar to the Turkish one.

## **Setting the stage for the final exchange: the Balkan Wars and their aftermath**

A full dress-rehearsal of the population exchange of 1923 was staged in 1912 when the Ottoman army was defeated in the first Balkan War, and Turkish territory overrun by troops from the Balkan states. The first group to suffer was the Rumelian Muslims living in the war zone. When the advancing Bulgarian army was halted just sixty-five kilometres from Istanbul, nearly 250,000 Muslim refugees who were fleeing ahead of the army spilled into the imperial capital (Toynbee 1922: 138). In Istanbul, all the mosques, including the Hagia Sophia, had to be converted into shelters for the homeless refugees. The tragic consequences of the Balkan Wars on the Rumelian refugees had important repercussions on the collective consciousness of the Anatolian Greeks too. As Toynbee rightly observed, ‘The arrival of the Rumelian refugees from the end of 1912 onwards produced an unexampled tension of feeling in Anatolia and a desire for revenge; and so the Balkan War had two harvests of victims: first, the Rumeli Turks on the one side, and then the Anatolian Greeks on the other’ (1922: 139).

With the tension manifesting itself in hostile mob behaviour and a more-nationalistic state bureaucracy, Greeks started to migrate from the western coast of Turkey towards the Aegean islands. At this point, Galip Kemali [Söylemezoğlu], the Turkish Minister in Athens, unofficially proposed ‘an exchange of the rural Greek population of the Izmir province for the Muslims in Macedonia’ (Söylemezoğlu 1946: 102–32). This proposal was subsequently approved by the Greek administration on the condition that the exchange not be compulsory. In the post-Lausanne period, this decision faced severe criticism. In particular, Prime Minister Venizelos was accused of being the first perpetrator of a population exchange that uprooted hundreds of thousands of Anatolian Greeks. Nearly sixteen years later, in June 1930, Venizelos felt the need to justify his position in his speech to the Greek Parliament:

Finding myself, after the Balkan Wars, faced by the beginning of the expulsion of the Greek element in Turkey, I sought by every means to evade throwing the country into war. I sought, therefore, to come to an agreement with Turkey upon the following basis: let it recognise the cessation of the islands to Greece and I would agree, that is to say the Hellenic Government would consider itself morally bound, to advise a part of the Greeks in Turkey, whose presence in Turkey was considered as dangerous by the Turkish government, to consent, if possible, to exchange their homes in return for those of Turks in Greece.<sup>5</sup>

Although, due to the outbreak of war in October 1914, the exchange was not officially implemented, approximately 150,000 to 200,000 Greeks living within Ottoman borders had already left their homes and migrated to Greece (Hare 1930: 31).

Unfortunately, there are very few mentions in the memoirs of Turkish statesmen of how the exchange of populations took place during these years. However, Hilmi Uran is an exception. Uran was appointed the local governor of a small town, Çeşme, in May 1914, only a few months before the outbreak of the First World War.

The Greek community of Çeşme had been formed largely by late-eighteenth-century Greek migrants from Chios hoping to take advantage of changing trade patterns and the growing economic importance of Izmir at the expense of Salonica (Augustinos 1992: 92). In the nineteenth century, this community rented strips of land from local Turkish notables, which they then converted into vineyards. Subsequently, vines were supplemented by the production of cash crops, such as tobacco and aniseed. This agricultural commercialisation had generated a level of wealth and living standards that impressed the newly appointed local governor, but upon his arrival in Çeşme, Uran was confronted with innumerable legal disputes between Turkish landlords and Greek tenants (Uran 1959: 67). He goes on to describe how just a few days after his arrival, the Greek community in and around Çeşme started to panic and arranged the means of transport to the nearest island, Chios. Nearly forty thousand Greeks migrated in two weeks (*ibid.*: 69–71).

Çeşme’s Greek community migrated to Chios in such haste that they left their homes and most of their personal belongings intact. One of Uran’s most

important responsibilities as governor thus became the protection and proper re-distribution of Greek moveable property. Soon, however, all his efforts became futile and the abandoned Greek property was plundered either by the local population or by Rumelian refugees arriving from Salonica.

These refugees were mostly wheat-growing peasants from the highlands of Macedonia. As Uran complained in his memoirs: ‘These were people who could not adjust either to Çeşme’s climate, or to its agricultural character; as a matter of fact, they did not. For instance, there were among them those who saw aniseed for the first time in their lives and, because of their ignorance, tried to use it as animal feed’ (ibid.: 72). Some of the refugees even wore the clothing left by the Greeks. For instance, there is a humorous account in Uran’s memoirs of a couple of refugees who, upon being assigned a house originally owned by a Greek priest, proudly took to the streets unwittingly promenading in their newly acquired robes, those of a Greek priest. Uran mentions that these ‘men in black’ must have created some suspicion among the local officers as to whether Greeks had returned to town. Some other refugees, not accustomed to the warm weather, used the black umbrellas they found to protect themselves from the sun. Uran was also very amused watching the refugees work their land holding fancy lacy umbrellas formerly belonging to urban Greek women (ibid.: 76).

Criticising the incompetence and lack of information in government circles with respect to refugee settlement, Uran also made embittered remarks about the transformation of the city:

As a matter of fact the majority of the refugees who were sent to a place like Çeşme in that period did not even know the details of wheat production. They were Bosnian peasants who were very poor, very ignorant and quite primitive and did not even speak Turkish ... They were by no means suited to the advanced living standards which they had encountered in Çeşme. Finally, they did their best to reduce Çeşme to their own standards in a very short period of time (ibid.: 75)

This instance of settling Rumelian refugees in Çeşme provides the first example of the human tragedies that were to be experienced in abundance after 1923. Unfortunately, the Lausanne exchange was more complicated and painful due to the severe post-war conditions Turkey faced, making the settlement of refugees even more problematic.

## **Obstacles to refugee settlement in post-Lausanne Turkey**

The prevailing view in most publications on the Lausanne population exchange is that the task of the Turkish Government was far easier than that of the Greek one. For instance, S. P. Ladas argues that the settlement problem in Turkey was easy enough to solve because of the abundance of land in that country (1932: 708). One can conjecture that this dominant theme emerges among Greek scholars working on the topic due to the fact that in the post-1922 period the number of exchanged Anatolian Greeks was substantially more than that of the Rumelian Muslims. However, the housing problem in Turkey

was already serious before considering the needs of incoming Rumelian refugees. Since the western part of Turkey had been a theatre of war between 1919 and 1922, and was further ravaged by the retreating Greek army, there were actually thousands of homeless *local* Turks, who were trying to survive in properties that had been burned down during the military operations.

In order to administer the exchange, on 8 November 1923, the Turkish Parliament created the Ministry of Reconstruction, Exchange and Settlement (Arı 1995: 33). During the parliamentary discussions, some deputies proposed that the properties remaining after refugee land distribution should be given to homeless locals (Turkish Parliamentary Minutes 1975, Vol. 3: 303 – hereafter TBMM/ZC 1975).<sup>6</sup> Indeed, four months later, after one deputy's argument on 3 March 1924 that 'the true sons of this country whose homes were destroyed and razed to the ground and who are in real need of housing and shelter should be given homes after the refugees', the proposal was accepted and the law modified on 13 March 1924 (TBMM/ZC 1975, Vol. 7: 414).

The Anatolian Greeks, on the other hand, had started pouring into mainland Greece between the fall of Izmir on 9 September 1922 and the armistice signed in Mudanya on 11 October 1922. Hence, by the opening of the Lausanne peace talks on 1 December 1922, most of the exchangeable Greeks had already left Turkey. Ambassador Morgenthau, who travelled to Greece at that time, commented on the nature of their departure when he wrote, 'Within a few weeks 750,000 people were dumped like cattle at the ports of Salonica and Athens, and upon the larger Greek islands' (Morgenthau 1929: 48). This helps us to understand why the Greek delegation in Lausanne had to argue that the population exchange be compulsory. Only by the compulsory removal of the Muslim minority would their land be freed up for the thousands of Asia Minor refugees, and only by their compulsory removal could Greece itself achieve the level of homogeneity to which it aspired.<sup>7</sup>

The Muslim minority in Greece remained on their land for another year before being deported. However, Anatolian Greeks had already started to be settled in towns and villages throughout Greece with the result that during this transition period they often had to coexist in the same villages as the Rumelian Muslims. It is very significant that there are no records of serious inter-communal strife during this period, even though the Greek state confiscated some of the Rumelian Muslims' property and livestock and distributed it among the newcomers (Yalçın 1998; cf Köker, this volume).

At Lausanne, 1 May 1923 was set as the commencement date of the exchange, but according to the records of the Turkish Red Crescent, which was responsible for the transfer of Rumelian refugees to Turkey, the refugees started to leave Greece much later. The first ship sailed from Salonica to Turkey on 19 December 1923, while the major influx of Rumelian Muslims to Turkey actually took place later, during the first eight months of 1924 (Çanlı 1994). During the same period, the remaining Greeks in central Anatolia were transported to Greece, albeit in considerably lower numbers than the Rumelian Muslims. The official figures of the Mixed Commission for the exchange state that 354,647 Muslims were exchanged for 192,356 Greeks

but, as noted, the bulk of Greek refugees (well over one million) had already left Turkey (Hare 1930: 64).

Between September 1922 and the middle of 1924, most of the abandoned property belonging to the Greeks in Turkey was either looted or occupied, or both. The following telegraph of Dr. Bahtiyar, the president of the Association of Settlement and Mutual Assistance in Izmir, was read in Parliament on 26 October 1924:

In spite of the fact that the settlement regulations of Balkan War refugees were well-defined and obvious enough, some deputies, state officials from various ranks, army officers, local notables and homeless individuals – but not the ones who deserved assistance! – occupied the abandoned properties that originally belonged to the Greeks. Under the guise of being homeless due to fire, the unlawful occupation of abandoned Greek property has increased the feelings of despair and weakness, further exacerbating the disorder among the refugees (TBMM/ZC 1975, Vol. 9: 94).

The discrepancy between the early departure of Anatolian Greeks and the late arrival of Rumelian refugees had made this pillage easy. Building materials extracted from the so-called ‘abandoned buildings’ such as tiles, iron bars, window frames and doors were either sold on the market or used in the construction and repair of the houses belonging to locals. For instance, Cavit Paşa, in his criticism of government incompetence, mentioned how the plundered tiles were sold in the market-place in Samsun (TBMM/ZC 1975, Vol. 10: 36). As a result, the houses given to most of the arriving refugees had nothing but bare walls.<sup>8</sup>

In a dispatch to the Secretary of State for Foreign Affairs, R. W. Urquhart, the British Consul in Izmir, described how the Turkish Government’s decision to pay salaries ‘in kind’ encouraged the army officers to participate in an unusual form of commercial activity: ‘The officers have received during the past ten months a certain small percentage of their pay in cash, but part of it has been paid by drafts on the Commission de Liquidation des Biens abandonnés, which are accepted by that commission in payment of goods in its hands; so they have become dealers in old furniture.’<sup>9</sup>

In October 1924, the deputies from the opposition benches criticised the government’s misconduct of the refugee settlement by recounting the stories they had heard or the cases they had observed in their election districts, and demanded a parliamentary investigation of the Ministers of Reconstruction, Exchange and Settlement. A two-week long parliamentary discussion of issues related to the exchange of populations and the settlement of Rumelian refugees in Turkey followed. In these sessions, all three consecutive Ministers of Exchange took the floor and faced fierce criticism.

## Turkish parliamentary debates on the population exchange

Turkish parliamentary debates provide an extremely useful source for understanding the structural limitations that prevented a more successful implementation of refugee settlement in the post-Lausanne period, as well as its immediate political repercussions. For instance, the speech of Hasan [Saka] Bey, one of the representatives in Lausanne, on 1 January 1923, provides a narrative of the population exchange discussions in Lausanne. He stated that the Greek delegation had proposed the exchange of populations and that the Turks willingly accepted it; he also noted that both sides agreed to keep the Greeks of Istanbul excluded from the exchange.<sup>10</sup> Another significant discussion on the population exchange occurred two months later, on 3 March 1923, when Dr. Rıza Nur, the deputy-head of the Turkish delegation in Lausanne, specifically narrated the Turkish position on the issue of minorities.<sup>11</sup> During the Lausanne peace talks, Dr. Nur personally led the debates at the sub-committee level where the legal position of the non-Muslim minorities in the newly forming Turkish republic was negotiated. This was a critical issue since the Great Powers often used the position of non-Muslim minorities as a pretext to intervene in the domestic affairs of the Ottoman Empire. Dr. Nur quite bluntly stated that the compulsory exchange of populations had already resolved this question: as there would be no minorities left in Anatolia, there would be no foreign intervention. Furthermore, he argued convincingly that Greeks who had already migrated would never be allowed to return to Anatolia. Dr. Nur articulated the reasoning behind this position later in his memoirs:

The most important thing was the liberation of Turkey from the elements which through the centuries had weakened her either by organising rebellions or by being the domestic extensions of foreign states. Hence the making of the country uniformly Turkish ... was a huge and unequalled responsibility. It would have been extremely difficult to make the Greeks agree to this or even to suggest this. Thank God, they were the ones to propose it (Nur 1967, vol. III: 1041).

Dr. Rıza Nur's position on the achievement of ethnic homogeneity in Turkey was endorsed by nearly all of the deputies, who were unanimous in their support of the exchange of minorities. The deputies considered the existence of minorities in Anatolia a potential threat to the national security of the young republic in terms, not only of inter-communal strife, but also in relation to the possibility they presented for foreign intervention. Their minds were influenced by bitter memories of the late nineteenth and early twentieth centuries when consistent and repeated Great-Power interference occurred. For instance, Vehbi Bey, the deputy for Karesi, articulated these feelings when he stated on 5 November 1924, 'The arrival of every individual is a [source of] richness for us; and the departure of every individual who leaves is a blessing for us!' (TBMM/ZC 1975, Vol. 10: 25).

The parliamentary debates also illuminate the ideological concerns of the deputies in the execution of the exchange. The neglect of the linguistic criteria

in the settlement process was one of the first criticisms the Ministers of Exchange had to face, especially from prominent nationalist deputies who criticised the settlement of the Albanian- or Greek-speaking Muslims on the western coast. For instance, the ardent nationalist Hamdullah Suphi [Tanrıöver] Bey brought the question to the attention of the Parliament in the following statement: ‘They settled the Greek-speaking masses right across the sea from the islands. A grave mistake! Soon, when peace truly reigns and relations between the islands and our shores pick up and Greek islanders and the Greek-speaking masses reestablish contact, then it will be impossible ever to eradicate this foreign language’ (TBMM/ZC 1975, Vol. 9: 92). Among other deputies who were more critical of the cultural consequences of the settlement, Ali Şuuri Bey, the deputy of Karesi, complained: ‘Among the refugees settled on the coast, the dominant dance is the polka instead of our national dance; the dominant musical instruments are the mandolin and the bagpipe instead of our national instruments; the dominant language is Albanian and Bosnian instead of our national language!’ (TBMM/ZC 1975, Vol. 10: 28).

The concentration of Greek- or Albanian-speaking refugees in certain regions created further suspicion among the nationalists, who desired complete homogeneity of the population. For them, this was a clash between the ‘ideal’ and the ‘real’. Instead of an imagined community they hoped would be similar to their own, they encountered, in their view, a group of people from a rural background, speaking foreign languages and with very different life styles. Needless to say, the Turkish nationalists were disturbed by the cultural discord created by the influx of refugees. Here the process of turkification worked in the opposite direction: it created distrust and suspicion among the ruling nationalist elite towards the repatriated masses. Bernard Lewis demonstrates the absurdity of the nationalists’ expectations on both sides of Aegean as follows: ‘A Western observer, accustomed to a different system of social and national classification, might even conclude that this was no repatriation at all, but two deportations into exile – of Christian Turks to Greece, and of Muslim Greeks to Turkey’ (1968[1961]: 355). The reactions of the Turkish nationalists were especially significant in that they came to constitute the backbone of the 1930s cultural xenophobia that eroded the cosmopolitanism of the late-Ottoman period.

### **The structural impediments to a better settlement: determining the material basis of chaos and despair**

A careful analysis of the scholarly works on the compulsory exchange reveals that there was a substantial amount of ill-considered and inappropriate settlement in both Turkey and Greece. For instance, tobacco producers from both countries were resettled in regions where tobacco production was virtually impossible. Even worse, wheat-producing peasants were forced to settle in regions with olive groves. Unaccustomed to growing olives, the refugees simply cut down the trees and used them as wood for their stoves, planting wheat

or barley in their place. These unfortunate events were naturally blamed on the governments.

The answers given by the Ministers of Exchange to the deputies' criticisms in the Turkish Parliament reveal the nature of the social and economic problems the young republic faced in its settlement efforts. The most important problem in the exchange was the contrast between the departing Anatolian Greeks and the incoming Rumelian Muslims. While the Anatolian Greeks were predominantly urban, the Rumelian Muslims were largely rural. Even if the armies had not burned down the villages during the war, even if the homeless locals had not occupied most of the abandoned property, this dissimilarity in populations would have complicated matters in and of itself. The Minister of Exchange, Mahmut Celal [Bayar] Bey therefore had to admit in Parliament that:

[T]he lifestyles and economic conditions of those arriving are not similar to those of the departing [Greeks]: those departing are mostly tradesmen or merchants. However, those arriving are generally farmers. Gentlemen, the overwhelming majority of those arriving are peasants; the overwhelming majority of those departing are urban dwellers! I leave it to your judgement to decide if it is at all possible to succeed in [the matter of] settlement under such irreconcilable conditions (TBMM/ZC 1975, Vol. 10: 52).

The second structural limitation preventing a successful settlement of refugees was the lack of information. In the immediate post-Lausanne period, the government in Ankara lacked even the most basic information about the society it was trying to rule. Social statistics about the various forms of livelihood within the Turkish population were either non-existent or had become obsolete. Furthermore, the republican elite proved inefficient in gathering information about the country and developing a sense of control over its economic and social issues. Under these conditions, the settlement of refugees was conducted at best in an ad hoc manner. When the Ministers of Exchange were accused in Parliament of forcing people from plains to settle in valleys and vice versa, one minister, Refet [Cantez] Bey, had to acknowledge the following:

Gentlemen, how much of the land in the villages is in the plains and how much of it is in the highlands? What is the sum of arable land in the villages? How many persons could be engaged in cultivation? What is the actual level of agriculture? It is necessary to conduct extensive research on these issues. Yet it is impossible to obtain this information now. Since this type of information does not exist, it is necessary to progress in general terms and that is what we are undertaking now! (TBMM/ZC 1975, Vol. 10: 43).

Lacking any kind of scientific information like a population census, industrial and agricultural surveys or cadastral maps of Turkey, the government relied on the information gathered informally at ports during the arrival of the refugees. Their final destinations were decided on this scant information.

The third structural problem arose from the poor quality of the staff employed. Immediately after the formation of the Ministry of Reconstruc-

tion, Exchange and Settlement on 8 November 1923, many of its positions were filled by retired army officers, and then by bureaucrats dismissed from their posts in other ministries. Indeed, references are frequently made in the parliamentary debates to the harsh, inflexible and irresponsible attitude of these state officials towards the refugees.

## **Collapsing system of communications: government support for the turkification of Anatolia**

After the ten years of war between 1912 and 1922, not only was much of Turkey's agricultural land in a state of ruin, but homes and cities had been torched, leaving many people destitute. Moreover, at a time of such need, the country's reserves of entrepreneurial know-how and artisanry had been almost totally drained with the departure of Anatolia's minorities. The non-Muslim commercial bourgeoisie of relatively developed Anatolian cities such as Samsun, Trabzon, Erzurum, Adana and Gaziantep had been subjected either to forced migration and massacre – as in the case of the Armenians – or to exchange – as in the case of the Greeks – while artisans and craftsmen had found their way either to Europe or to neighbouring countries. The newly emerging Turkish bourgeoisie and urban artisans could not replace the minorities in all sectors of economic and social life.

The loss of entrepreneurial know-how was critical in trade, especially in western Anatolia. Traditionally, Izmir had been an important centre for the export of Turkish agricultural products. Basic agricultural goods exported from Izmir such as tobacco, sultanas, cotton, dried figs and hazelnuts had constituted nearly 60 percent of Turkish export revenues (Keyder 1982: 109). However, when the Greek, Armenian and Levantine merchants who had been acting as intermediaries between local producers and foreign buyers were removed, trade proved difficult. This is evidenced by the following correspondence received by the British Chamber of Commerce of Turkey from a dried-fruit importer in Bristol in October 1923:

Owing to the recent troubles in Smyrna we have lost several of our old connections and shippers of sultanas, and this season and the last we have not been in a position to import, or to offer, on account of being unable to obtain offers of Smyrna fruits.

We shall be very pleased if you will put [us] in touch with reputable houses and shippers, who will immediately forward us type samples ... We are [also] interested in dried plums and prunes, and [if] it is possible you may be able to put us in touch with a shipper.<sup>12</sup>

Soon the Turkish Government attempted to fill the vacuum with local Turkish merchants. Already, some local notables with good contacts in Ankara had profited from the distribution of abandoned Greek property, not only by occupying the most fertile agricultural holdings, but also by claiming the abandoned industrial establishments and workshops. Parliamentary debates

reveal, for instance, that a deputy from Balıkesir had acquired for himself a house in the town centre, a summer residence, thousands of olive trees and a soap factory around Ayvalık (TBMM/ZC 1975, Vol. 10: 36). Even though this emerging group of Turkish businessmen had very limited experience in international trade and business transactions, they volunteered to replace the non-Muslim entrepreneurs. Although they lacked commercial expertise, they nevertheless had the advantage of government support from Ankara. This dependency on the state, however, ultimately limited their development as an independent bourgeoisie.

By the mid-1920s, the native commercial class was gradually beginning to fill the vacuum left by the departing minorities. For instance, in May 1925, a report written by Alaiyelizade Mahmut Bey, the president of the Izmir Chamber of Commerce, stated that many Turkish businessmen had settled in Izmir after the liberation, opening about fifty-four stores and selling mostly imported European textile products. Many companies specialising in the export of agricultural products were also formed in Izmir. Indeed, Mahmut Bey provided a detailed account of the levels of production reached for certain agricultural products such as sultanas, dried figs, tobacco, olive oil, cotton, and convincingly argued that thanks to the continuous support of the government in Ankara, pre-war production levels had already been reached (Koraltürk 1996–97: 197).

In contrast to these positive accounts of Mahmut Bey, however, the foreign diplomats stationed in Turkey presented an altogether different and dire picture of Turkish economic performance in their dispatches: all were highly critical of the turkification policies being implemented in the early years of the republic. For instance, in November 1929, British Ambassador Sir George Clerk evaluated the performance of the newly formed Turkish firms as 'incompetent', and continued with the following scathing assessment:

This incompetence is repeated in the numerous Turkish firms of smaller importance which have endeavored to replace the Greek and Armenian middlemen who were always the backbone of Turkish commerce. Almost invariably these new Turkish firms start business as commission agents, but they have neither the patience, the experience nor the temperament to build up their fortunes slowly in the same way as their Christian predecessors. In most cases they drift to Ankara, to the neglect of their agency commitments, and endeavor to get rich quickly by dabbling into large contracts. Further, commercial morality here has declined of late years.<sup>13</sup>

Ambassador Clerk's remarks reveal that at least in some cases continuing support from government circles had not been sufficient to create the desired outcome. Perhaps if the group replacing the minorities had received less protection and tutelage from Ankara, it might have been forced to develop its entrepreneurial capacities much more effectively and successfully. Mostly due to the lack of business skills of this emerging bourgeoisie, as well as the destructive effects of the Great Depression in 1929, the founders of the new Turkish state were forced in the 1930s to move towards a more protected and autarchic

model of economic development. Subsequent growth in the size of the public sector and the newly formed state economic enterprises to compensate and eventually replace private initiative not only dwarfed the Turkish business elite in size, but also consolidated their immaturity. I personally view this as the most significant and negative outcome of the population exchange in Turkey.

## The turkification policies implemented in Istanbul

By mutual agreement at Lausanne, the Greek community of Istanbul was excluded from the compulsory exchange. Nevertheless, especially in the second half of the 1920s, the remaining minority merchants and foreign companies were forced to suffer continuous pressures, the most significant of which came as a result of the emerging trend of nationalist economics. Under the dominant slogan of the period ‘Turkey for the Turks’, Muslim Turkish merchants organised themselves in the Chambers of Commerce that had previously been dominated by non-Muslims. With government support, they then identified themselves as ‘national merchants’ (*milli tüccar*) thereby implying that the minority businessmen who remained in Istanbul were not national, and therefore of suspect loyalty to the regime. In other words, the aim of the turkification schemes was not merely to create a nationalist bourgeoisie, but to do so at the expense of existing minorities and foreign-owned companies. The turkification programme can thus be defined in practice as a set of policies aimed at establishing the unconditional supremacy of Turkish ethnic identity in nearly all aspects of social and economic life.

The policies implemented in the 1920s consisted of measures such as mandating that foreign companies must keep their books in Turkish, allocating certain professions and state employment exclusively to Muslim Turks, and ruling that foreign-owned companies should have Muslim Turks comprise at least three-quarters of their employees. In one dispatch to London, British Ambassador Sir R. Lindsay grumbled about the news that ‘in the future only Turks would be allowed to act as chauffeurs’.<sup>14</sup> Similar pressures were also exerted on foreign concessionaire companies like the Izmir–Aydın railway company (The Ottoman Railway from Smyrna to Aidin). A representative of the company paid a visit to the British Ambassador on 18 March 1926 and mentioned that the Turks were demanding that the personnel of the railway should be entirely Turkish. The railway company was willing to employ Turks as far as possible, but could not find any suitable.<sup>15</sup> In this period firms, shopkeepers, companies and sometimes even professionals such as doctors and lawyers were told to dismiss their non-Muslim employees and hire Muslim Turks instead. Perfect examples of the discrimination against non-Muslim minorities, most of these demands had neither a legal basis nor any constitutional justification; they were simply de facto pressures exerted by the Turkish bureaucracy.

In another of his dispatches, also in 1926, the British Ambassador Sir R. Lindsay examined the psychological factors behind the turkification programmes:

Imbued with a profound distrust of all non-Turkish elements, a distrust due to the policy of the Powers towards Turkey for more than a hundred years, the republic is resolved to surround itself with a Chinese wall of exclusiveness and reconstruct a State in which there shall be no room for the exercise of foreign influence even by individuals and traders. This policy is being pursued with remorseless pertinacity ... and it receives the cordial support of the whole population.<sup>16</sup>

The construction of the ‘Chinese wall’ would be completed in the next decade, with *étatist* development models and autarchic trade regimes forming its cornerstone. Moreover, while the turkification policies implemented in the 1920s had been de facto administrative policies, later policies eventually acquired legal force so that the discriminatory practices against the non-Muslim minorities became *de jure* expressions of nationalist ideology. The notorious law (number 2007) passed in 1932 ‘Restricting certain Professions and Trades to Turkish Citizens only’<sup>17</sup> is an example of this transformation. As a result of its implementation, nearly nine thousand non-exchanged *établis* Greeks lost their jobs, and soon after migrated to Greece for good (Aktar 1996a). Indeed, there is no doubt that the policies of turkification were responsible for the haemorrhaging of non-Muslim communities from Istanbul during the early years of the republic, despite the clauses specifying minority rights in the Treaty of Lausanne.

## A final note: the transformation of Turkish nationalism

It is widely accepted that Turkish nationalism was first formulated and codified by Ziya Gökalp (1876–1924) during the Balkan Wars. Unlike most formulations for national identity, which emphasise race and ethnicity, Gökalp’s criteria for membership of the ‘national community’ were cultural and linguistic. Gökalp defined the nation as follows:

... [The] nation is not a racial, ethnic, geographical, political, or voluntary group or association. [The] nation is a group composed of men and women who have gone through the same education, who have received the same acquisitions in language, religion, morality and aesthetics ... Men want to live together, not with those who carry the same blood in their veins, but with those who share the same language and the same faith. (1959: 137)

It was the multiethnic and multi-religious nature of the Ottoman Empire that necessitated such criteria, an empire in which it was practically impossible to preach particularistic nationalism even during the Balkan Wars. In formulating the principles of Turkish nationalism, Gökalp inevitably had to recognise the significance of the *millet* system even if it had already disintegrated. Furthermore, for Gökalp, religion was significant only insofar as it was a factor of shared culture; he emphasised Islam only as a moral force that would help bring about social solidarity, and not as a necessary condition for being a Turkish nationalist. Gökalp’s place for Islam might also help explain why Jewish intellectuals like Moise Cohen Tekinalp (1883–1961) and Abra-

ham Galante (1873–1961) played an active part in the ideological kitchen of Turkish nationalism (Aktar 1996b: 272).

Gökalp's conceptions of nation and nationalism were accepted until the second half of the 1920s, at which point an ideological break set in and the model underwent a radical reconstruction. Gökalp's idea of an individual's ties to the national community being along cultural and therefore civic lines was superseded by an ethnic definition tailored by the republican elite. The formation of the rhetoric on nationalism can be traced through the Turkish parliamentary debates on the exchange and settlement. Earlier in this article, I noted that the Ministers of Exchange and Settlement were criticised because of their neglect of linguistic criteria. When Dr. Rıza Nur was especially harsh in criticising the settlement of Albanians in and around Izmir, some deputies pointed out that he had been politically very accommodating to the Albanian deputies when he served in the Ottoman Parliament. His reaction was quite revealing:

At that time the Albanians were part of the ingredients of this land. From Basra all the way to Iskodra [in Albania] there were fifteen to twenty national groups; under such conditions I could not possibly pursue the line of argument of Turkism. You know as well as I do that the 'Union of all Ottomans' was in fashion then. It was truly impossible to pursue any other policy. Later, I began on the path of Turkism [when it became politically viable](TBMM/ZC 1975, Vol. 10: 152).

The majority of the republican political elite soon followed Dr. Nur in accepting this new understanding of nationalism, so much so that the republican version of ethnic nationalism soon became the mainstay of official Turkish ideology. In this context, the non-Muslim minorities – even though they were Turkish citizens – were clearly left out of the national community, and became technically impossible to incorporate. As a consequence, they started to be discriminated against and treated as outsiders in their own lands: ethnic nationalism thus became the archenemy of cosmopolitanism.

However, one has to concede that the new regime in Ankara, stripped of its imperial traditions and confined in its sovereignty to Anatolia alone, could not have responded otherwise. The already-turkified human geography of Anatolia made it impossible for the republican elite to provide an umbrella sheltering Greek tinker, Armenian tailor and Turkish soldier all at once (Aktar 1996b: 287). The sociologically defined Gökalpian culture that functioned as a collective conscience to homogenise peoples of varying status, class, religion, sect and in some cases ethnicity was no longer meaningful. Gökalpian cultural unity was designed to mould a conglomerate of ethnically diverse individuals into one nation, but it became outdated. The political formulations of an ethnically and religiously heterogeneous empire had become antiquated in a mere ten years.

## Notes

1. Special report prepared by Raymond Hare on 'The Origin and Development of the Greco-Turkish Exchange of Populations Question' dated 15 October 1930. Document no.

- 767.68115/143 in *Records of the Department of State Relating to the Political Relations of Turkey, Greece and the Balkan States, 1930–1939*. Raymond Hare later served as the U.S. Ambassador in Ankara between 1961 and 1964.
2. However, issues surrounding the Greek minorities in Istanbul and the Aegean islands continued to pose problems for decades (see Oran and Alexandris, this volume).
  3. ‘Rumelia’ denotes Ottoman or former Ottoman domains west of the Straits, including Aegean possessions.
  4. Official translation of Venizelos’s speech is attached to Robert Skinner’s dispatch sent from Athens to the U.S. Secretary of State, Washington, dated 20 June 1930. Document no. 767.68115/136. *Records of the Department of State Relating to the Political Relations of Turkey, Greece and the Balkan States, 1930–1939*.
  5. See Skinner’s dispatch sent from Athens to the U.S. Secretary of State, Washington, dated 20 June 1930, 767/68115/136. *Records of the Department of State Relating to the Political Relations of Turkey, Greece and the Balkan States, 1930–1939*.
  6. *Türkiye Büyük Millet Meclisi – Zabıt Ceridesi (1975) Devre 2*, Ankara, TBMM Matbaası. [Turkish Grand National Assembly – Record of Minutes (1975) 2nd Election Period, Ankara, TBMM Press.]
  7. As Pentzopoulos rightly argues, the agreement reached in Lausanne indeed alleviated some of the problems of refugee settlement in Greece. As the Greek government had already confiscated and distributed the lands that formerly belonged to Rumelian Turks, Pentzopoulos suggests that: ‘The remaining 350,000 hectares were to be land [sic] left behind by the exchanged Turks and Bulgarians. This figure shows the tremendous importance of the transfer of populations in the settlement of the Greek refugees. It is obvious that without the vacated Moslem properties the solution of the refugee program through an agricultural settlement would have been very difficult indeed’ (1962: 104).
  8. A recent Turkish book contains valuable interviews conducted with ageing Greek and Turkish refugees on both sides of the Aegean. They both tell of their frustrations during the population exchange and most still complain about the miserable condition of the property assigned to them (Yalçın: 1998).
  9. Dispatch sent from Acting Consul-General in Izmir to the Marquess Curzon in London: *FO 424: British Confidential Reports* / Document dated 21 July 1923 / E 8317/199/44.
  10. *Türkiye Büyük Millet Meclisi – Gizli Celse Zabıtları (1985) Ankara, Türkiye İş Bankası Kültür Yayınları*. [Turkish Grand National Assembly – Closed Session Minutes (1985) Ankara, Türkiye İş Bankası Kültür Publications.]
  11. A detailed account of the Lausanne peace talks and the formation of different national narratives in relation to Lausanne can be found in Fatma Müge Göçek’s recent study (2002).
  12. *Journal of the British Chamber of Commerce of Turkey*, Vol. 11, No. 73, October 1923: p. 541.
  13. Dispatch sent from Sir George Clerk in Istanbul to Mr. A. Henderson in London: *FO 371: Foreign Office Correspondence* / Document dated 13 November 1929 / E 5984/89/44
  14. Dispatch sent from Sir R. Lindsay in Istanbul to Sir Austin Chamberlain in London: *FO 371: Foreign Office Correspondence* / Document dated 3 March 1926 / E 1571/373/44
  15. Resume of the conversation between Sir R. Lindsay and Lord Howard of Glossop. *FO 371: Foreign Office Correspondence* / Document dated 18 March 1926 / E 1874/373/44
  16. Dispatch sent from Sir R. Lindsay in Istanbul to Sir Austin Chamberlain in London: *FO 371: Foreign Office Correspondence* / Document dated 15 February 1926 / E 1072/373/44
  17. *Düstur, Üçünü Tertip*, Vol. 13: 519