THE POLITICAL ECONOMY OF OTTOMAN MODERNITY:
OTTOMAN ECONOMIC THOUGHT
DURING THE REIGN OF ABDÜLHAMID II (1876-1909)

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Abstract

This dissertation is the first comprehensive and interdisciplinary study of Ottoman economic thought within the context of modernization during the reign of Abdülhamid II (1876-1909). Drawing on a broad array of primary sources ranging from textbooks and manuals of economics to memoirs and popular fiction, it offers a new account of late Ottoman history by discussing how economic knowledge shaped Ottoman modernization in the late nineteenth and early twentieth centuries.

The main focus of this dissertation is the Ottoman elite’s use of “economic savoir” in formulating their strategy for saving the empire from downfall in the age of capitalist modernity. I first provide an overview of economic and intellectual conditions that shaped the late Ottoman economic mindset. Then, I investigate the patterns of transplantation of ideas from French and British political economy into the Muslim-Ottoman cultural-institutional setup. In the core chapters of the dissertation (Chapters 3, 4, and 5), I analyze Hamidian-era Ottoman economic thought on three grounds: the objective of building an “economic” society, the emergence of economic nationalism, and the popularization of modern economic principles through popular fiction.

Using an interdisciplinary approach to sources, I analyze various dimensions of the impact of “economic thinking” on the episteme of Ottoman modernism and on the Ottoman public sphere in the late nineteenth century. Moreover, I question some deeply rooted assumptions such as the “primitiveness” of late Ottoman economic thought and the mercantilistic nature of Hamidian-era protectionism by contextualizing and historicizing economic ideas in the late Ottoman Empire.
Note on Translation, Transliteration, and Dates

Arabic and Persian words are transliterated according to the *IJMES (International Journal of Middle East Studies)* Guide. Ottoman Turkish words, regardless of their origin, are rendered according to a modified version (to be able to denote *hamza*, the letter ʿayn, and long vowels) of modern Turkish orthography. In most cases, I prefer to use the original names of Ottoman institutions and provide the English translation in parenthesis when the name first appears. I use the Gregorian calendar throughout the text for dating. However, when my sources are dated in the Hijrī or Rumi calendars, I provide the original dates preceding the Gregorian one.

Abbreviations

BOA: Başbakanlık Osmanlı Arşivi.

CUP: Committee of Union and Progress

H: Hijrī Calendar.

İA: İslam Ansiklopedisi, Türkiye Diyanet Vakfı.

IJMES: International Journal of Middle East Studies.

R: Rumi Calendar.

TOEM: Tarih-i Osmâni Encümeni Mecmuası.

YEE: Yıldız Esas Evrakı
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Writing a dissertation is not a process of “cooperation and division of labor,” contrary to what modern political economy suggests for all sorts of production processes. A dissertation—especially in history—is mostly a product of a lonely author who is trying to make sense of a large amount of “introvert” materials refusing to reveal their secrets and inter-connections. As one such author, I was fortunate to find many people who eased the pains and shared the joys in every stage of this long schizophrenic journey of reading, reflecting, and writing.

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Introduction

“An Unending Dialogue between the Present and the Past”

Christians invest whatever they have in commerce. Muslims, on the other hand, invest in landholding, thereby reserving lands exclusively for agriculture. Since making a big profit out of small capital is only possible through commerce and not agriculture, Christians get wealthier.\(^2\) (Ali Suâvi, 1869)

When I was the mayor [of Istanbul] I examined [the Jews of Istanbul]. Most of them do not buy real estate. They rent places in the best districts. Why? Because if they become landholders, their money is lost. But if they invest their money [in business], they can still rent the best places and live therein… and their money remains productive. We [the Muslims], on the other hand, invest all our wealth in land. We don’t participate in commercial life. We should carefully assess this situation and guide future generations [accordingly].\(^3\) (Recep Tayyip Erdogan, 2009)

140 years after Ali Suavi voiced his concerns about Muslim indifference to commerce and non-Muslim dominance in the Ottoman economy—and even after decades-long state-led efforts to create a (Muslim) national bourgeoisie in the Turkish Republic—the words of the Prime Minister of Turkey continue to echo Young Ottoman discourse. Determining whether social memory or material reality is more relevant in the resonance between the two discourses is beyond the scope of this dissertation. Nonetheless, this is an example of continuity in economic thought and discourse in the longue durée. This dissertation takes a momentous era (i.e., the Hamidian era, 1876-1909) out of the continuous evolution of Ottoman-Turkish economic thought, investigating its historical context and its connections with the preceding and

subsequent periods. More broadly, it aims at examining the role that ideas play in historical change through a case study of the economic thought behind Ottoman modernization.4

Modernization and Economic Thought

The ideas of economists …, both when they are right and when they are wrong, are more powerful than is commonly understood. Indeed the world is ruled by little else. Practical men, who believe themselves to be quite exempt from any intellectual influence, are usually the slaves of some defunct economist.5

Inspired by this well-known quote from Keynes on the importance of ideas, this dissertation delves into the economic thought behind Ottoman modernization during the reign of the most controversial ruler of late Ottoman history, Sultan Abdülhamid II (r.1876–1909). The importance of the Hamidian era lies in the fact that the Ottoman elite of the period, and especially the sultan himself, regarded economic development as the main path to modernity.6

The government prepared and implemented detailed economic development plans, and these plans significantly altered the socioeconomic infrastructure of the country. Meanwhile, prominent Ottoman intellectuals of the era joined the government’s efforts by providing a native intellectual toolset for building an “Ottoman modernity” through economic development, suggesting early examples of an Islamicized version of political economy.

4 In this dissertation, I follow the definition of “modernity” as “one specific type of civilization that originated in Europe [over two centuries ago] and spread throughout the world” (S. N. Eisenstadt, Comparative Civilizations and Multiple Modernities [Leiden: Brill, 2003], 24). Broadly speaking, it is often associated with the capitalist mode of production, industrialization, secularization, and the nation-state, among other economic and political formations. In this respect, I use the word “modern” to indicate belonging to this particular civilization and its institutional framework. In a similar vein, I define “modernization” as a process of adaptation to “modernity” through a comprehensive institutional transformation. Despite being a highly problematic and controversial term, I believe that my definition of “modernization” encapsulates how Ottoman reformists regarded their own efforts to build a “civilized” (medeni) society and to attain “civilization” (medeniyet). Finally, I also use the concept “capitalist modernity” interchangeably with “modernity” to emphasize its predominantly capitalistic economic nature.


6 I use the broader definition of “economic development,” which denotes not only quantitative growth in the gross domestic product (GDP), but also increases in the standards of living of a population, including improvement in social as well as technological aspects of life from education to health care.
Moreover, the Hamidian era was the formative period for the “founding fathers” of the post-Ottoman Middle Eastern nation-states. Many intellectuals and statesmen who led nation-building processes in the Middle East were students at Hamidian schools as Ottoman subjects during this era. Therefore, economic ideas as well as the actual economic development experience of the Ottoman state made a considerable impact on economic ideologies and governmental policies in states emerging in the Middle East in the early twentieth century, especially the Turkish Republic. In this respect, a careful analysis of Hamidian economic thought is a key to understanding the roots of twentieth-century nation-building and economic development efforts in the Middle East and the Southern Balkans. Despite its importance, however, Ottoman economic thought of this time period has not been studied thoroughly.

Focusing on this particular era, this dissertation aims to explore three main questions: How did economics as a new interpretation of the world (and its history) influence the Ottoman intellectual sphere? What impact did this new perception of the world have on the Ottoman strategy of survival within the capitalist modernity of the late nineteenth century? And, how were the economic ideas behind the Ottoman modernization project popularized to ignite social change? This study in its entirety is not a catalogue of Ottoman economists and their ideas in the Hamidian era. Instead, it suggests a new perspective on late Ottoman history through an analysis of the economic ideas that shaped this era.

Review of the Literature

The discipline of economics has overlooked the study of economic thought in non-Western contexts. One cause of this is the “Great Gap” hypothesis of Joseph Schumpeter, who suggested that there was a gap in the history of economic thought between the ancient Greeks and the
economics of the post-Enlightenment era. Schumpeter’s hypothesis ignores medieval Islamic intellectual history, and it has been criticized by several scholars who also have attempted to fill the “gap” with studies on Islamic economic thought. Nevertheless, academic studies on Islamic economic thought have focused mostly on either the classical age of Islam (roughly from the eight to the thirteenth centuries CE) or the “Islamist” economics of the twentieth century. Although there are occasional arguments in these works about Islamic responses to the challenge of capitalist modernity, the economic thought behind the Middle Eastern modernization processes has largely remained an unexplored area.

There are only a handful of studies on pre-modern and modern Ottoman economic thought. As a result, our understanding of Ottoman economic thinking is still limited to the findings and theses of the earliest works in this field. Despite the insightful analyses found in the pioneering works, the underdevelopment of the field and the consequent scarcity of knowledge and perspectives cause serious methodological and analytical problems. As Janet Abu-Lughod states, “Historiography takes the same form as the traditions of the Prophet. The authenticity of

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any proposition is judged by the *isnād* or “chain” by which it descended from the past.” In a similar vein, these early works have constituted the canon of the field, partly due to a lack of alternative studies, and their shortcomings as well as their virtues have been amplified through such academic *isnāds*.

An important problem in the existing literature on Ottoman intellectual history, which in turn influences studies of economic thought, is the bipolar swing of analyses to and fro between the discourses of “cultural determinism” and “aping the West.” For example, the Ülgener-Sayar approach to Ottoman economic thought, which has shaped the field to a considerable extent, attributes the “failure” of Ottoman industrialization to deeply rooted ascetic features of the traditional Muslim-Ottoman economic mentality. Sabri Ülgener, a critic as well as a follower of Max Weber, suggested a cultural-determinist approach to the Ottoman economic mindset. According to Ülgener, a particular medieval ascetic mindset of Sufism rendered the Muslim Ottomans indifferent to the material world and to economic activities in general. This ascetic intellectual and cultural formation impeded the formation of a Weberian-type “capitalist spirit” or even a mercantilist perspective among the Ottomans. As a result, the capitalist mode of production could not develop in the Ottoman realm, and this prompted the unavoidable backwardness and consequent decline of the Ottoman Empire. As I discuss in detail in Chapter 3, Ülgener’s views largely echo Hamidian-era historicist arguments on the question of economic development. In short, Ülgener, and later Sayar, responded to the not-so-soundly-formulated conventional question of “What went wrong?” by seeking the answers in the interplay between traditional Islamic economic thought and the impact of the West.

13 Ülgener, *İktisadi İnhitat Tarihimiz*.
Ahmed Güner Sayar, adopting his mentor Ülgener’s method and approach, provides us with an account of the “modernization” of Ottoman economic thought in the period from the “Classical Age” to the 1880s. While Ülgener deals with the intellectual and cultural aspects of a certain stable, ahistorical economic morality, Sayar investigates the change in this morality as a result of the introduction of European ideas. The book gives us an almost complete list of Ottoman intellectuals who wrote on economic issues, their works, and various polemics and discussions among them up to the Hamidian era. Nevertheless, Sayar’s cultural-determinist and philosophically idealist approach, inherited from Ülgener, led him to examine intellectuals and ideas in isolation from the political, social, and economic context in which these ideas were produced. Likewise, Sayar mostly ignores the Zeitgeist of the nineteenth century. He summarizes the economic thought of prominent Ottoman intellectuals and statesmen without tracing the roots of their ideas in European economic schools of thought and without exploring how these ideas were transformed in the Ottoman context, as if these ideas had suddenly appeared in a void. As a result, Sayar fails to contextualize intellectuals and their ideas. Despite these shortcomings, his work has been the sole reference for late Ottoman economic thought. However, although the book includes detailed analyses of the thinking of a few Hamidian era intellectuals, such as Ohannes Pasha and Ahmed Midhat Efendi, it does not cover the Hamidian era, during which the most influential and original works of Ottoman political economy were produced.

The economic ideas of the Hamidian era were briefly analyzed by Şerif Mardin in his study of the history of Ottoman economic thought from the Tanzimat era (1839–1876) to the end

14 According to Halil İnalcık, the “Classical Age” of Ottoman history covers the period from the fourteenth to the sixteenth century. Sayar seems to adopt İnalcık’s periodization. See Halil İnalcık, The Ottoman Empire; the Classical Age, 1300-1600, trans. Norman Itzkowitz and Colin Imber (London: Weidenfeld & Nicolson, 1973).
15 Sayar, Osmanlı İktisat Düşüncesi.
of the rule of the Committee of Union and Progress (1918).\textsuperscript{16} Compared to the works of Ülgener and Sayar, Mardin’s study provides us with stronger analyses of the sociological as well as political aspects of late Ottoman economic thought. Nevertheless, the limited length of this essay does not permit Mardin to cover late Ottoman economic thought in detail. Instead, he simply presents the contours of the subject matter, thereby providing an introduction and a set of questions to be explored by future studies. Despite his very insightful analyses, however, Mardin’s occasional references to Ottoman economic ideas as “vulgarized” reflections of some—occasionally misunderstood—Western ideas unintentionally bolster both the widespread assumption of the primitiveness of Ottoman social and economic thought and the “aping the West” approach to Ottoman modernization.

Like Mardin’s article, Eyüp Özveren’s short analytical study provides an overview of Ottoman economic thought and policy in the nineteenth century.\textsuperscript{17} Unlike Mardin, Özveren does not adopt a normative approach to Ottoman intellectuals, and instead aims primarily at contextualizing and historicizing economic discussions in the late Ottoman Empire. Based mostly on secondary sources, Özveren’s study focuses on the domestic dynamics of the transplantation of ideas from the prominent European schools of economic thought to the Ottoman intellectual sphere.

Zafer Toprak’s book, \textit{Türkiye’de “Millî İktisat,” 1908–1918}, focuses on Turkish economic nationalism in the post-1908 era, and especially on the “National Economy” (Millî

\textsuperscript{16} Mardin, “İktisadi Düşüncenin Gelişimi.”
İktisat) program of the Young Turks.18 Toprak’s work has contributed significantly to our understanding of late Ottoman economic thought. Nevertheless, except for some short notes in passing, it does not provide any analyses of Hamidian era economic thought. Moreover, along with its many merits, this meticulous study paved the way for a serious misreading of late Ottoman economic thought by recent scholars who regard the 1908 Revolution as a rupture between Hamidian-era Ottoman economic thought and Young Turk economic nationalism. As a result, it is a widespread assumption that Turkish economic nationalism was born only after the Young Turk revolution.19 Although Toprak in his book and especially François Georgeon in his article on Ahmed Midhat20 point to the roots of Ottoman economic nationalism in the late nineteenth century, the assumption of a “rupture” in 1908 still dominates the field. Chapter 4 of this dissertation questions this assumption by providing an evolutionary and multifaceted account of Ottoman-Turkish economic nationalism in the second half of the nineteenth century.

One also encounters references to Ottoman economic thought in some other studies of Ottoman economic, financial, and intellectual history.21 Such works focus only on some specific aspects of Ottoman economic thought (e.g., views on the financial problems of the empire) without providing a systematic analysis of these ideas in the context of the wider history of economic thought. Yavuz Cezar’s study,22 for example, gives a detailed account of the change

21 For example, Yavuz Cezar, Osmanlı Malıyesinde Bunalım ve Değişim Dönemi: XVIII. yy. dan Tanzimat’a Mali Tarih (İstanbul: Alan Yayncılık, 1986); Mehmet Genç, Osmanlı İmparatorluğu’nda Devlet ve Ekonomi (İstanbul: Ötüken Neşriyat, 2000); Coşkun Çakır, Tanzimat Dönemi Osmanlı Malıyesi (İstanbul: Küre Yayınları, 2001); Nazan Çiçek, The Young Ottomans: Turkish Critics of the Eastern Question in the Late Nineteenth Century (London: Tauris Academic Studies, 2010).
22 Cezar, Osmanlı Malıyesinde Bunalım ve Değişim.
taking place in the Ottoman fiscal structure during the late eighteenth and early nineteenth centuries up to the beginning of the Tanzimat era. Likewise, Cezar provides us with valuable information about the roots of modern economic thinking in the Ottoman Empire, especially in terms of financial reforms and the notion of economic development in the late eighteenth century. Mehmet Genç’s classic study on the Ottoman state and economy is still highly influential in the field thanks to his formulation of the classical Ottoman economic mindset in forms of three principles: provisionism, traditionalism, and fiscalism. Like Ülgener, Genç attributes Ottoman economic backwardness to the traditional Ottoman economic mentality and its resistance to the realities of capitalist modernity. Despite its teleological approach, which is heavily informed by modernization theory’s linear historical narrative, Genç’s formulation has provided scholars of Ottoman economic history and economic thought with a handy and simple model to interpret Ottoman economic policies before the nineteenth century.

Although very different in their approaches and questions, the books of Coşkun Çakır and Nazan Çiçek include chapters on the critiques and alternative policy proposals of post-Tanzimat Ottoman intellectuals, particularly those of the Young Ottomans, on financial issues. Both studies provide us with a collection of critical arguments on the financial and economic problems of the empire. Nevertheless, neither of them develops an original analytical framework with which to understand late Ottoman economic thought in its historical context.

23 See Chapter 1 for an overview of Genç’s model.
24 The main problem of Genç’s study is that he adopts the misleading (yet once widely-accepted) assumption that the industrial revolution was a “natural” result of the “unfolding” of human history, rather than an unexpected “mutation” which caused a global change in the course of human experience on earth. He therefore adopts a normative approach to the Ottoman experience with capitalism in the late eighteenth and early nineteenth centuries and considers the Ottoman case simply a “failure.”
25 Çakır, Osmanlı Maliyesi.
26 Çiçek, The Young Ottomans.
Finally, there are several master’s theses and Ph.D. dissertations on late Ottoman economic thought and economic publications, most of which follow the aforementioned studies, especially those of Ülgener, Sayar, and Toprak, in their main questions and overall approaches. Despite shedding new light on various aspects of Ottoman economic thought through some new information on particular economic ideas and intellectuals, these works neither suggest an alternative perspective nor provide a comprehensive contextual analysis of the evolution of late Ottoman economic thought. The only exception is Cemal Kafadar’s dissertation on Ottoman economic thought in the late sixteenth century, which has become the classic reference for pre-modern Ottoman economic thought despite remaining unpublished. Kafadar shows that Ottoman bureaucrats had a clear sense of internal and external economic challenges faced by the empire, although they did not put their ideas and policies in conceptual terms. His dissertation thereby rejects the assumption of traditional Ottoman ignorance and indifference to economic phenomena before the modern age. I argue in this dissertation that this assumption, which still manifests itself in contemporary discussions, is a product of the capitalist-industrialist and Eurocentrist paradigm of the nineteenth century.


28 Kafadar, “When Coins Turned into Drops of Dew.”
In short, despite the existence of a few pioneering studies on late Ottoman economic thought, the field still remains to be explored. We still do not know much about the various dimensions of the Ottoman-Turkish economic mentality which shaped the zenith of the Ottoman modernization project of the nineteenth century, that is, the Hamidian era. We have a considerable amount of bits and pieces of information and arguments on the prominent intellectuals of the era and their economic ideas scattered in the existing literature on late Ottoman history. Yet, the misleading assumption that late Ottoman economic thought was already fully analyzed in the pioneering works mentioned above has discouraged younger scholars from focusing on the economic mentality of Ottoman modernity in this era. In addition, analyses of economic development have remained at the level of providing analytical catalogues of thinkers and ideas. As a result, there is a huge gap in our understanding of how economic ideas shaped the social projections of Ottoman reformists in the Hamidian era, during which the Ottoman Empire went through a radical socioeconomic transformation and in which the roots of Middle Eastern nation-building projects of the twentieth century are to be found.

The Main Questions and Contribution of the Current Study

In opposition to the “politicized Westernization” of the Young Ottoman/Young Turk movement,29 Abdülhamid II placed the emphasis in his modernization project on economic development—and especially infrastructure investments such as the construction of railroads—and education. This has been stated in almost all studies on the era. Yet, as I noted above, a comprehensive analysis of the economic thought behind Hamidian modernization has been lacking. In an attempt to fill this void, this dissertation focuses on the economic ideas that shaped

29 Şerif Mardin, Jön Türklerin Siyasi Fikirleri, 1895–1908 (İstanbul: İletişim Yayınları, 2004), 222.
Ottoman modernization during the Hamidian era, leaving actual economic development policies and their implementations to future studies.

The most straightforward—and therefore widely followed—strategy for exploring the economic thought of an era is to analyze the works of academics and intellectuals on economics and economy-related topics such as industry, commerce, and agriculture. In this dissertation, however, I prefer to see the picture from a wider angle and to paint it in its multiple dimensions. Moreover, since Ottoman reformists of all political views focused on social change as the main strategy of modernization, I focus especially on popular works which aimed at changing the economic mentality of the masses on the way to building a new society. This is also a result of my approach to capitalism as a cultural and intellectual—as well as an economic—system. Therefore, I claim that Ottoman efforts to build an industrial society, as a part of the modernization project, should be explored in the social and cultural spheres. These spheres in turn shaped the economic sphere, as Ottoman reformists of the era fully realized. Hence, in this dissertation, I trace manifestations of economic thought in the broadest array of primary sources possible, from periodical articles to popular fiction, in addition to books and manuals on political economy. This approach has also enabled me to study the transplantation of economic ideas originating in Europe into Muslim-Ottoman culture, and the impact of “economic thinking” on both the episteme of Ottoman modernism and the Ottoman public sphere in the late nineteenth century.

The main focus of this dissertation is the Ottoman elite’s use of “economic savoir” in formulating their strategy of saving the empire from downfall in the age of capitalist
modernity.\textsuperscript{30} I investigate the patterns of transmission and assimilation of ideas derived from French and British political economy in the Ottoman Empire. I thereby examine the emergence of a synthetic Islamic political economy which provided the burgeoning capitalism of the Ottoman Empire with a theoretical basis as well as religious legitimacy. Moreover, as I noted above, I also explore the social impact of economic knowledge by analyzing the Ottoman elite’s efforts to change Ottoman popular economic mentality through popular literature.

The historical approach of this dissertation is based on the idea that Ottoman-Turkish modernization has been a continuous evolutionary process of social, economic, and political change rather than a loosely connected array of events, people, and periods. It thereby puts Hamidian era intellectuals and ideas in their historical context and in dialogue with those of the preceding and succeeding eras. In this respect, it shows, for example, how ideas of Münif Pasha in the 1860s and 70s, and especially the works of Ahmed Midhat Efendi in the 1880s, paved the way for the post-1908 National Economy program (Millî İktisat) of the Committee of Union and Progress (CUP) leaders, and the nation-building project of the early Turkish Republic in the 1920s and 30s.

As mentioned above, the objectives of the authors of the pioneering works in this field, such as Ülgener and Genç, were to find the explanation for Ottoman “failure” in catching up with capitalist modernity in the late eighteenth and nineteenth century. This way of thinking led them to miss the fact that industrialization was the product of a rather unique stage in the economic and social history of North-Western Europe in the last centuries, and not a “natural”

\textsuperscript{30} I borrow the term “economic savoir” from Michel Foucault, and I use it in the context of governmentality.” See Michel Foucault, “Governmentality,” in The Foucault Effect: Studies in Governmentality, with Two Lectures by and an Interview with Michel Foucault, ed. Graham Burchell, Colin Gordon, and Peter Miller (Chicago: University of Chicago Press, 1991), 87-104.
result of the unfolding of human history in a Hegelian sense. Accordingly, an apologetic discourse on Ottoman backwardness, itself inherited from nineteenth century Ottoman modernist discourse, dominated the literature on Ottoman intellectual history, especially the studies written by Turkish scholars. In a similar vein, arguments attributing Ottoman failure to allegedly imitative and primitive features of Ottoman economic thought have dominated the same literature. Such arguments are clearly informed by the modernization theory of the twentieth century. Thus, as also noted in the previous section, the underlying analytical framework in many studies on Ottoman economic thought is based on the idea that Ottoman economists’ ideas were merely caricatures of European theories. An important example is the case of Ahmed Midhat Efendi. Ahmed Midhat has been considered a “vulgarizer” of often ill-understood ideas from Europe, rather than a pragmatic reformist intellectual who rested his understanding of modernization upon an eclectic intellectual base.

In this dissertation, I challenge the discourse of primitiveness and imitation using two arguments. First, we cannot assume that British and French economists produced their ideas in an intellectual vacuum. So, they too imitated their predecessors in some sense. It is a simple fact that every intellectual activity depends on imitation, yet some thinkers achieve some sort of originality by contributing some unprecedented ideas to their fields. In short, imitation does not always imply a general inferiority or primitiveness. Second, instead of dismissing all efforts of Ottoman economists as primitive or imitative, I regard their endeavor to transplant European economic knowledge into their own cultural and intellectual setting as an important phenomenon in global as well as Middle Eastern intellectual history. The intellectuals who are the subjects of this dissertation aimed at using the instruments of a new discipline to analyze and solve the problems of their people, not merely by copying but by adapting it into the Ottoman episteme
and creating a synthesis of Ottoman economic thought. This, naturally, does not mean that I support these ideas or that I ignore their top-down modernist approach, which paved the way for the Turkish modernist model of the early twentieth century, namely, “for the people, despite the people.” However, writing about the ideas of Ottoman economists requires the utmost attention to the extreme complexity of intellectual as well as political conditions in the late nineteenth century. As I emphasize throughout the dissertation, Ottoman intellectuals of the era were the pioneers of a native synthesis of economic thought in the Middle East, and they went through what every pioneer would: inexperience, imitation of previous examples, confusion, and other “ills,” along with originalities of first attempts.

Moreover, imitation is the basis of education and the transmission of knowledge from generation to generation and from one culture to another.\(^{31}\) Therefore, the term “imitation” as used in this dissertation does not have a negative connotation. On the contrary, in the context of economic development, imitation is considered a practical instrument for “backward economies” as Alexander Gerschenkron argues regarding the imitation of technology:

Borrowed technology, so much and so rightly stressed by Veblen, was one of the primary factors assuring a high speed of development in a backward country entering the stage of industrialization. There always has been the inevitable tendency to deride the backward country because of its lack of originality. German mining engineers of the sixteenth century accused the English of being but slavish imitators of German methods, and the English fully reciprocated these charges in the fifties and sixties of the past [i.e., the nineteenth] century.\(^{32}\)

\(^{31}\) As an example in the opposite direction, I can mention Fibonacci’s book, Liber Abaci (1202). His work was mostly a summary of what he learned from Arab scholars. If it had been dismissed in his age as merely a work of imitation, Europe would not have learned Arabic numerals, which were to be a fundamental to modern capitalism with their potential for bookkeeping, in addition to their other practical and theoretical mathematical applications.

As Gerschenkron’s analysis shows, a backward economy imitates an advanced example so that it can bypass many stages and does not repeat the same mistakes. Imitation thereby speeds up the development process. This dissertation liberally expands this analysis to the context of economic thought by emphasizing that borrowing tested methods and ideas for economic development is rational behavior for economically “backward” countries. It is important to note, however, that the Ottomans did not merely imitate everything but rather adopted such institutions as they deemed necessary, and that they also strove to adapt their traditional institutions to capitalist modernity. The result was a uniquely Ottoman modernity, not a replica of other modernities in Europe. Yet it was integrated into capitalist modernity, thereby directed towards the same socioeconomic and political goals. In short, in this dissertation I do not claim that the Ottomans produced any original theories in economics, but instead of emphasizing “primitiveness of ideas,” I prioritize contextualizing allegedly primitive ideas with reference to the economic as well as intellectual factors that shaped them. As a result, I emphasize the pragmatism of Ottoman modernism rather than the shallowness of the late Ottoman intellectual sphere in my analyses.33

Accordingly, this dissertation situates Ottoman economic thought in a global historical context instead of assessing it in isolation. Ottoman economic thought of the late nineteenth century, just like other examples in Europe as well as the non-European world, was a product of

33 Ebüzziya Tevfik’s words on imitation summarize Ottoman modernists’ view on this issue: “If something that does not exist in a country is procured through imitation, does it detract from its virtues?” (“Bir memleketde emsali mesbûk olmayan bir şey taklid tarihiyle väicuda gelince şânına noksan mı ârız olur?” Ebüzziya Tevfik, “Biz Nasıl Çalışıyoruz, Başkaları Nasıl Çalışıyor ve Ahmed Midhat Efendi,” Mecmuâ-i Ebüzziya, no. 80 (1898): 2).
the industrial age and its “worldly philosophers” (i.e., economists). However, it would be wrong to assume that Ottoman economic thought was merely a translation activity and did not have distinct flavors and internal dynamics of evolution. Therefore, the ideas and intellectuals discussed in this dissertation are regarded as interrelated parts of the same body (i.e., modern Ottoman economic thought), itself connected to a global intellectual world-system (i.e., modern European political economy). By exploring the emergence of Ottoman syntheses of political economy—with its European as well as Islamic features—this study aims at presenting an illuminating case study of the expansion of the modern capitalist economic and cultural system into the Middle East.

Another primary concern of this dissertation is to analyze the Ottoman case in its own institutional evolutionary process (including external influences on it), rather than forcing it into some predetermined theories based on Western examples. Instead of adopting a simple “success-failure” discourse in a “single-factor” analysis (i.e., industrialization), the institutional and intellectual transformation is treated within its own complex dynamics. Nevertheless, such an approach neither emphasizes the inner factors (e.g., religion, traditional institutions) at the expense of ignoring the external ones (e.g., modern European thought and institutions), nor does it require defending the Ottomans against any “unfair critique.”

Finally, this dissertation focuses on the modernist intellectuals of the era. In other words, it aims to reveal the blueprints of a modern society according to Hamidian-era Ottoman

modernist economic thought. Thus, conservative reactions to this project and alternative models (Islamic or otherwise) for social change in the same age are left to be explored in other studies.\textsuperscript{35}

**Methods, Sources, and Challenges**

History is a chaotic process, a multidimensional, continuous, and dynamic flow, in which countless agents, from individual humans and animals to atmospheric changes and geological movements, play various roles. While focusing on the actions or ideas of some agents in a certain period is liable to distort what actually happened, it is necessary, nonetheless. This study does indeed take a period out of the continuous flow of history and attempt to analyze it with regard to the past that created it and the future for which it paved the way. However, being aware of this rather unnatural process, I have tried to be as cautious as possible in order not to break the strings of time between “periods,” which are conceptually distinguished by historians for practical analytical purposes. In other words, although this study focuses on a certain period (1876–1909), this is not because there are ruptures (in terms of economic thought) at both ends, but simply because of the necessity to put limits for such a study. This does not mean, however, that the era in question did not have special characteristics of its own. It was marked by the reign of a particular sultan and the economic, political, and social policies of his regime. These policies and the sultan himself were both products of certain historical trends and in turn produced of others, thereby deserving special attention and deep analysis in order to understand the flow of history of this age. In short, this dissertation is a study of certain dimensions of a complex and continuous evolutionary pattern (i.e., the development of modern Ottoman economic thought) intended to shed light on the working of this complexity and the meaning of it for our

\textsuperscript{35} As an example of such a study, see Tripp, *Islam and the Moral Economy*. For an unpublished M.A. thesis related to this subject, see Göçer, “Cumhuriyet Öncesi İslami İktisadi Görüşler.”
understanding of how humans think, how they influence each other, how ideas circulate, and how material factors, especially in periods of socioeconomic and political transformation, impact human thinking and synthesis of ideas.

Understanding Ottoman economic thought necessitates efforts beyond simply looking at modern European economic ideas and their translations into Turkish (and other Ottoman languages). It brings in psychological factors, cultural traits, religious concerns, and sociological complexities, and it relates to aspects of life that reveal themselves in all intellectual activity, from official documents to fiction. The interplay between traditional and religious economic norms and the new economic ideas—based on another economic morality or even no morality at all—determined the process of development of an Ottoman tradition of economic thought, just as happened in other fields of Ottoman modernization.

This dissertation therefore is an interdisciplinary historical study informed by insights and analytical tools from various fields of the social sciences and humanities, such as the history of economic thought, the economic sociology of capitalism, and literary theory. This variety of analytical tools enables me to explore Ottoman economic thought in a specific period (i.e., the Hamidian era), but in a broader historical and theoretical context. Moreover, I reconsider intellectual connections between particular ideas and various intellectual and political trends (e.g., Ahmed Midhat’s social vision and the National Economy program of the CUP), thereby suggesting an evolutionary approach to Ottoman economic thought. In order to use the Ottoman novel as a source for understanding Ottoman economic thought, I benefitted from the perspective of the New Historicism, which “entails reading literary and nonliterary texts as constituents of
historical discourses that are both inside and outside of texts.”36 A parallel reading of literary and non-literary texts for their economic content produced new insights for understanding both the popularization of capitalist ideas and the instrumentality of the novel in the late Ottoman modernization process.

The dominant method in this study is close textual analysis aiming to contextualize and historicize the texts studied. I must also note that this study has a rather pragmatic relationship with theory, as it does not adopt any one theoretical approach to explain Hamidian era economic thought. The main reasons for this approach are a desire to maintain intellectual flexibility by avoiding the constrictions of any one school of thought, and also to refrain from forcing the historical evidence into a particular theoretical pattern. Therefore, my endeavor to unravel Hamidian-era Ottoman economic thought is centered on primary sources rather than a predetermined theoretical framework. At the same time, I also avoided, as much as possible, a purely empiricist and uncritical approach to primary sources which would disregard any guidance from social theory. In this respect, I have referred to certain theories and their explanatory concepts in making sense of my primary sources in terms of their intellectual and historical contexts.37

A well-known challenge in studying the history of ideas in the nineteenth century, especially in the non-European world, also haunted this dissertation: the question of original sources. In a world in which plagiarism was not a serious intellectual crime, as it is in our age, Ottoman intellectuals were often not very careful about properly citing their sources. This has

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37 See for example, Chapters 3 and 5, for Weberian and Veblenian theories and conceptual frameworks in explaining Ahmed Midhat’s social model.
made it impossible to trace the original sources of many articles published in periodicals. A bigger problem, however, arose when a book (or parts of it) was translated or adapted without an acknowledgement of the original source. Yet another challenge along the same line appears when the reference gives only the last name of the author as written in the Perso-Arabic script and pronounced by Turkish speaking Ottomans (for instance, “Esmit” for Adam Smith). Many examples of these challenges and illustrations showing how these “mysteries” were solved during my dissertation research can be seen in Chapter 2. All in all, the problem of tracking down European sources demanded time-consuming research processes, including source hunting and comparison. Despite all my efforts, I may have overlooked important missing links, which will await further studies on this subject.

**Outline of the Study**

The first chapter of the dissertation sets the scene by focusing on the economic and intellectual conditions that paved the way for the Hamidian modernization project. It examines the pre-Hamidian socioeconomic setting as well as Ottoman economic thought up to the 1870s. The second chapter provides an overview of Ottoman sources for economics in the Hamidian era. It explores the books and manuals translated or written by Hamidian-era intellectuals. The analysis of these texts provides insights into the translation dynamics (i.e., sources and tailoring of the ideas) and the content of the “economic toolbox” of the Hamidian-era Ottoman elite who were educated through these books.

The third chapter takes a look at the “social question” of Hamidian modernization in economic context. Economic thought of the nineteenth century suggested a new understanding of the world and its history, explained in terms of national and international relations of production.
This chapter investigates the question of how the Ottomans reacted to this new way of understanding the world and how they saw themselves in the new economy-centered age. It then explores how this self-description shaped the social aspects of the Ottoman modernization project.

The fourth chapter is a study of Ottoman modernists’ strategies for economic development. Starting in the early decades of the nineteenth century, the debates on industrialization, economic liberalization, and protectionist alternatives dominated discussions on the problems of Ottoman modernization. Meanwhile, the rise of the idea of nationalism shaped these discussions, which in turn paved the way for twentieth-century Muslim-Turkish economic nationalism. This chapter explores the question of economic development in the context of modernization and nationalism in order to unearth the nineteenth-century roots of the twentieth-century nationalist economic programs.

The fifth chapter provides an analysis of the popularization of economic ideas through fiction. Prominent Ottoman reformist intellectuals of the era (such as Ahmed Midhat Efendi and Mizancı Murad) considered fiction an instrument for promoting modern ideas in the Ottoman public sphere. This chapter traces and analyzes modern economic ideas in popular novels and short stories, and it reveals the connections of these ideas to the nonfictional economic works of the era. In this sense, this chapter aims at shedding light on the social impact of modern economics in the late-nineteenth-century Ottoman Empire.
Chapter 1 - Economy, Society, and Economic Thought in the Late Ottoman Empire

Enemies were strong, fortune was weak,
Treasury was empty, debt was plenty.
In this situation he found the state,
Is it really necessary to explain what is obvious?
...
Numerous schools were established,
Government debts were regulated.
Thanks to his majestic efforts,
Order and security emerged.

(Münif Pasha, 1882)¹

When Abdülhamid II ascended to the Ottoman throne in 1876, he inherited an empire with great fiscal and economic (in addition to political) difficulties amidst global financial and economic crises during the Long Depression (1873–96). Nevertheless, intellectual tools for coping with such problems were not totally absent, thanks to earlier efforts made through education and publications on economics in the empire. Although economics had not been a systematically studied and well-developed discipline in the empire, the Ottoman elite were already acquainted with this new instrument of government. From the perspective of the sultan and the political elite, what remained was to put together a native toolbox to fix the holes in the Ottoman economy (i.e., an Ottoman version of economics), and save the empire from an imminent collapse. This constituted the main objective of the Hamidian regime.

1 “Düşmanlar kavî, tâliʿ ler zebûn, Hazîneler tehî, çok idi durûn. / İşte bu halde buldu devleti, Beyâna hacet var mı ‘ayâmi’? ... Bir çok mektebler teʾsis olundu, Duyûn-i devlet yoluna konden. / Hüsn-i himmet-i şahânesiyle, Emm ü asayiş oldu erzânî.” Münif, Destân-i Âl-i Osman (İstanbul: Mihran Matbaası, 1882), 7. (This is the part on Abdülhamid II in Münif Pasha’s history of Ottoman dynasty in verse.) Münif Pasha’s first verse is taken from the well-known Azerbaijani poet Fuzûlî (c. 1483-1556): “Dert çok, hemderd yok, düşman kavî, tâliʿ zebûn.” (Fuzûlî, Fuzûlî Divâmı, ed. Abdülbäki Gölpnarlı, 2nd ed. (İstanbul: İnkılâb Kitabevi, 1961), 119.) This verse was widely known and referred to by Ottoman intellectuals of the era.
The current chapter provides a brief analysis of the socioeconomic as well as intellectual factors that paved the way for the Hamidian modernization project. The first section examines the contours of social and economic change in the Ottoman Empire in the nineteenth century. The second section opens the discussion on economic thought with a quick glance at pre-modern Ottoman economic thought and policies. The following section discusses the impact of Adam Smith’s (1723–90) economic thought and the rise of alternative theories and policies in nineteenth-century Europe. Finally, the last section provides an overview of major economic publications in the Ottoman Empire before the Hamidian era, thereby delineating the evolution of modern Ottoman economic thought until the late 1870s.

1.1 Ottoman Society and Economy in the Nineteenth Century

1.1.1 Ottoman Society and its Main Sociopolitical Dynamics

At the turn of the nineteenth century, the Ottoman Empire had a population of an estimated 30 million which was remarkably diverse in ethnic and denominational terms. The overwhelming majority of the population was rural and illiterate.\(^2\) In addition to the classical division between the ruling class (askerî) and the subjects (re’aya), “Society at large was traditionally organized along religious lines, the principle division being that between Muslim and non-Muslim.”\(^3\) Although these main features hold for Ottoman society throughout the nineteenth century, the empire went through a radical demographic change in its last century as a result of wars, the loss


\(^3\) Ibid., 25.
of population through the establishment of new, independent nation-states on former Ottoman territory, and migration resulting principally from the wars and territorial losses.\textsuperscript{4}

Two main trends shaped Ottoman sociopolitical dynamics in this century. First, the population became increasingly Muslim, especially in the second half of the nineteenth century, primarily due to the loss of Christian population to the newly independent states and the immigration of Muslims from the lost territories and the Caucasus.\textsuperscript{5} Second, and paradoxically, non-Muslims became increasingly prominent both socially and politically, primarily as a result of their increasing economic power arising from their traditional dominance in commerce and their connections with European capitalism. The latter trend was buttressed by the Gülhane (1839) and especially Islahat (1856) reform edicts, which introduced equal citizenship rights regardless of religious affiliation, and particularly by European economic and political protection of the non-Muslims. Increasing economic and social dominance of the non-Muslims at the expense of the traditional ruling position of the Muslims was to create a significant concern for the Muslim elite of the empire, especially in the second half of the century.\textsuperscript{6}

Meanwhile, the interplay between increasing centripetal forces (first by the rise of provincial elites, then its evolution into nationalist movements) particularly in the Balkans and the centralization efforts of the Ottoman state constituted the main dynamic of the Ottoman political sphere. The establishment of modern bureaucratic institutions and a European-style standing army, and the founding of schools for the education of civil servants (and later the

\textsuperscript{5} Ibid.
\textsuperscript{6} See Chapter 4 for the rise of economic nationalism in relation to the changing social and economic position of the Muslims vis-à-vis the non-Muslims.
general population) are all reflections of the standardization efforts directed towards a centrally governed state and society. In this sense, the Hamidian regime prioritized the centralization and standardization of political and social processes as indispensable aspects of its modernization project. As a result, the Hamidian regime was to be born amid strong tensions between centrifugal and centripetal forces and trends in Ottoman society and politics, which in turn were exacerbated by extraordinary economic conditions at both the imperial and global levels.

1.1.2 The Ottoman Economy in the Nineteenth Century

The Ottoman economy was predominantly agricultural, and agricultural production was dominated by self-sufficient small producers who had limited access to markets largely due to the scarcity of roads and means of transport. State controls over production and trade of production surplus were another constraint on the development of Ottoman agriculture. Yet, state revenues depended heavily on taxes on the peasantry (such as the tithe). During the Tanzimat era, the Ottoman state made substantial attempts to change the traditional self-sufficient structure towards a market-oriented agricultural economy. Along with the abolition of state monopolies and of many restrictions on trade, the importation of new agricultural production technologies and the production of certain market-oriented commodities (such as cotton) were promoted through tax exemptions and other financial incentives. An agricultural bureaucracy was established to determine and manage agricultural policies as well as coordinate

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7 For a concise analysis of the Hamidian regime, see Hanioğlu, *Late Ottoman Empire*, 125–26.
9 Ibid., 57.
efforts for agricultural development.\textsuperscript{10} For example, a Commission for Industry and Agriculture (\textit{Sanâyi ve Ziraat Meclisi}) began its work in 1838; this was followed by the establishment of a separate Agricultural Commission (\textit{Ziraat Meclisi}) in 1843.\textsuperscript{11} Another important attempt to support Ottoman agricultural producers came in the 1860s with the foundation of Homeland Funds (\textit{Memleket Sandıkları}) which were to evolve into the Agricultural Bank (\textit{Ziraat Bankası}) in 1888. These funds and later the bank aimed at providing producers with cheap credit.\textsuperscript{12} The gradual liberalization of the landholding regime—as a part of the transition process towards free-market liberalism—accompanied these developments in Ottoman agriculture. The Ottoman Land Code of 1858 provided legal status for private property in land, thereby validating (if not initiating) the shift of the Ottoman economy towards a more market-oriented structure.\textsuperscript{13} By legally recognizing the change from the state restrictions on the ownership and use of land to a system of private property and private entrepreneurship, the Land Code reflects the increasing decentralization of economic power in the empire.\textsuperscript{14}

Regarding industry, the conventional narratives of Ottoman economic history, starting with that of the Young Ottomans,\textsuperscript{15} argue that the nineteenth century was the age of the opening of the Ottoman economy to European manufactured goods; this paved the way to the collapse of traditional Ottoman industries and foreign dominance of the Ottoman economy. Thanks to the scholarship of recent decades, however, we now know that the picture was much more complex.

\textsuperscript{10} For the development of the Ottoman agricultural bureaucracy in the nineteenth century, see Donald Quataert, “Ottoman Reform and Agriculture in Anatolia, 1876–1908” (unpublished Ph.D. Dissertation, University of California, 1973), 72–91.
\textsuperscript{12} Ibid., 150–152.
\textsuperscript{14} For various arguments on the aims and practical results of the 1858 Land Code, see ibid., 856–61.
\textsuperscript{15} See Chapter 4 for the Young Ottoman narrative of “Ottoman economic backwardness” and its impact on Ottoman-Turkish economic historiography.
Broadly speaking, manufacturing in the Ottoman Empire and Europe often worked in intimately integrated and interwoven production networks. Manufacturers in both regions not only competed, borrowed and copied from one another, but they also provided the other with semi-processed materials for finishing. In this view, nineteenth-century Ottoman imports of European factory-made yarns and dyestuffs were a continuation of the long-standing relationship between the two manufacturing economies.\(^\text{16}\)

Donald Quataert’s studies of Ottoman manufacturing sectors in the nineteenth century show that Ottoman industries experienced a variety of outcomes. Some traditional sectors declined significantly as a result of international competition, especially in the period of 1820–50. Yet, those which adapted to the demands of the international markets thrived, especially after the 1870s.\(^\text{17}\) It is also essential to note, however, that international competition struck many fatal blows against large-scale industrialization efforts. As Abdülhamid II himself complained,\(^\text{18}\) although many modern factories were established, especially after 1880, most of them could not survive the cut-throat competition with their European rivals.\(^\text{19}\) These conditions, according to Vedat Eldem, discouraged the state as well as Ottoman entrepreneurs from making large-scale investments in manufacturing sectors.\(^\text{20}\)

A major concern that preoccupied the Ottomans and European investors alike was the transportation network—or the lack thereof—in the empire. According to many observers, the lack of roads was the primary reason for the economic underdevelopment of the Ottoman economy. In 1857, during a conversation with the well-known British economist of the mid-

\(^\text{17}\) For more details on particular industries, see Donald Quataert, *Ottoman Manufacturing in the Age of the Industrial Revolution* (Cambridge: Cambridge University Press, 1993). For a general evaluation of the impact of “incorporation into the European world-economy” on the Ottoman production structure, see also Suraiya Faroqhi, *Artisans of Empire: Crafts and Craftspeople Under the Ottomans* (London: I.B. Tauris, 2009), 186–207.
\(^\text{18}\) See Chapter 4 for Abdülhamid II’s views on economic issues.
\(^\text{20}\) Ibid., 66.
nineteenth century, Nassau Senior, Ahmed Vefik Efendi (later Pasha) complains about “the state of the country” as follows:

What we most want are roads. We have nothing but tracks filled with stones in our towns, so that it takes you an hour to walk a mile, and, in the country, rocky, stony, or boggy, according to the ground. Except in the immediate neighbourhood of our towns, the land is not half cultivated, because the peasant cannot carry the produce to market. He produces, therefore, only for his own consumption. He is truly a proletaire; he contributes to the population of the country, but not to its wealth.  

Thirty years later, in 1886, we read similar observations about the reasons for the “commercial decline” of the Ottoman Empire in the pages of the *Levant Herald*:

Any rational being who knows the main lines of trade questions could in a week draw up a report which would respond to the solicitude of the Sultan, whose earnest desire for the commercial development of the country is proved beyond all question. If we had had to prepare it, we would simply have said: “Your Majesty possesses territory rich in all that nature has to give; good soil, good climate, endless variety of commodities, a docile and industrious population. But in these modern days of competition, production goes for nothing, unless the produce has the means of conveyance at ready command. The producer produces, but his produce is worthless to him unless he can sell it at a profit, and to do so he must have the means of taking it to market. One thing, and one thing only, will animate native industry, and that one thing is means of transport such as other countries possess. If that means of is provided Ottoman trade will revive; until it is provided Ottoman trade must languish and if it is not provided Ottoman trade will die.”

It is important to add that the pages of both Ottoman and European periodicals of the Hamidian era are full of news and reports on the building of railways, which testifies to the importance given to the issue. These discussions did not remain confined to newspaper pages

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23 As a distinct example, the most widely covered topic in the official journal of the Ministry of Public Works (*Mecmua-i Umûr-i Nâfi'a*) in the early 1880s is the building of the roads and railroads. The journal includes many articles, reports, and statistics on the state of the roads in the Ottoman Empire and new investments made by the Ministry. It also includes various translated articles about communication and transportation conditions in the Western countries. (See for example, numbers 1-11, 1884.)
and private discussions among intellectuals and statesmen. Almost every official memorandum about the economic conditions of the empire includes ideas similar to those that had appeared in the *Levant Herald*. For example, one of the advisers to the sultan, Müşir Şakir Pasha (1838–99), notes in a memorandum he submitted in 1890 that building roads would save the empire from the current economic crisis that “threatens both the public wealth (*servet-i umûmiye*) and [the central government’s] budgetary balance [*muvaze-i mâliye*].”

Therefore, he adds, improving the transportation network was an issue of vital importance for the empire. Beyond their obvious economic importance, the railways were also regarded by the Ottoman elite as an indispensable instrument of the centralization of political power.

Industrialization was—naturally—the primary economic objective of all governments in the “age of industry.” Yet, from the state’s perspective, “the emergence of industrialization as a major goal of nationalism was the consequence of the military needs and objectives of national states, not of any belief in the desirability of industrialization per se.” As early as the late eighteenth century, the military threat presented by Western European powers gave the primary impetus to economic as well as political reform in non-Western empires (e.g., Ottoman, Russian, and Japanese). This explains the fact that the early industrialization efforts of the Ottoman Empire (c. 1790–c. 1840) focused on military goods. Later, however, the modernization process expanded to encompass all aspects of the political sphere—including visual dramatization of

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24 BOA, YEE 12/38/1, 29/Z/1307.
25 Ibid. For similar arguments in a memorandum by another important Hamidian era statesman, Kamîl Pasha (1832–1913), who served as Grand Vizier to Abdülhamid II three times, see Hilmi Kâmil Bayur, *Sadrazam Kâmil Paşa: Sîyasî Hayatı* (Ankara: Sanat Basımevi, 1954), 92–93.
26 The obsession with the railway building, due to its political and economic implications, was to become more obvious especially in the early Turkish Republic of the 1920s and 1930s.
modernization such as the building of expensive palaces (like the Dolmabahçe Palace in Istanbul)—thereby requiring more and more financial resources. Accordingly, Ottoman economic policies in the nineteenth century were geared mainly towards procuring the fiscal means for an increasingly expensive modernization project. Towards the end of the nineteenth century, however, economic modernization took on a new meaning as it included a total socioeconomic transformation project, which paved the way for the nation-building project of the Turkish Republic of the twentieth century. This shift in the meaning of “economic” was to change the Ottoman approach to economics from using it as an instrument of state administration to seeing it as an intellectual toolbox to help understand and reshape society.29

Regarding the financial situation, the program of institutional rebuilding in the military, the economy, the educational system and the bureaucracy as a central aspect of modernization efforts was consuming huge amounts of resources. However the Ottoman state neither possessed these amounts in its treasury, nor did it have an effective governmental financial infrastructure to collect them.30 Starting in the early 1850s, Ottoman statesmen had no choice but to resort to debt. Although Ottoman statesmen did manage to find cash in the short-run through external borrowing, it was principally used for “covering [chronic] budget deficits, but not to improve the productive capacity of the country.”31 As a result, just as in other cases in the region (such as Tunisia and Egypt), and as the Young Ottomans had anticipated almost a decade before,32 the Ottoman state could not escape from the debt spiral, and by the 1880s it had lost its financial

29 See Chapters 2 and 3 of this dissertation.
30 For the financial situation of the Ottoman state and the relevant reforms in the Tanzimat era, see Coşkun Çakır, Tanzimat Dönemi Osmanlı Maliyesi (İstanbul: Küre Yayınları, 2001).
32 “İstikrâz-ı Cedid Üzerine Yeni Osmanlılar Cemiyetinin Mütâla’ati,” Hürriyet 22 (December 23, 1868), 1–6.
independence. In 1875, the Ottoman government declared default, and in 1881, a new institution was established by its creditors to govern the Ottoman debt: the Ottoman Public Debt Administration (OPDA). The raison d’être of this institution was the administration of the economic resources of the empire to secure payments to the creditors. In other words, the administration was channeling various revenues of the state directly to the coffers of the creditors as debt repayment. In addition to the economic implications of these developments, the loss of financial independence and increasing foreign economic and financial control made a deep impact on the political and intellectual atmosphere of the late nineteenth century. As an important example, “negative public reaction to the Public Debt Administration played a significant role in the emergence of Turkism and, later, of Turkish nationalism.”

In short, as the Ottoman economy was incorporated into global capitalism, Ottoman industries and agricultural production in general went through a total “structural adjustment” process, which cannot be explained simply by the “decline” discourse. Moreover, most of this adjustment process was a result of local manufacturers’ and merchants’ business strategies for adaptation to new market conditions rather than a one-sided “imperialist scheme.”

Nevertheless, foreign competition undeniably weakened large-scale Ottoman industrialization.

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33 For a detailed study of the Ottoman debt and the consequent financial collapse, see İ. Hakkı Yeniyi, Yeni Osmanlı Borçları Tarihi (İstanbul: İ.Ü. İktisat Fakültesi, 1964).
34 The classic study (in English) on the OPDA and the conditions that paved the way for its establishment is Donald C. Blaisdell, European Financial Control in the Ottoman Empire: A Study of the Establishment, Activities, and Significance of the Administration of the Ottoman Public Debt (New York: Columbia University Press, 1929). For a recent study on Ottoman public debt and the OPDA, see Murat Birdal, The Political Economy of Ottoman Public Debt: Insolvency and European Financial Control in the Late Nineteenth Century (London: Tauris Academic Studies, 2010).
35 Yeniyi, Yeni Osmanlı Borçları Tarihi, 64–75.
36 Hanioğlu, Late Ottoman Empire, 136.
37 For a recent and detailed study of the economic transformation in Anatolia in the nineteenth century, see Mehmet Murat Baskıcı, 1800–1914 Yıllarında Anadolu’da İktisadi Değişim (Ankara: Turhan Kitabevi, 2005).
38 For many concrete examples from Aintab, Aleppo, Diyarbekir, etc., see Donald Quataert, “Ottoman Manufacturing in the Nineteenth Century,” in Manufacturing in the Ottoman Empire and Turkey, 1500-1900, ed. Donald Quataert (Albany: State University of New York Press, 1994), 87–121.
projects, in addition to other local factors such as insufficient infrastructure, and the scarcity of both technical know-how and skilled human capital. The economic modernization efforts of the state—as a response to the challenge of European capitalism—was also undermined first by a lack of financial resources and later by a huge debt problem, which led to the financial collapse of the Ottoman state at the beginning of the Hamidian era.

1.1.3 Economic Policies

In the second half of the nineteenth century, the interplay between liberalism and protectionism shaped the Ottoman government’s economic policies while the Ottoman economy was adapting itself to global capitalism. Donald Quataert identifies four distinct periods in late Ottoman economic policy: 39

- **Before 1826**: Restrictive economic policies; emphasis on state monopolies and the retention of raw materials for domestic use.

- **c. 1826–c. 1860**: Accommodation to free-market liberalism. Ottoman bureaucracy granted (to foreign investors) open access to Ottoman markets in exchange for relative domestic freedom of action.

- **c. 1860–1908**: The rise of protectionism.

39 Interestingly enough, Quataert’s periodization of the rise and decline of Ottoman manufacturing sectors and of Ottoman economic policies roughly overlap. According to him, there are three periods for Ottoman manufacturing: c. 1800–26, 1826–70, and 1870–1914, which correspond to dwindling, destruction, and expansion respectively. (Quataert, “The Age of Reforms, 1812–1914,” 889.) Putting the two periodizations together, we observe that—broadly speaking—periods of liberalism correspond to decline in Ottoman industries, and the protectionism periods witness the rise of Ottoman manufacturing sectors. Quataert does not suggest any correlation between the two, and suggesting one exceeds the scope of the present study.
- After 1908: The National Economy Program; dominance of economic nationalism and protectionism in Ottoman economic policies as well as economic thought.\textsuperscript{40}

According to Quataert, the destruction of the Janissary corps in 1826 was not only a political phenomenon, but also the first step towards economic liberalism.\textsuperscript{41} The Janissaries, being the protectors as well as business partners of urban guildsmen and artisans,\textsuperscript{42} were powerful advocates of economic protectionism against the inflow of European manufactured goods. The loss of their Janissary allies jeopardized the guilds’ resistance to the opening of the Ottoman market to this inflow.\textsuperscript{43} The next and more decisive step towards liberalization was the 1838 Anglo-Ottoman Convention, which eliminated state monopolies and removed all official barriers to European merchants. Thus, although 1838 has been considered the turning point for the Ottoman economy, it was not a rupture but rather yet another step towards economic liberalism.\textsuperscript{44} The destruction of the Janissary-guild alliance as an alternative power hub was a critical step towards the consolidation of the political and economic power of the central government.\textsuperscript{45} Despite varied strategies, the main objective of successive Ottoman governments was to build a modern infrastructure (e.g., railways) and impose economic modernization through the development of a centrally supervised capitalism. Thus, some seemingly conflicting

\textsuperscript{40} For more information on the National Economy era, see Zafer Toprak, \textit{Türkiye’de “Millî İktisat”, 1908–1918} (Ankara: Yurt Yayınları, 1982).

\textsuperscript{41} Quataert, “The Age of Reforms, 1812–1914,” 764.

\textsuperscript{42} See Genç’s argument about the involvement of the military class in economic activities in the next section.

\textsuperscript{43} For varied reactions of Egyptian artisans to the European capitalist expansion in the late eighteenth and early nineteenth centuries, see Nelly Hanna, \textit{Artisan Entrepreneurs in Cairo and Early-Modern Capitalism (1600–1800)}, Middle East Studies Beyond Dominant Paradigms (Syracuse, N.Y: Syracuse University Press, 2011), 179–200.

\textsuperscript{44} Quataert, “The Age of Reforms, 1812–1914,” 764.

\textsuperscript{45} In this respect, it reminds us of the political power of the market (bāzār) in Iran, and especially the historical alliance between the clerics (‘olamā) and the merchants (bāzārīs) and its critical roles in both the 1906 and 1979 revolutions. Despite significant differences between the two, the Iranian trajectory could be read as a thought provoking alternative history to the Ottoman case.
goals, such as the liberalization of the economy while consolidating the power of the central
government on the economic sphere, shaped Ottoman economic policies in the nineteenth
century. Yet, referring to Foucault’s arguments on governmentality and “the economy” to help
us understand Ottoman political modernization, there seems to be no necessary conflict between
these goals:

[T]he essential issue in the establishment of the art of government [is] introduction of economy into political practice… To govern a state will therefore mean to apply economy, to set up an economy at the level of the entire state, which means exercising towards its inhabitants, and the wealth and behavior of each and all, a form of surveillance and control as attentive as that of the head of a family over his household and his goods.46

It is also worth noting in passing that despite the liberal critique of state intervention, there seems to be no “natural” conflict between the development of “free-market” capitalism and state intervention. On the contrary, both early (e.g., Britain) and late (e.g., Germany, Japan, and China) industrialization patterns disprove the existence of such a conflict.47

The Ottoman elite’s approach to the question of “the economy” changed as the issue of reshaping society became the focus of the modernization project. Before going into the rise of economic thinking in Europe and its impact on the Ottoman Empire, the next section takes the argument back to the pre-modern era to provide a bird-eye’s view of the Ottoman elite’s economic mentality before the nineteenth century.

46 Michel Foucault, “Governmentality,” 92.
47 For the creation of the myth that “state intervention hinders economic development,” see Ha-Joon Chang, Kicking Away the Ladder: Development Strategy in Historical Perspective (London: Anthem, 2002).
1.2 Ottoman Economic Thought before the Nineteenth Century

Historians of economic thought usually consider the publication of Adam Smith’s *An Inquiry into the Nature and Causes of the Wealth of Nations* (1776) the birth of modern economics as an independent field of scientific inquiry.48 Diane Wood, in her book *Medieval Economic Thought*, notes that her title is actually a misnomer, since it did not exist.49 This does not mean that economic ideas did not exist before the modern era. Yet in the pre-modern world, economic matters were considered within the boundaries of theology, law, and philosophy, and not as separate phenomena with their own rules. This is the theoretical side of the story. On the practical level, however, merchants were acting according to implicit practical rules of economic life, which at times conflicted with ideals and principles determined by theology (for instance in the case of usury). In order to overcome the conflicts between (religious economic) theory and practice, merchants had to develop complex systems to circumvent limitations caused by strict legal prohibitions. In the context of medieval Islamic economy, for example, merchants had recourse to *hiyal* whenever “theory” created an obstacle for economic transactions.50 *Hiyal* were the use of legal devices and the legal literature to circumvent Islamic prohibitions on certain economic activities (e.g., *riba*). The use of such practices was so widespread that there were lawyers who specialized in *hiyal*.51 However, although economic life had its own principles regardless of strict religious rules and regulations, these principles had not been theorized within an independent field of scientific and intellectual inquiry until the modern age.

48 The book is generally referred to by the shorter title, *The Wealth of Nations*, which I will henceforth use.
The scholars of history of economic thought have largely neglected the non-Western traditions of economic thought. This holds especially true of the pre-modern period. In a similar vein, our knowledge of pre-modern Ottoman economic thought is still very limited. Nevertheless, an illuminating study by Kafadar (1986), for example, shows that Ottoman statesmen were fully aware of internal and external economic challenges in the sixteenth-century, although they did not conceptualize their ideas in modern economic terms. Halil İnalcık also provides examples of “business-friendly” political administration in the “classical age” of the Ottoman Empire:

Following a very old tradition of Middle Eastern states, the Ottoman government must have believed that merchants and artisans were indispensable in creating a new metropolis. It used every means to attract and settle them in the new capitals. By granting tax exemptions and immunities the imperial government encouraged them to come and settle or in a summary fashion forcibly exiled them to the capital.

Moreover, through the waqf system, the state ensured the establishment and maintenance of economic institutions that served local and trans-regional markets, such as bedestans, caravanserais, and bazaars. In short, since the state treasury depended upon taxes including those on trade, the primary economic concern of the state was to protect and expand commercial activity within the empire.

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55 Ibid., 207.

56 Ibid., 208–9.
Meanwhile, the bureaucratic elite were not aloof from commercial activities, as the classic theoretical division (i.e., the erkân-i erba‘a—religious, commercial, military, and agricultural classes) of Ottoman society might imply. We know that from the early days of Islam, including the Prophet Muhammad’s personal history, that the Muslim political elite had been involved in trade, and the Ottoman elite were no exception. The economy-centered modern age was only to expand the dimensions of this phenomenon. Mehmet Genç notes that the eighteenth century witnessed “the ‘militarization’ or the ‘bureaucratization’ of the economy” with “the widespread penetration of the lower-ranking members of the military into areas of economic activity.”  

It is worth remembering here that the “military” in the context of pre-modern Ottoman social and political system (and therefore in Genç’s analysis) corresponds to the Ottoman ruling class, and not to the military as an organization in modern sense.

Despite efforts to expand the market for fiscal reasons, preserving the socioeconomic—thereby political—status quo by “keeping the members of each class in their own place” constituted another major economic concern for the Ottoman state. In this context, Mehmet Genç summarizes the main principles of pre-nineteenth-century Ottoman economic administration as provisionism, traditionalism and fiscalism. Provisionism refers to prioritizing the provision of cities, and especially the capital to secure order and stability throughout the empire. Since supply and price fluctuations in basic commodities can lead to social and

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58 İnalcık, “Ottoman Economic Mind and the Aspects of Ottoman Economy,” 218. The same principle was put forward by the Church as well. “It [the Church] actively discouraged people from wanting to better themselves because to be socially ambitious, to want to be upwardly mobile, was a sin.” (Wood, *Medieval Economic Thought*, 153.).

59 Mehmet Genç, *Osmanlı İmparatorluğu’nda Devlet Ve Ekonomi* (İstanbul: Ötüken Neşriyat, 2000), 45.

60 Ibid., 45–48.
political upheavals, Ottoman statesmen always gave priority to securing the provision of the political centers over other economic concerns. The second principle, traditionalism, had two dimensions. First, keeping the socioeconomic structure stable without any substantial horizontal and vertical mobility among social classes; and second, not deviating from the traditional socioeconomic principles defined by the *shariʿa* and the customary law.61 Finally, fiscalism refers to the priority of fiscal policy in economic decisions, thereby taking every measure to maximize state revenues and minimize expenditures in order to keep state finances as strong as possible.62 These tacit principles, in addition to İnalcık’s aforementioned analyses, demonstrate an active and conscious governmental control and management of the economic sphere in the Ottoman Empire. This is not surprising at all considering the fact that these principles and practices reflect tacit institutional knowledge of an ages-old political system which ruled over a very complex economic and political system across a vast territory. In short, members of the Ottoman ruling class, including those in the highest echelons, were always economically conscious and active as both administrators and entrepreneurs.63

However, a contrary assumption dominates the literature. According to this assumption, Ottoman economic backwardness in the modern era was a result of an alleged traditional Muslim-Ottoman indifference to and ignorance of economic phenomena.64 Some prominent historians of Ottoman economic history and thought, for example, have asserted that this indifference and ignorance—sometimes in the form of a traditional (e.g., Sufi) mentality which

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61 Ibid., 48–50.
62 Ibid., 50–52.
63 This holds until end of the empire, see Donald Quataert, *Social Disintegration and Popular Resistance in the Ottoman Empire, 1881-1908: Reactions to European Economic Penetration* (New York: New York University Press, 1983), 150.
64 For a critique of this assumption, with illuminating analyses on international commercial enterprises of Muslim Ottoman merchants in the early modern era, see Cemal Kafadar, “A Death in Venice (1575): Anatolian Muslim Merchants Trading in the Serenissima,” *Journal of Turkish Studies* no. 10 (1986): 191-217.
was incompatible with the modern era—were the main obstacles to the development of capitalism in the Ottoman Empire; and this paved the way for the “backwardness” and the consequent collapse of the empire. Giving a detailed response to the (not-so-well formulated) question of “Ottoman economic backwardness” is beyond the scope of this study. However, it is important to note that even a rough overview of Ottoman pre-modern economic thought illustrates that Ottoman economic backwardness cannot be attributed simply to intellectual ineptitude. Moreover, the thesis of “Ottoman indifference and ignorance” is simply a nineteenth-century assumption which took shape under the intellectual hegemony of the industrialist and Eurocentric paradigms of the age, which I shall discuss in Chapter 3.

1.3 Economic Thought in Nineteenth-Century Europe

Economics, or “political economy” as it was called in the nineteenth century, is a product of the nineteenth century, just like other fields of modern social sciences. The separation of economics from philosophy in this era was not merely a product of the evolution of scientific thought. It is also a result of the separation of the economy from other social relations under the capitalist system. As Karl Polanyi argues, the economic sphere in pre-capitalist societies was embedded in the wider social sphere, whereas in the capitalist society, the market subordinates social and political relations. With this analysis, Polanyi challenges Adam Smith’s theses on capitalism and human history, which shaped nineteenth-century social and economic thought. According to Polanyi, neither was a self-regulating market a ubiquitous reality in the pre-capitalist world, nor was capitalism a “natural” phase in the evolution of human societies. He asserts that both are

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65 See Sabri F. Ülgener, İktisadi İnhitat Tarihimizin Ahlâk ve Zihniyet Meseleleri (İstanbul: İstanbul Üniversitesi İktisat Fakültesi, 1951); Genç, Devlet Ve Ekonomi; and Ahmed Güner Sayar, Osmanlı İktisat Düşüncesinin Çağdaşlaşması: (Klasik Dönem’den II. Abdüllahim’e), second edition (İstanbul: Ötüken Neşriyat, 2000).
rather anomalies in the evolution of human societies. Accordingly, he emphasizes the distinctive
economy-centered characteristic of the new global capitalist system that emerged in the early
nineteenth century.  

Although Adam Smith was not the first intellectual who wrote on this new discipline, he
was a “system builder.” In other words, he systematized the already-accumulated economic
knowledge of his age and presented it as a separate field of scientific inquiry. Moreover, unlike
the Mercantilists and Physiocrats who preceded him, Smith’s economics was not the science of
state administration which aimed at chiefly effective management of state finances. In the same
vein, the revolutionary aspect of Smithian economics is that it considers the economy as an
independent sphere of social relations with its own rules and dynamics governed by chaotic
processes of individual human action. The unintended consequence of these dynamics is the
“self-regulating market” and the “invisible hand” of the market mechanism. His followers, if not
Smith himself, used these notions to claim that external interference (state intervention) disturbs
the “natural” equilibrium of this system, and should thus be avoided as much as possible. This
idea was to become the main subject of confrontation among economists and politicians of all
countries from the early nineteenth century onward.

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67 Ibid., 56–76.
69 For a summary of pre-Smithian (or “pre-Adamite,” as Blaug names it) economics see Mark Blaug, Economic Theory in Retrospect, fifth edition (Cambridge: Cambridge University Press, 1996), 10–32.
70 For a summary of the ideas of these schools of thought see Ekelund and Hébert, A History of Economic Theory and Method, 42–96.
Adam Smith’s economic thought was a child of the Scottish Enlightenment and a contemporary of the (British) Industrial Revolution. It is based on a firm belief in the idea of “progress” in terms of science and technology as well as social prosperity. Yet, although the capitalist system created an unprecedented mechanism for production of wealth, its distribution mechanism worked against the Smithian vision of a utopic industrial society, in which everybody receives their—not necessarily equal—share of the wealth produced. Abject poverty among the working classes and the Europe-wide wave of political and social upheavals in the early nineteenth-century eventually brought about more pessimistic interpretations of his theories, such as those of Thomas Malthus and David Ricardo. Nevertheless, Smithian capitalist optimism survived as the mainstream (or “orthodox”) approach in economic thought and policy, despite challenges from many “heterodox” approaches.

In addition to social havoc at the center of the capitalist world, modernization efforts in the capitalist periphery created alternative economic models. Modernization projects also induced the resurrection of “economics as a science of state administration,” as free-trade policies proved to be destructive for local industries in the short-run. For example, in the late-comer capitalist economies (such as Germany and Italy), protectionist economic theories began to emerge as a response to laissez-faire trade policies enforced by the British Empire on the rest

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72 The period of c. 1780–1848 in European history is generally referred to as “the age of revolution” as in Hobsbawm’s classic narrative of the era, see The Age of Revolution, 1789–1848 (London: Weidenfeld and Nicolson, 1962).

73 Both Malthus and Ricardo observed that wages in a capitalist economy naturally tend to decline, and this brings increasing poverty among the working class. For a summary of the “gloomy presentiments” of Malthus and Ricardo, see Robert Heilbroner, The Worldly Philosophers: The Lives, Times, and Ideas of the Great Economic Thinkers, Seventh ed. (New York: Touchstone Book, 1999), 75–104.

74 “Heterodox economics” is a name given to the body of economic theories (e.g., Marxist, institutionalist, evolutionist) that take a critical stance towards the Smithian mainstream or “orthodox” economic theories. Heterodox economics is not a school of thought with well-defined principles, but it rather is a loose league of critical schools. For more information see Frederic S. Lee, "Heterodox Economics,” The New Palgrave Dictionary of Economics, vol. 4, 2–6.
of the world. Within this critical trend, Friedrich List’s (1789–1846) “National System” stood out as a powerful alternative for modernizing economies. List’s model was based on economic nationalism and protection of national “infant industries” from the destructive effects of foreign competition.75 Needless to say, the rise of protectionism, in both theory and policy, was not merely an intellectual development. Its roots were at the very heart of continental European economic concerns about the debilitating impact of the inflow of British manufactured goods on national industries. In the second half of the century, the slowing down of global economic growth, the collapse of grain prices, and financial crises contributed significantly to this Europe-wide trend. Especially with the Long Depression of 1873–96, protectionism began to rise as a powerful alternative to the dominant economic liberalism throughout Europe, even in the standard-bearer of economic liberalism, Britain.76 As a response to protectionist alternatives, from the early nineteenth century on, “Britain’s agenda was to sign free-trade agreements with as many periphery countries as possible in order to gain foreign markets for their manufactures. The 1838 Anglo-Ottoman Commercial Convention was one such agreement.”77

Meanwhile, economic crises revealed discrepancies between the promises and the actual results of laissez-faire policies.

The period 1892-1914 raises some difficult problems for liberal theories of foreign trade. The evolution of the European economy reveals a disturbing correlation. Grossly oversimplified this can be expressed as in the following

equations: protectionism=economic growth and expansion of trade; liberalism=stagnation in both.\textsuperscript{78}

Intellectuals and statesmen of peripheral countries were aware of these incongruities. As I shall discuss below, in the Ottoman case, for example, many Ottoman intellectuals reacted to British insistence on free-trade policies in the Ottoman Empire by using examples of successful protectionist policies from other European economies. Moreover, Ottoman modernists were also aware of an inconsistency of British economic liberalism: Although the British were preaching total economic liberalism to other nations, they were following pragmatic protectionism at home.\textsuperscript{79} As a result of these observations, protectionism, as a powerful alternative to the \textit{laissez-faire} approach, made a significant impact on nineteenth-century Ottoman economic thought and policies. The next section looks into the emergence of the notion of economic development in the Ottoman Empire and the early encounters between liberals and protectionists in Ottoman economic thought through a survey of economic publications before the Hamidian era.

\textbf{1.4 Economics in the Late Ottoman Empire until the Hamidian Era (1789–1876)}

\textbf{1.4.1 The Beginnings (c.1789–c.1850)}

In the last decade of the eighteenth century, the reformist sultan, Selim III (r. 1761–1808), asked several statesmen to pen advisory memoranda about the current problems of the Empire. The proposals came in two main categories: “those advocating a return to the practices of the golden age of the Ottoman Empire, and those embracing reform through the emulation of contemporary Europe.”\textsuperscript{80} Some of these statesmen, such as Süleyman Penah Efendi, Tatarcık Abdullah Molla

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\textsuperscript{78} Paul Bairoch, “European Trade Policy, 1815–1914,” 69.
\textsuperscript{79} See for example, Ahmed Midhat, \textit{Ekonomi Politik} (İstanbul: Kirkanbar Matbaası, 1879), 129.
\textsuperscript{80} Hanoğlu, \textit{Late Ottoman Empire}, 42.

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and Mehmed Şerif Efendi, put the emphasis on financial issues, and suggested a systematic and comprehensive reform in the financial and economic administration of the Ottoman state.\footnote{For a summary of these memoranda see Yavuz Cezar, 	extit{Osmanlı Maliyesinde Bunalım Ve Değişim Dönemi: XVIII. Yılların Tanzimat’a Mali Tarih} (Istanbul: Alan Yayıncılık, 1986), 142–148. Some of these memoranda were later published in 	extit{Tarih-i Osmani Encümeni Mecluvası} (TOEM): the memorandum of Tatarcık Abdullah Molla can be found in \textit{TOEM}, 7/41, pp. 257–84; \textit{TOEM} 7/42, pp. 321–46; and \textit{TOEM} 8/43, pp. 15–34. For the memorandum of Mehmed Şerif, see \textit{TOEM}, 7/38, pp. 74–88.} Cezar notes that these memoranda made such an important impact that even some sentences in these documents were copied in the new financial laws and statutes.\footnote{Ibid.} Moreover, Sayar argues that, having received these memoranda, Selim III issued numerous imperial decrees with a purely economic content, most of which reflected an implicit liberal approach.\footnote{Sayar, 	extit{Osmanlı İktisat Düşüncesı}, 182. Sayar’s interpretation conflicts with Quataert’s periodization, which defines the pre-1826 period as a protectionist era. Nevertheless, we may also interpret this as an increasing tendency towards economic liberalism under a protectionist regime. A more definite answer necessitates a detailed study on these documents.} All three statesmen, mentioned above, suggested a systematic reorganization of state finances and reforms in traditional economic institutions (e.g., timar), thereby introducing the notion of economic development for the first time into the Ottoman state tradition.\footnote{Cezar, 	extit{Osmanlı Maliyesinde Bunalım ve Değişim Dönemi}, 142–46.} Nevertheless, although their suggestions included the importance of learning from European successes, their works were not informed by any theoretical study of economics. The Ottomans had to wait another sixty years for the publication of economic books in their language. This, however, should not be interpreted as a long delay on the way to modernization. The Ottoman statesmen were soon to realize that the new global world-order emanating from Europe was definitely an economy-centered one.

The first works that drew attention to this fact were the Ottoman diplomatic reports and travelogues in the eighteenth and the early nineteenth century. During the reign of Selim III, permanent Ottoman missions were opened in London, Paris, and Berlin; and the next generation
of modernist statesmen would have their early training in these embassies.\textsuperscript{85} Ottoman ambassadors submitted numerous memoranda to Istanbul about their observations on new economic and political institutions developing in European countries.\textsuperscript{86} For example, Ebubekir Ratib Efendi, who was sent to Vienna in 1791, had an important responsibility in addition to his diplomatic duties: He was to examine Austrian institutions and submit reports about them directly to the sultan.\textsuperscript{87} During the reign of Mahmud II (r. 1808–39), who followed Selim III’s reform attempts, Sâdık Rıfat Pasha (1807–57) submitted more systematic treatises on Europe, again from Vienna. Sâdık Rıfat Pasha was the Ottoman ambassador to Austria during the second half of the 1830s and one of the most influential statesmen and intellectuals of the Tanzimat era. Especially his “Avrupa’nın Ahvâline Dâ’ir Risâle” (A Treatise on the Conditions in Europe, 1837) provided the Ottoman elite with a new perspective on Europe and the question of reform in the Ottoman Empire.\textsuperscript{88} Moreover, economic matters held an important place in his analyses of European ascendancy in the modern age.\textsuperscript{89} Yet he was not the only person who emphasized the importance of the economy within the broader question of reform. The Tanzimat era brought about an increasing interest in economic issues and modern economic thought.

The first economic publications appeared in the public sphere with the introduction of a new medium of mass communication in the empire: newspapers. In the 1820s, \textit{Le Spectateur Oriental} (then \textit{Le Smyrneen}), which was published in İzmir (Smyrna), included many articles on economic matters. Especially after Alexander Blacque (Blacque Bey) took over the newspaper, it

\begin{itemize}
\item \textsuperscript{85} Malcolm Yapp, \textit{The Making of the Modern Near East, 1792–1923} (London: Longman 1990), 100.
\item \textsuperscript{86} For the economic content of such diplomatic reports, see Sayar, \textit{Osmanlı İktisat Düşüncesi}, 172–175.
\item \textsuperscript{87} Ibid., 173.
\item \textsuperscript{88} Sâdık Rıfat Paşa, \textit{Müntehâbât-ı Âsâr} (Istanbul: Ali Bey Matbaası, n.d.).
\item \textsuperscript{89} For Sâdık Rıfat Paşa’s economic thought, see Sayar, \textit{Osmanlı İktisat Düşüncesi}, 210–26.
\end{itemize}
became an important channel of transmission for liberal economic ideas. Later Blacque Bey was assigned to publish the French version of the first Ottoman newspaper, Takvim-i Vekâyî, under the name Le Moniteur Ottoman. Takvim-i Vekâyî was the official gazette of the State, and it included only the documents and declarations issued by the state. The main difference between the Ottoman and French versions was the "unofficial section" of the latter. According to Sayar, this section later became the main intellectual venue for the Blacque-Urquhart version of economic liberalism in the Ottoman Empire. David Urquhart (1805–77) was a British diplomat who worked in the Ottoman Empire in the early 1830s. During his term, he wrote a book on the economic conditions and political organization of the empire, entitled Turkey and Its Resources. In this book and his articles in Le Moniteur Ottoman, he suggested that the Ottoman Empire should be a supplier of raw materials and an importer of industrial goods. The idea was simply based on the Ricardian theory of comparative advantage, and, as noted above, the same policy was promoted by the British policy-makers to all peripheral countries. Urquhart’s thesis provided a theoretical basis for economic liberalization of the Ottoman market, and especially after the 1838 Anglo-Ottoman Convention, his theses were materialized in practice. Later, in the 1840s, William Churchill, the publisher of the newspaper Ceride-i Havadis, started the long-
lasting discussion of “industry vs. agriculture” and supported Urquhart’s thesis on the Ottoman economy.  

Up until the 1850s, modern economic theories and ideas were transmitted to the Empire in a rather unsystematic way mostly through occasional newspaper articles. Nevertheless, it seems that Ottoman interest in economics began to produce some treatises in Turkish as early as in the 1830s. For example, an anonymous eighty-six-page manuscript located in the National Library of Austria, entitled Tedbir-i Umran-ı Mülki (Administration of Public Prosperity), is the earliest known Ottoman study on economics, with a content and style resembling European examples. The publication date is unknown, but İlber Ortaylı claims that it belongs to the early 1830s. Unfortunately, we do not know if this study is a translation or an original work, and neither do we have any knowledge about its impact. After these initial sporadic attempts, publication on economic matters gained momentum in the Ottoman Empire, especially in the second half of the century.

1.4.2 The 1850s: First Books on Economics

Despite his indirect impact in the Ottoman intellectual sphere, Adam Smith’s *The Wealth of Nations* was not translated into Turkish until 1948, and even then it appeared as an abridged edition. The reason for not translating *The Wealth of Nations* in full was purely pragmatic and was simply caused by market conditions. Above all, the market for books was very small due to

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very low literacy rate. Moreover, as Suʿad Bey later (1888) argued in the introduction to his translation of Prosper Rambaud’s *Précis élémentaire d'économie politique*, Ottoman readership was not interested in “long and detailed studies.” And Adam Smith’s four-volume treatise exemplified such studies. The urge for modernization led—both elite and middle class—Ottoman intellectuals to consult more readable and practical manuals, rather than delve into highly elaborate theoretical discussions.

The first book on economics in Turkish is an adaptation by Serandi Arşizen (1809–1873) and Aleko Sucu (or Suço) of a study by the Italian economist, Pellegrino Rossi (1787–1848). It is entitled *Tasarrufât-ı Mülkiye* (Political Economy). According to the introduction of the book, Serandi Arşizen, who was a physician and a former professor at the Mekteb-i Tibbiye-i Adliye-i Şâhâne (The Imperial School of Medicine), used Rossi’s work (probably the French translation of his *Curso de Economia Política*, 1840) as a model for his own book. Arşizen wrote the book in French, after which Aleko Sucu, a translator at the Ottoman Translation Bureau (*Tercüme Odası*), translated it from French into Turkish. According to Fındıkoğlu,

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99 A transliterated (into modern Turkish) version of the book along with some biographical notes about the author can be found in Serandi Arşizen, *Tasarrufât-ı Mülkiye: Osmanlı İmparatorluğu'nda Bir Politik Iktisat Kitabı*, ed. Hamdi Genç and M. Erdem Özgür (İstanbul: Kitabevi, 2011).


101 Italian economist Pellegrino Rossi was the successor to famous economist J. B. Say at the Collège de France as the professor of political economy. See Alain Béraud and Philippe Steiner, “France, economics in (before 1870),” *The New Palgrave Dictionary of Economics*, vol. 3, 479. According to Schumpeter, Rossi’s work was “diluted Ricardianism plus a little Say.” Joseph A. Schumpeter, *History of Economic Analysis* (New York: Oxford University Press, 1961), 511.

102 The Translation Bureau (established in 1832) was an important Ottoman governmental institution which provided a window to the outside (especially Western) world through its translations of numerous books on various subjects, from history to economics. It also served as an essential component of the Ottoman diplomatic bureaucracy as it undertook all the foreign correspondence. For more information on the history and functions of the Translation
it is based on Arşizen’s lectures at the Mekteb-i Tibbiye-i Adliye-i Şâhâne. The exact date of the publication is not known, but Fındıkoğlu claims that it precedes Sehak Abrú’s translation (c.1851) of Jean-Baptiste Say’s (1767–1832) *Catéchisme d’économie politque*.

Following Arşizen’s adaptation, another official at the Tercüme Odası, Sehak Abrú, translated Say’s economic bestseller, *Catéchisme d’économie politque* (1815). Shortly after its publication, Say’s book achieved considerable success throughout the world and was translated into many languages, including Turkish. It became the classic compendium of Smithian political economy in the early nineteenth century. Say’s popularity as an economist, starting with his *Traité d’économie politque* (1803), originated from his ability to put Smith’s work in a more accessible form. His Ottoman translator Sehak Abrú notes this feature of Say’s book in his introduction by saying, “it is very rare to find an author, like Mr. Say, who can define the principles of aforementioned science [economics] with such an economy of words.”

Fındıkoğlu notes that, rather than translating the book faithfully, Sehak Abrú actually re-wrote it. First, he changed the format of the book. Instead of the original dialogical format, Sehak Abrú used straight prose. Second, the translator Ottomanized the examples. For instance, a French businessman in the original book became an Ottoman merchant who exports grain to Marseilles and imports coffee in exchange. Third, Sehak Abrú excluded some parts of the original text in
his translation, most probably due to political concerns. For example he ignores some
“inappropriate” Enlightenment-era principles like the power of humanity over nature and
rejection of non-scientific (i.e., religious) thoughts and beliefs. These ideas were still regarded
as some new and “strange” ideas from “European infidels” at the time. However, Ottoman
intellectuals would adopt the same ideas with the relevant jargon increasingly towards the end of
the century.

At this point, it is essential to note two important characteristics of early Ottoman
economic literature: First, as the name of Say’s book suggests, the Ottomans chose to translate
compendia rather than magna opera such as Adam Smith’s *The Wealth of Nations*. Second, the
translators behaved very pragmatically, and they adapted (or “Ottomanized”) the texts in terms
of both format and content instead of remaining faithful to the original texts. Obviously, their
sole aim was to provide a toolbox of a modern discipline to their fellow countrymen to be used
on the path of salvation for the empire. Presenting exemplary behavior in terms of any sort of
academic and intellectual ethics was not high in their agenda; therefore they altered their sources
without any hesitation. These two manifestations of Ottoman modernist pragmatism continued to
mark the Ottoman intellectual sphere in the following decades.

Meanwhile, with increasing European interest in “the Orient,” many European
intellectuals as well as diplomats travelled in the Middle East and transmitted new ideas into the
Ottoman intellectual atmosphere. The well-known British economist Nassau William Senior
(1790–1864) was one of them. Senior’s published accounts of his travels and conversations
include many interesting discussions about the economic policies of the empire with Ottoman

\[109\] Ibid.
statesmen such as Ahmed Vefik Efendi (1823–91) who was to become a prominent figure in Ottoman modernization. What is obvious in Senior’s accounts is that there were Ottoman statesmen who were well acquainted with the theories of modern economics and the economic policies of major European countries. Moreover, these statesmen approached their country’s problems using the same intellectual and scientific methods and terminology as did the Europeans, and sometimes they even challenged an Oxford professor of economics on such matters. As an important example, we read in Senior’s accounts that the Minister of Commerce [Hekim] İsmail Pasha (1807–60) opposed Senior’s liberal arguments on free-trade with references to the protectionist foreign trade policies of France.

1.4.3 Diffusion and Popularization of Economic Knowledge (c.1860–76)

The 1860s came with significant developments in both the quality and quantity of publications on economics, along with some surprises. The first surprise in Ottoman economic literature was a book entitled İlm Tedbiri Mülk: “The Science of the Administration of a State,” or an Essay on Political Economy. The rest of the title page of this book reads, “in Turkish, being the first ever written in that language, by Charles Wells, Turkish Prizeman of King’s College, London.”

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110 Senior, A Journal Kept in Turkey and Greece. Senior’s accounts have been an important source for the social and cultural life of the Ottomans, as well as the political and economic conditions of the empire. However, there is no scholarly work on his personal influence on the Ottoman economic thought, since an important fact about him has been ignored: at the time he came to Istanbul, he was a well-known economist who had already published his main works. Senior was the first professor of political economy at Oxford (1825–30) then at King’s College, London. For a biography and economic theories of Senior, see N. de Marchi, “Senior, Nassau William (1790–1864),” The New Palgrave Dictionary of Economics, vol. 7, 428–30.

111 See for example, Ibid., 134–36., for his discussions with Ahmed Vefik Efendi on the main economic problems of the empire, ranging from inflation to monopolies.

112 Ibid., 108–9.

113 Charles Wells, İlm Tedbiri Mülk: “The Science of the Administration of A State,” or An Essay on Political Economy, in Turkish: Being the First ever Written in that Language (London: Williams and Norgate, 1860), v. (Although Wells entitles his book İlm Tedbiri Mülk in Turkish, the proper Ottoman Turkish title would be “İlm-i Tedbir-i Mülk.”) The book contains an introduction by the author in English; and the rest is in Turkish. The Turkish part is a lithographed manuscript, written with a rather clumsy hand-writing most probably by Wells himself.
Although it was not the first book on economics written in Turkish, as the author claims, it was definitely one of the earliest examples of economic literature. Wells’ book is a study of both economic history and thought, which was the dominant style of the era in the footsteps of Smith’s *The Wealth of Nations*. It starts and ends with a general overview of the economic history of human civilization, while the rest of the book provides brief explanations about certain economic concepts such as barter, wealth, capital, paper money, taxation, and national debt.\textsuperscript{114} Unfortunately, we do not have any information about the impact of this book, but we do know that Wells himself was in contact with the Ottoman elite, and he contributed to the study of the Ottoman Empire in many ways. He published articles on the Ottoman Empire in both English and Ottoman publications, and he was also the editor of the second edition of the well-known *Redhouse’s Turkish Dictionary*. Thus, he was a recognized figure in the eyes of the Ottoman intellectuals of the era.\textsuperscript{115}

The 1860s witnessed the initial efforts towards the popularization of economics by a new generation of Ottoman intellectuals. Ottoman intellectuals and statesmen such as İbrahim Şinasi (1826–71), Münif Pasha (1830–1910), Mehmed Şerif Efendi, and Ohannes Efendi (1830–1912) wrote articles in various newspapers and journals throughout the 1860s about this “new science.”\textsuperscript{116} Among them, Mehmed Şerif Efendi, Münif Pasha, and Ohannes Efendi, later taught political economy at the Mekteb-i Mülkiye (The Imperial School of Administration) and the

\textsuperscript{114} Wells, *Ilm Tedbiri Milk*, vii–viii.

\textsuperscript{115} His biography, some brief notes on his works, and some examples of his other publications in the Ottoman press can be found in Hüseyin Çelik, *Türk Dostu, İngiliz Türkolog Charles Wells: Hayatı, Eserleri ve Osmanlı Türkleri ile İlgili Düşünceleri* (Ankara: T.C. Kültür Bakanlığı, 1996).

Mekteb-i Hukuk-i Şâhâne (the Imperial School of Law), and their lecture notes were published as textbooks.\(^{117}\)

The first influential counter-arguments to liberal theses about the Ottoman economy came from Mehmed Şerif Efendi.\(^{118}\) In 1861, he wrote an article for the popular newspaper, *Tercüman-i Ahval*, defending industrialization in the Ottoman Empire.\(^{119}\) In this article, he argued that industry promoted sciences and technologies in addition to creating wealth and prosperity. Moreover, he suggested that a developed industry would nurture agriculture by creating a growing demand for primary goods. In more technical terms, he emphasized the spillover effects of industrialization. Therefore, according to him, there was no need to focus on agriculture, even if one desired the development of Ottoman agricultural sectors. Later he continued to defend this position in his articles in *Mecmua-i Fünûn*.\(^{120}\) The publication of Mehmed Şerif’s *İlm-i Emvâl-i Milliye* (the Science of National Assets, 1863) followed his articles. In his book, Mehmed Şerif developed his ideas on the necessity of industrializing the Ottoman economy and touched on major economic debates of the era, such as the general

\(^{117}\) Mehmed Şerif, *İlm-i Emval-i Milliye* (İstanbul: Tabhane-i Âmire Litoğrafya Destgâhı, H. 1279 [1863]); Sakızlı Ohannes, *Mebadi-i İlm-i Servet-i Milel* (Dersaadet [İstanbul]: Mihran Matbaası, H. 1297 [1880]); Münif Pasha’s lectures were edited and published by one of his students: Mahmud Es’ad, *İlm-i Servet* (İstanbul: Mekteb-i Sanayi, H. 1302 [1885]).

\(^{118}\) For a brief biography and summary of Mehmed Şerif’s economic ideas, see Sayar, *Osmanlı İktisat Düşüncesi*, 306–14.


\(^{120}\) *Mecmua-i Fünûn* was published by *Cemiyet-i İlimiye-i Osmaniye* (the Ottoman Scientific Society), between 1862 and 1867 (47 issues) and then another issue appeared many years later (1883) before it was closed down by the sultan indefinitely. It was the first Ottoman popular science journal, and it introduced some new fields of modern sciences such as geology and economics to the Ottoman public sphere. While Mehmed Şerif was promoting industrialization on the pages of the *Mecmua-i Fünûn*, Ohannes Efendi was also writing for the same journal to introduce the principles of Smithian *laissez-faire* economics into the Ottoman public sphere. Contrary to Mehmed Şerif Efendi, Ohannes Efendi emphasized the international division of labor and the Ottoman economy’s role in it as an agricultural producer on the pages of the same journal. See Chapter 2 for Sakızli Ohannes’ economic thought.
laziness in Ottoman society and particularly Muslim’s indifference to economic life.¹²¹ These two themes were to become main concerns for Ottoman modernists of the last decades of the empire.

Meanwhile, the debates on the question of economic development began to find their way into political treatises and historical narratives penned by Ottoman statesmen. The prominent Ottoman statesman, jurist, intellectual, and historian Ahmed Cevdet Pasha (1822–95), for example, refers to many economic phenomena in his writings, although he does not provide any systematic economic analyses of events. For Cevdet Pasha, economics is surely a “science of state administration,” and in his works, he touches on important issues concerning fiscal policy, such as debasement of coinage, taxation, and even some technical issues such as the “velocity of the circulation of money.”¹²² It is obvious from these examples that Cevdet Pasha was aware of classical economic theories, and he refers to them implicitly. For example, in his magnum opus, twelve-volume Tarih-i Cevdet (1854–84),¹²³ he refers to the labor theory of value by stating that the most important “wealth of a nation” is the labor of the people, and not the precious metals in the state treasury.¹²⁴ Without labor, he adds, even the richest treasury would be exhausted. In another example, he refers to another central component of the classical political economy, that is, the “free market.” According to Cevdet Pasha, the idea of the free market and the rejection of state intervention are not the inventions of modern European economic thought, but these notions were first suggested by the early mujtahids of Islam,¹²⁵ based on the idea that only God’s will

¹²¹ Mehmed Şerif, İlm-i Emval-i Milliye, passim.
¹²⁴ Ibid., 20.
¹²⁵ A mujtahid is an authoritative interpreter of Islamic law.
regulates market relations.\footnote{“narhi koyan ancak Allah ‘tir...” (the price is only set by God). Ülgener, “Ahmed Cevdet Paşa’nın Devlet ve İktisada Dair Düşünceleri,” 22.} Cevdet Pasha promotes Smithian economic principles by legitimizing them through Islamic sources, thereby providing an early example to the discussion on the tradition of “Islamic economics.”\footnote{See Chapter 2 for the birth of Islamic economics in Ottoman economic thought.}

A better example in this context is Tunuslu Hayreddin Pasha (Khayr al-Dīn al-Tunisi, c. 1822–90). Hayreddin Pasha wrote a political treatise about the necessity of modernization and how to achieve it, entitled \textit{Kitāb Aqwām al-Masālik fī Ma’rifat Aḥwāl al-Mamālik}.\footnote{Khayr al-Dīn Tūnisī, \textit{Kitāb Aqwām al-Masālik fī Ma’rifat Aḥwāl al-Mamālik} (Tūnis: Maṭbaʻat al-Dawlah, 1867). The book was translated into Turkish in 1879; Khayr al-Dīn Tūnisī, \textit{Mukaddime-yi Akvam ül-Mesālik Fi Marifet-i Ahval il-Memâlık Tercûmesi}, trans. Abdurrahman Süreyya (İstanbul: Elcevaib Matbaası, 1879).} A distinct feature of his study is its conspicuous emphasis on the notion of economic development in a capitalist sense.\footnote{For a brief summary of his economic ideas, see Brown’s illuminating introduction to Hayreddin’s work; Leon Carl Brown, “An Appreciation of \textit{The Surest Path},” in Khayr al-Dīn al-Tūnisī, \textit{The Surest Path; the Political Treatise of a Nineteenth-century Muslim Statesman. A Translation of the Introduction to the Surest Path to Knowledge Concerning the Condition of Countries}, translated from the original Arabic with introduction and notes by Leon Carl Brown (Cambridge: Harvard University Press, 1967), 53–56.} Hayreddin Pasha, throughout his book, tries to show that Islam does not oppose modern sciences and technologies. On the contrary, he argues, Islamic tradition has always encouraged scientific research and scientific management of worldly matters. According to him, the first duty of Muslims is to improve the living conditions of the entire Muslim nation (\textit{ummah}), and the only way to achieve this is by adopting modern sciences, encouraging industry and commerce, and getting rid of laziness.\footnote{Tūnisī, \textit{The Surest Path}, 77–78.} In this respect, Hayreddin Pasha’s “ideas of economics appear quite close to the classical European economic theory.”\footnote{Brown, “An Appreciation,” 55.} Hayreddin Pasha suggests that the state should remove the barriers to economic activities, provide necessary rights as well as security for private property, and minimize taxes in order to promote economic
enterprise. However he still attributes the pioneering role to the state, as expected from an Ottoman statesman of the era. According to him, the state has to take measures to lead its people to entrepreneurship, hard work, and the use of modern sciences and technologies, which will pave the way for economic prosperity for the whole nation.

The 1860s ended with an interesting translation phenomenon, which testifies to the increasing efforts to popularize economics as an act of reform. In 1869, two different editions of two best-sellers of economic literature were published: Benjamin Franklin’s *The Way to Wealth* (1757) and Otto Hübner’s (1818–77) *Der kleine Ekonomist* (1861). Both studies were written in everyday language with clear economic messages in order to teach basic economic principles and notions to the masses. They were both hugely successful, not only in their countries of origin—the United States and Germany respectively—but throughout the world, and were translated into many European and non-European languages. The multiple translations of these works in the Ottoman Empire marked a cornerstone in the history of Ottoman economic literature due to the changes they brought about in terms of both style and language. More

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132 Ibid.
133 Ibid. See Chapter 4, for similar ideas from the two strongmen of the Tanzimat, Âli and Fuad Pashas, who were contemporaries of Hayreddin Pasha.
134 Benjamin Franklin, the American entrepreneur, inventor, philosopher, publisher and statesman, published a yearly almanac under the pseudonym “Poor Richard” or “Richard Saunders” from 1732 to 1757. *Poor Richard’s Almanack* was a best seller in the American colonies, with its popular content of puzzles, poems, practical household hints, and other useful information for ordinary people. It also contained proverbs and aphorisms encouraging the principles of a capitalist work ethic, such as industriousness, thrift, saving, and investment. Later in 1757, Franklin gathered these maxims in a book entitled *The Way to Wealth*. As the title suggests, Franklin aimed to demonstrate the way to wealth to the ordinary people through simple changes in their economic thinking and behavior. This little book, which contained well-known phrases like “time is money,” “have you somewhat to do tomorrow, do it today” and “there are no gains, without pains,” was an even bigger success in America and also in England, and was translated into many other languages throughout the nineteenth century. For more information on *Poor Richard’s Almanack*, see J. A. Leo Lemay, *The Life of Benjamin Franklin*, vol. 2 (Philadelphia: University of Pennsylvania Press, 2006), 170–91. For an analysis on Poor Richard’s proverbs, see J. A. Leo Lemay, *The Life of Benjamin Franklin*, vol. 2, 192–213.
135 1861 is the year of the translation from German into French by Charles Le Hardy de Beaulieu. This translation, not the original German edition, was the text that was translated into many other languages in the following years. Unfortunately, I could not find the publication year of the original German edition. Nevertheless, since its first Italian edition (*Il piccolo economist*, tr. Luigi Cossa) dates 1855, it must be published before 1855.
importantly, these publications also demonstrate a substantial change in one of the important components of the Ottoman intellectual sphere: the target audience.

Reşad Bey’s translation (or rather adaptation) of *The Way to Wealth*, entitled *Tarik-i Refah* (*The Way to Welfare*), was published as a lithographed manuscript in Paris in 1869. Interestingly, Franklin’s protagonist, “poor Richard,” becomes “virtuous Richard” (“recül-i salih Rişar”) in Reşad Bey’s translation. This may be due to his reluctance for presenting the way to wealth through the words of a “poor” Richard, yet he did not openly state his reason for this change. Moreover, by making the protagonist “virtuous,” Reşad Bey strengthened the religious emphasis in Franklin’s work: “paradise is for the virtuous.” The translation, following the goal of the original book, obviously aims at promoting capitalist work ethic among Ottomans through very simple and practical messages, such as the vital importance of hard work, knowledge and skills, the significance of managing wealth as well as acquiring it, the harmful effects of wasteful and conspicuous consumption, and many others. More importantly, Reşad Bey uses everyday language in his translation instead of stilted Ottoman Turkish, which uneducated Ottomans could not understand.

The second translation of *The Way to Wealth* was made by Bedros Hocasaryan, and was entitled *Tarik-i Servet ez Hikmet-i Rikardos* (*The Way to Wealth by the Philosophy of Richard*, 136

137 Ibid., 3–7; et passim.
138 Ibid., 9.
139 Ibid., 11–16.
140 Ibid., 14–20.
141 Reşad Bey later wrote a one-page article on “the science of wealth” to introduce this science to ordinary people. (Reşad, “Fenn-i Servet,” *İbret* 10 (1872), 1.)
This is a more faithful translation, but Hocasaryan uses a more sophisticated language than that of Reşad’s. Neither version was translated from the English original, but from French, which was the lingua franca of the era. Unfortunately, we do not know much about the reception of these books in the empire, but it is easy to see the impact of Franklin through other facts. First, the translation of Hocasaryan was republished in 1908. More importantly, two different biographies of Franklin appeared, one in 1882 (by Ebüzziya Tevfik) and another in 1890 (by Mehmed Hilmi). Ebüzziya Tevfik was especially important for the popularization of Benjamin Franklin, thanks to his several translations from Franklin in his Mecuma-yı Ebüzziya in the early 1880s. Moreover, some of Franklin’s maxims have since been taught to children in school as well as at home and are still used frequently in daily language in Turkey. Briefly, it is easy to see that Benjamin Franklin made a significant impact on Ottoman-Turkish economic thought, both at the elite and the popular levels. Although he is not well-known in Turkey today, his many maxims still circulate in daily conversations of the Turkish people.

Otto Hübner’s Der kleine Ekonomist, or its French translation Petit manuel populaire d’économie politique (1861) used by the Ottoman translators, was a more scholarly study than The Way to Wealth, although its target audience was the masses, just like Franklin’s book. In a

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142 Benjamin Franklin, Tarik-i Servet ez Hikmet-i Rikardos, tr. Bedros Hocasaryan (Dersaadet [İstanbul]: Mühendisoglu Ohannes Matbaası, H. 1286 [1869]).
143 Benjamin Franklin, Tarik-i Refah: Franklin’in Servet Hakkındaki Nesayihi ve Tercüme-i Hali, tr. Bedros Hocasaryan [including a short biography of Franklin by Ebüzziya Tevfik] (Saraybosna, Sultan Bayezid Sa’adet Kütüphanesi, H. 1326 [1908]). Ebüzziya Tevfik published a longer biography of Franklin between these two editions: Ebüzziya Tevfik, Benjamin Franklin (Kostantiniyye [İstanbul]: Matbaa-i Ebüzziya, H. 1299 [1882]).
144 Mehmed Hilmi, Benjamin Franklin (Kostantiniyye [İstanbul]: İstepan Matbaası, H. 1307 [1890]).
145 See for example, Mecmuayi Ebüzziya, issues 1, 2, 5, 8 (1881).
146 Some examples of such maxims are, “vakit nakittir” (time is money), and “bugünün işini yarına bırakma” (Do not put off till tomorrow what you can do today; or as Franklin himself put it, “have you somewhat to do tomorrow, do it today”).
147 Otto Hübner, Petit Manuel Populaire d’économie Politique, imité de l’ouvrage allemand intitulé Der kleine Ekonomist, translated by Ch. Le Hardy de Beaulieu [sic], second edition (Bruxelles and Leipzig: A. Lacroix; Paris: Guillaumin, 1862), xi–xiv. Hübner notes in his preface that subversive ideas such as socialism and communism are
classic fashion, the book contains chapters on the main themes of economics, such as work, capital, value, wealth, and poverty. *Petit manuel* is written as a practical reference in a dialogical style so that ordinary people can refer to it easily for economic issues that they encounter in their daily lives. In 1869 Ahmed Hilmi, another official from the Translation Bureau, rendered Hübner’s book into Turkish with the title, *İlm-i Tedbir-i Servet* (The Science of the Management of Wealth). Contrary to the main goal of Hübner, Ahmed Hilmi preferred a more sophisticated language rather than a more accessible colloquial Turkish. Also, unlike some examples mentioned above, Ahmed Hilmi did not alter the text to Ottomanize it, thereby providing a faithful translation. By contrast, Mehmed Midhat’s translation, *Ekonomi Tercümesi: Fenn-i İdare* (Translation of Economics, The Science of Management) was more faithful to the philosophy behind Hübner’s book than to the original text itself. In his introduction to the book, Mehmed Midhat states that he prefers spoken Turkish in order that “even an ordinary man who is barely literate can read the book and even teach it to an [illiterate] worker or a farm laborer.” 148 In addition to using plain Turkish, he provides Turkish equivalents of some Arabic and Persian words that are mostly used in written language. Where this was not possible, he preferred to write these words as they are pronounced, and not in their original Arabic and Persian forms (e.g., he writes “zenaat” instead of “sanʿat” and “tezgâh” instead of “destgâh”). 149 In this sense, Mehmed Midhat’s translation marks another turning point in the popularization of economics: Mehmed Midhat adds the barely literate and even illiterate workers among the audience of an

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the results of a significant gap in opportunities of education between different classes. Thus he aims to educate the less fortunate classes with this little book of “*économie politique morale*” in order to contribute to the efforts towards overcoming this major social problem. (Hübner, *Petit Manuel*, xi–x) 148 Mehmed Midhat, “Mukaddime” [Introduction], in Otto Hübner, *Ekonomi Tercümesi, Fenn-i İdare*, translated by Mehmed Midhat (İstanbul: Cemiyet-i İliyi Matbaası, 1869), 3. Another important detail about Mehmed Midhat’s translation is that it was printed at *Cemiyet-i İliyi Matbaası* (the printing house of the Ottoman Scientific Society), which was also publishing *Mecmuâ-i Fünûn*. 149 Hübner, *Ekonomi Tercümesi*, 3, et passim.
intellectual product. His translation, like Reşad Bey’s translation from Franklin, is also a good example of the Turkification of the Ottoman-Turkish language, a movement which would gain impetus later on.

In addition to these developments in the economic literature, the late 1860s and early 1870s witnessed another important phenomenon in Ottoman intellectual and political life: the rise of the Young Ottomans. Led by Ottoman intellectuals in voluntary exile in Europe, such as Ziya Pasha (1825–80) and Namık Kemal (1840–88), the Young Ottomans started an aggressive opposition movement against the Ottoman political and economic system that took shape during the Tanzimat era. Their highly critical publications changed the Ottoman intellectual atmosphere as never before and challenged the status quo through their aggressive critiques of the Ottoman political and economic system. The economic thought of the Young Ottomans in the context of the rise of economic proto-nationalism will be discussed in Chapter 4. However, it is important to add a brief note on their impact in order to understand the change in Ottoman economic thought at the dawn of the Hamidian era. Young Ottoman economic criticism was directed towards the widely discussed problems of the Ottoman economic system, such as the traditional Ottoman economic mentality (i.e., laziness and lack of interest in economic enterprise); “backward” economic conditions (e.g., lack of modern industry); and unsuccessful Tanzimat-era economic measures that aimed to modernize the economy but instead caused even greater problems (e.g., an enormous public debt, corruption, and the loss of economic independence). The Young Ottomans attacked the Tanzimat statesmen for their inability to

\[150\] For a brief analysis of the Young Ottoman criticisms against the Tanzimat economy, see Christiane Czygan, “On the Wrong Way: Criticism of the Tanzimat Economy in the Young Ottoman Journal Hürriyet (1868/1870),” in The Economy as an Issue in the Middle Eastern Press, ed. Gisela Procházka-Eisl and Martin Strohmeier (Vienna: Lit Verlag, 2008), 41–54.
change these “backward” conditions into a modern socio-economic structure, and demanded a radical reform of the political system in order to overcome these fundamental problems. ¹⁵¹ Yet despite the unprecedented radicalism of their political discourse, the Young Ottomans did not suggest any economic strategy, but a sort of economic liberalism mixed with strong economic proto-nationalist tendencies. Nevertheless, their critique played a very important role in late Ottoman economic thought, because their polemical style raised these issues in late nineteenth-century Ottoman debates on reform and modernization.

Moreover, the Young Ottomans’ “ politicization” of Westernization, as Şerif Mardin put it, ¹⁵² added another dimension to the problem of decentralization from the central government’s perspective. The political reformist challenge in the Ottoman modernization process, which started with the Young Ottomans in the 1860s and continued with the Young Turks after 1890s, paved the way for Abdülhamid II’s rather technocratic and centralist modernization project, which prioritized education and economic development rather than political change. In this respect, economic education and popularization of “economic thinking” for a socioeconomic transformation from below — through changing popular economic mentality and work ethic— were to play increasingly important roles in the Hamidian modernization project. As Ahmed İhsan Tokgöz would later note in his memoirs, the professors of economics at the elite Hamidian schools taught their students that “life is based on economy”¹⁵³ and that the power of a nation depended on the people’s labor and effort. ¹⁵⁴ He also adds that these teachers and their lectures

¹⁵¹ For the economic ideas and critiques of the two leading Young Ottomans, Ziya Pasha and Namık Kemal, see Sayar, Osmanlı İktisat Düşüncesi, 327–54; and Çakır, Osmanlı Maliyesi, 180–215.
¹⁵² Şerif Mardin, Jön Türklerin Siyasi Fikirleri, 1895–1908 (İstanbul: İletişim Yayınları, 2004), 222.
¹⁵³ Ahmed İhsan, Matbuat Hatıralarım, vol.1, 29.
¹⁵⁴ Ibid.
helped Ottoman youth get rid of the traditional fatalistic “medieval mentality.” The next chapter will examine economic books and manuals published in the Hamidian era to shed light on the sources of this paradigm shift in the Ottoman intellectual sphere.

Ibid.
Chapter 2 – Ottoman Economic Literature in the Hamidian Era

Every writer adapts political economy (just like in law, ethics, and other sciences) to his own country and society; and he writes according to the level of modernization and progress of his country. If we merely translate a work from an advanced country..., it would be an obvious mistake.¹ (Ahmed Midhat, 1879)

We might simply translate one of the books written in various countries on this discipline. This would definitely be easier. Yet, each of them is penned according to the current conditions and needs of its native country.² (Sakızlı Ohannes, 1880)

The Hamidian era witnessed the emergence of an Ottoman economic literature after a decades-long period of occasional translations. The most important and influential economic studies of the late Ottoman Empire, such as the books by Sakızlı Ohannes (1830–1912), Portakal Mikael (1841–97), and Ahmed Midhat Efendi (1844–1912), were published within the first decade of the Hamidian era. These works served as the standard texts of economics during the following decades well into the early years of the Turkish Republic. Meanwhile, protectionism challenged the monopoly of the laissez-faire approach, and the schism between the two views grew throughout the era. Sakızlı Ohannes’ Mebadi-i İlm-i Servet-i Milel (Principles of the Science of the Wealth of Nations, 1880) was the pioneer of Ottoman liberal economic tradition, whereas Ahmed Midhat Efendi wrote the first popular texts of the newly rising Ottoman protectionism. The following generation of Ottoman economists perpetuated both traditions with more elaborate studies.

This chapter traces the history of economics in the Hamidian period by analyzing the books and manuals on this subject published in the era. An overview of modern economic theory in the Ottoman context provides insights into the late-Ottoman economic perception of the

¹ Ahmed Midhat, Ekonomi Politik (İstanbul: Kirkanbar Matbaası, H. 1296 [1879]), 3–4.
² Sakızlı Ohannes, Mebadi-i İlm-i Servet-i Milel (Dersaadet [İstanbul]: Mihran Matbaası, H. 1297 [1880]), 11.
world. Such an overview of the theoretical patterns that shaped the late Ottoman economic mindset and the evolution of its relation to modern European economic thought will be helpful in analyzing the economic aspects of late Ottoman modernization in general.

2.1 The Political Economy of the Emergence of the Hamidian Regime

The reign of Abdülhamid II witnessed extraordinary historical circumstances both at the domestic and global levels. Especially the first two decades of his rule coincided with the Long Depression of 1873–96, which was marked by several serious economic depressions accompanied by chronic financial crises in the European markets. The Long Depression also marked the end of the “Golden Age” of economic liberalism, and protectionism began to rise globally. In addition to economic and financial crises, the latecomer capitalist countries (the United States, Japan, and Germany) were challenging the monopoly of economic and political power of the core capitalist countries. In the early 1880s, the major Middle Eastern states (i.e., the Ottoman Empire, Egypt, and Iran) collapsed financially, mostly as a result of loans spent on rapid, inefficient, and wasteful modernization projects. This, meanwhile, resulted in the loss of their economic independence.

The financial situation of the Ottoman Empire was at its worst. The industrialization efforts of the Tanzimat period had resulted in huge monetary losses. Other military, bureaucratic, and social reform projects as well as several debilitating wars (such as the conflicts with the rebellious governor of Egypt, Mehmed Ali, in the 1830s; the Crimean War of 1853–56; and the Russo-Ottoman War of 1877–78) had also consumed large amounts of financial resources. The

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visual aspects of modernization (e.g., the building of new European-style palaces such as Dolmabahçe) and the Westernization of the Ottoman elite’s lifestyles also aggravated the financial problems of the state. Cevdet Paşa’s accounts reflect concerns in this age regarding the wasteful effects of Westernization. He also mentions that even Abdülmecid I (r. 1839–61) complained about the extravagant lives of his family members and attempted to take measures to curb this trend.⁴ The new ostentatious and wasteful lifestyles of the Ottoman elite, including the royal family, at a time when the state was collapsing financially haunted the minds of Ottoman modernists of the era.⁵ Chronic budget deficits as a result of all these multi-faceted phenomena led the state into a debt spiral and consequently to a default in 1875.

Meanwhile, as stated in Chapter 1, centrifugal political forces ranging from ethnic separatist movements to political reformist groups, such as the Young Ottomans, challenged the central government’s power and authority. While using military means to stop nationalist movements, the Ottoman state responded to the radically liberal political demands of the latter (such as constitutional monarchy) by prosecution, censorship, and exile. In 1876, however, reformist politicians—such as the well-known Midhat Pasha (1822–84)—gained the upper hand in Ottoman politics and installed young Abdülhamid II as sultan. “One of the first signs of a genuine change in the political atmosphere [in the earliest days of his reign] was the use by the new sultan in his first proclamation of words such as “fatherland” and “liberty.” Both of these

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⁴ Ahmet Cevdet Paşa, Maʿrûzât, ed. Yusuf Halaçoğlu (İstanbul: Çağrı Yayınları, 1980), 11–14. For Ahmed Cevdet Pasha’s critique of the financial situation and the elite’s extravagance in the Tanzimat era, see Ahmet Cevdet Paşa, Maʿrûzât, 6–20.
⁵ As I shall discuss in Chapters 3 and 5, wasteful and conspicuous consumption were to become staple topics of treatises of reform as well as fiction of the era.
were Young Ottoman expressions par excellence.”⁶ In such an atmosphere the first Ottoman Constitution was proclaimed in 1876, and this was followed by the convening of the first Ottoman parliament the next year. However, the new sultan would not live up to the Young Ottomans’ expectations in the subsequent years of his reign. The debilitating defeat in the Russo-Ottoman War of 1877–78 gave the young sultan a pretext to end the first constitutional era (1876–78), thereby initiating his three-decade-long autocracy.⁷

As a result of pressing economic and financial problems as well as various political challenges to his authority, Abdülhamid II began to establish a centralized and autocratic political administration. The main pillars of his modernization project were education and economic development, a platform opposed to the political reformism of the Young Ottoman and Young Turk movements. This also created a conspicuous schism within the Ottoman intellectual sphere. On the one side, there was the radical underground political opposition, including the Young Turk movement that emerged in the late 1880s. On the other side, a group of loyal “Hamidian modernists,” such as Münif Pasha and Ahmed Midhat Efendi, put the emphasis on education and rejected all forms of political radicalism. While the political radicals were busy with political action for top-down change in the empire, the “educators” rolled up their sleeves for a bottom-up change, under the unchallengeable supervision of the “Enlightened ruler,” Abdülhamid II. The main objective of Hamidian social reformists was to mobilize the social and economic resources of the country to build a modern Ottoman society through education. Therefore, the economic education of Ottoman subjects according to modern principles became

an essential component of Hamidian modernization. The following sections provide an overview of Hamidian economic education and major opposing factions in late Ottoman economic thought by analyzing books and manuals of economics that were published in this era.

2.2 Sakızlı Ohannes and the Birth of Ottoman Liberal Economic Thought

The pioneer of Ottoman economic liberalism was an Armenian economist, Sakızlı Ohannes. He wrote an article entitled “İlm-i Servet-i Milel” (Science of the Wealth of Nations) for Mecmua-i Fünün (Journal of Sciences) in 1863, while he was still working at the Translation Bureau. In this article Ohannes presents a succinct summary of the Smithian view of human society, and he introduces the Smithian “universal laws” of economics to the readers of the journal. This may not seem particularly novel, considering earlier Ottoman translations of Smithian economics. However, the importance of Ohannes’ article lies in the fact that it was published in a popular science journal, taking its place among the first works aiding in the popularization of economics in the Ottoman Empire. Moreover, as we will see later, Ohannes was not merely a translator, but he was a trained economist. In addition, unlike earlier intellectuals who wrote on economic

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8 Sakızlı Ohannes (1830–1912) studied in Paris. After returning to Istanbul in 1852, he was assigned to the Translation Bureau. He assumed important governmental positions; and almost all of them were in economy related institutions, such as the Ottoman Bank, Ministry of Finance and Ministry of Commerce. In 1877 he was appointed to the Mekteb-i Mülkiye (The Imperial School of Administration) as the Professor of Economics and the Professor of Public Administration. He left this position in 1897 to become the Minister of the Imperial Treasury (Hazine-i Hassa Nazırı). For a short biography of Ohannes and his students’ descriptions of him, see Ali Çankaya, Yeni Mülkiye Tarihi ve Mülkiyeliler, vol. 2 (Ankara: S.B.F., 1968–69), 1058–60. A prominent Ottoman intellectual Ali Kemal, who studied economics at the Mekteb-i Mülkiye and also in Paris, notes in his memoirs that Ohannes was as good as the best political economy professors in Paris. See Ali Kemal, Ömrüm (İstanbul: İsis Yayıncılık, 1985), 67. It is impossible to verify Ali Kemal’s statement, but it at least testifies to Ohannes’ influence on his students.

9 The article was published in two installments in 1863, in Mecmua-i Fünün issues 2 (pp. 86–92) and 6 (pp. 243–49). According to Ülken, despite these early efforts, the Ottomans did not understand the importance of economics until the book of Ohannes and similar studies appeared and made their impact on the Ottoman readership in the 1880s. (Hilmi Ziya Ülken, Türkiye’de Çağdaş Düşünce Tarihi (Konya: Selçuk Yayınları, 1966), 65.) However, as we will see in this and the following chapters, the importance of economy and the science of economics were understood by the Ottomans in the early phases of Ottoman modernization. It is true, however, that until the Hamidian period there were no proper Ottoman economics literature (other than some sporadic translations) or a widespread economic education.
issues, and he was a devout follower of Adam Smith. Thus Ohannes’ article was the harbinger of the birth of a proper Ottoman economic literature.

According to the Smithian socioeconomic model presented in the article, individuals of all social and occupational groups have to work (saʿy ü amel) both mentally and physically in order to procure their livelihood. Since it is not efficient, and in most cases impossible, for an individual to produce everything, social production processes are organized according to the principle of “division of labor” within all societies. Various products of different kinds of human labor are exchanged in order to satisfy different needs of individuals and families. Thus, societal organization is based on two essential economic principles: division of labor (taksim-i mesaʿi) and exchange (mübadele). Division of labor and exchange bring about further specialization and professionalization of labor, which in turn improve the quality of products and create surplus production. Surplus production constitutes the basis for taxation, savings, and investments; and this provides more wealth and prosperity in the long run.

Ohannes also mentions important sub-processes and instruments of this macro model: the roles and types of money; different forms of value (i.e., use value and exchange value); the notion of economic value-added; the economic roles of productive and unproductive labor in economic progress and civilization; the importance of science and technology; and the indispensability of property rights, security, and economic liberty at the core of the system.

11 Ibid., 88–89.
12 Ibid., 87.
13 Ibid., 90.
15 Ibid., 248.
Moreover, he summarizes the “old” perception of wealth according to the mercantilist view, which defines wealth as accumulation of precious metals. He argues that, “fortunately,” those old and rusty ideas had been dumped in favor of the fact that wealth should be measured with “accumulated capital.” Briefly, he suggests a new model of socioeconomic organization to the Ottomans based on Smithian worldview, in which every individual pursues their own personal interest and engages in economic exchange with others to satisfy various needs. This new model of societal organization was to be based on self-interest, labor, specialization and exchange, property rights, and economic liberties, and it was to create wealthy individuals, social prosperity, and a continuous general progress of human civilization. All these notions and arguments may seem all too straightforward to contemporary readers, but in Ohannes’ time, Ottoman intellectuals like Ohannes were complaining about the dominance of some old economic ideas and the lack of the aforementioned economic instruments and institutions in the Ottoman economic and social system. As shall be seen in the next chapter, many Ottoman reformists regarded this obsolete institutional setup as the main obstacle to economic development. In short, according to Ohannes, this new economic theoretical model for society was directly relevant to the practical problems of the empire.

Sakızlı Ohannes’ main contribution to Ottoman economic literature came seventeen years after his articles were published. His Mebadi-i ılm-i Servet-i Milel (Principles of the Science of the Wealth of Nations) came out in 1880 as the textbook of economics for the Mekteb-i Mülkiye (The Imperial School of Administration). When the book was published, Ohannes was the “Professor of the Science of the Wealth of Nations” (i.e., economics) and also the Professor of

17 Ohannes, “İlm-i Servet-i Milel,” Mecmua-i Fünân 6 (1863), 244.
18 Ibid.
19 Ibid.
Public Administration at this institution. In the following decades, the book became the classic reference of economics for the Ottoman elite, many of whom were the graduates of this prestigious school and the students of Ohannes. *Mebadi-i İlm-i Servet-i Milel* is a good example of Smithian economics, as its title also insinuates, although it is not a translation of *The Wealth of Nations*. Ohannes notes in his introduction that he benefited from the works of [Henri] Baudrillart (1821–92) and [Joseph] Garnier (1813–81), and that he also consulted with some other prominent studies in the field without specifying any further names. Ohannes explains why he preferred to write a book instead of translating a European bestseller by saying that every book published in European countries was written according to the conditions and needs of those countries, and most of them are either too short and simple or too long and complicated. As a result, he decided to write a book for the Ottomans according to the conditions and the needs of their society.

Throughout the book, Ohannes emphasizes the importance of encouraging individual entrepreneurship and supporting it with institutionalized property rights and economic freedom.

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20 The title of Ohannes’ book is obviously inspired by the title of Adam Smith’s magnum opus, *An Inquiry into the Nature and Causes of the Wealth of Nations*. The science of economics was first named as the “science of the wealth of nations” or “science of wealth” in the Ottoman Empire, as a result of Smithian dominance in this field.

21 There is a big confusion in the scholarship of Ottoman economic thought concerning the names of European economists. Ottoman writers almost always wrote these names in Arabic script as they pronounce them (e.g., “Smith” is mostly written as *Esmit-*). Some contemporary scholars cannot read these names properly and thus they give references to some European economists, who actually have never existed. For some examples, see the discussion on the works of Mehmed Cavid below.

22 Sakızlı Ohannes, *Mebadi-i İlm-i Servet-i Milel*, 12. Both of these economists have been almost totally forgotten today. Since Ohannes does not give exact references but only last names, we can only guess that the former work is Henri Baudrillart’s *Manuel d’économie politique* (1857), and the latter must be one of many introductory books by the prominent liberal economist and later the editor of *Journal des Économistes*, Joseph Garnier. As Sayar notes, throughout the book Ohannes mentions the names of many economists such as A. Smith, J.B. Say, F. Bastiat, Took, and A. Young. (Ahmed Güner Sayar, *Osmanlı İktisat Düşüncesinin Çağdaşlaşması: (Klasik Dönem’den II. Abdülhamid’e)*, second ed. (İstanbul: Ötüken Neşriyat, 2000), 357.) Nevertheless, contrary to what Sayar implies, this does not show that he actually referred to the works of these economists. They were prominent economists of the era, and their names were mentioned in almost every introductory book on economics.

He echoes Adam Smith in suggesting that there are two keys to wealth and modernization: labor and saving. Since these and other modern economic principles must be followed by the members of all social strata, the science of economics should be read, understood, and used by all of the citizens of modern and modernizing societies. Meanwhile, the state must refrain from interfering in market processes, especially with protectionist concerns aiming at protecting local manufacturers or “national interests.” Ohannes states that this economic law is valid in developing as well as developed countries. His reasons are as follows: First, industrially backward countries (sanayice geri kalmış memâlık) need capital, and capital formation and inflow can only be promoted through providing (economic and political) safety and freedom of action to entrepreneurs. Second, the panacea for all economic problems is dynamism and hard work. Protectionism, however, encourages laziness and lethargy in national industries by impeding the provocative impact of foreign competition. He gives the examples of Spain and Portugal, whose protectionist policies prevented success in industrialization despite their abundance of natural resources. Ohannes mentions also that some protectionist economists argue that free trade brings about economic and political dependence for the backward countries. He responds to such ideas by saying that interdependence among different countries is not a sign of backwardness for any party, but it is a sign of membership in an “advanced civilization” that is based on an international division of labor and cooperation. Thus, importing necessary goods from abroad is as beneficial as exporting national products. Accordingly, Ohannes concludes,

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24 Ibid., 4–5.  
25 Ibid., 297.  
26 Ibid., 298.  
27 Ibid., 298.
every trade barrier, including restrictions and tariffs, constitutes an obstacle to economic
development and modernization.28

In short, Ohannes’ liberalism was an adaptation of Adam Smith’s “universal” principles
of economics to the Ottoman economy, something that would constitute the basis for Ottoman
protectionists’ criticisms against him and the liberal tradition he launched. As we shall see
below, Ahmed Midhat, who was the standard-bearer of Hamidian-era Ottoman protectionism,
criticized Ohannes and his followers for merely translating European knowledge and for
suggesting nothing original. Regardless of such criticism, Ohannes’ ideas made a strong impact
in Ottoman economic thought principally due to the fact that several generations of Ottoman
statesmen and intellectuals learned economics from him and his book at the Mekteb-i Mülkiye
up until the end of the empire. Meanwhile, however, protectionism was rising in the Ottoman
Empire—along with the global trend—and it was intellectually pioneered by one of the most
popular and influential Ottoman intellectuals of the late nineteenth-century, Ahmed Midhat
Efendi.

2.3 Ahmed Midhat and Ottoman Economic Protectionism

Ahmed Midhat Efendi was among the most prominent and influential intellectuals of the
Hamidian era. He was a public intellectual and educator who authored and translated over 200
books and numerous articles.29 He was also an active entrepreneur, who founded and ran the
most influential daily of the era, Tercüman-i Hakikat (The Interpreter of the Truth, 1878–1922)

28 Ibid., 299.
29 The quality of Ahmed Midhat’s works has always been an issue of debate among scholars. As an early example to
such arguments, Abdurrahman Şeref notes that it is hard to find even a few sentences of Ahmed Midhat that are fit
to be used as examples in a book on eloquence. (Abdurrahman Şeref, “Ahmed Midhat Efendi,” TOEM, no. 18
(1913): 1116.)
and the printing press that published the newspaper, in addition to many popular educational books. Just as he taught his readers, he always earned his living by his own labor, and died while a teacher at Darüşşafaka Lisesi (a high school for poor and fatherless children) at the age of 68.³⁰

Rejecting the liberal assumption of “universal laws of economics,” Ahmed Midhat adopted a “Historical” approach to economics.³¹ He published four short books on economics and economy-related matters: Sevda-yi Sâ’y ü Amel (The Passion for Effort and Labor, ³² 1879), Teşrik-i Mesa’i, Taksim-i Mesa’i (Cooperation, Division of Labor, 1879), Ekonomi Politik (Political Economy, 1879), and Hallü’l-’Ukad (Untying the Knots, 1890). These works were first serialized in newspapers before being made into books, except for the first one which was written based on a short newspaper article with the same title.³³ The former two books, as their

³⁰ For a short biography of Ahmed Midhat, see M. Orhan Okay, “Ahmed Midhat Efendi (1844–1912),” T.D.V. İslam Ansiklopedisi, vol. 2 (İstanbul: Türkiye Diyanet Vakfı, 1989), 100–103. For a complete list of his books and treatises, see Bir Jübilenin Intiba’ları: Ahmed Midhat’ı Anıyoruz!, (ed.) Hakkı Tarık Us (İstanbul: Vakit, 1955) 169–72. This list is in alphabetical order and does not contain publication dates and other bibliographic information. For a shorter list in chronological order and with such information, see Orhan Okay, Batt Medeniyeti Karşısında Ahmed Midhat Efendi (Ankara: Baylan Matbaası, 1975), 426–30.

³¹ The Historical School of Economics was an influential school of economic thought in the late nineteenth century. Although it is generally referred to as the German Historical School, since it was most powerful in Germany, the Historical approach was also influential in other European countries, including the cradle of economic liberalism, Britain. The main points of divergence of the Historical School from the liberal approach were the rejection of the existence of universal laws, the emphasis on national differences (based on historical and geographical factors), and the tendency toward more protectionist policies. Unfortunately, Ahmed Midhat does not give any clue about the influence of the Historical School on his ideas. Therefore it is not possible to safely assert that he was “directly” influenced by these economists. However, it is important to note that the 1880s were the heyday of the Historical School throughout Europe. For more information on the Historical School, see Heath Pearson, "Historical School, German" The New Palgrave Dictionary of Economics, vol. 4, 5–48; and J. Maloney, "Historical Economics, British," The New Palgrave Dictionary of Economics, vol. 4, 42–45. For a broader analysis, see Geoffrey M. Hodgson, How Economics Forgot History: The Problem of Historical Specificity in Social Science (New York: Routledge, 2001), 43–134.

³² The original term that Ahmed Midhat rendered into Turkish by this expression is “L’amour du travail,” see Ahmed Midhat, Sevda-yi Sâ’y ü Amel (İstanbul: Kirkanbar Matbaası, H. 1296 [1879]), 7.

³³ Ahmed Midhat wrote a short article for Vakit newspaper on March 21, 1878 (March 9, 1294) entitled Sevda-yi Sâ’y ü Amel. Two years later, when he decided to publish his serialized articles in book form, he also wanted to publish this work, but he realized that his ideas had changed since its publication two years earlier. Thus he used the article as a base and prepared a new text. Ahmed Midhat, Sevda-yi Sâ’y ü Amel, 2.
titles suggest, describe two essential principles of political economy which were the keys to economic development, according to Ahmed Midhat.

Sevda-ı Sa’y ü Amel (The Passion for Effort and Labor; L’amour du travail) is based on a basic capitalistic principle: labor is the sole source of success.\(^\text{34}\) As Anson Rabinbach shows, there were two powerful challenges to an effective application of this principle, laziness and fatigue, and the struggle against these undesirable corporal conditions dominated late nineteenth-century European modernist social thought.\(^\text{35}\) Ahmed Midhat’s solution to this challenge was “passion for labor.” After an introduction to the notions of “love” and “passion,” and different forms of passion (such as passion for a person, homeland, freedom, etc.), Ahmed Midhat argues that the passion for labor paved the way for an unprecedented economic and social progress in European societies. He adds, however, that it is not an idiosyncrasy of the Europeans, and in fact it exists in human nature; therefore Ottomans are not devoid of this basic instinct. According to Ahmed Midhat, what Europeans did was to unearth this inherent passion and process it through

\(^{34}\) Şerif Mardin asserts that Ahmed Midhat was inspired by Samuel Smiles’ Self-Help (1859), which was a global bestseller in the late nineteenth century. (Mardin, “Super-Westernization,” 415) According to Mardin, Ahmed Midhat selected Smiles’s book “as one of the products of the West most suitable for propagation,” and he gives reference to Ahmed Midhat’s work for this information (Sevda-ı Sa’y ü Amel [H. 1296], p. 187). Later, Carter V. Findley stated, with a reference to Mardin’s article, that Ahmed Midhat actually translated Smiles book. (Carter V. Findley, Ottoman Civil Officialdom: A Social History (Princeton: Princeton University Press, 1989), 12n22.) The problem, however, is that Ahmed Midhat never mentions Smiles’ name in his book, nor can we find any such translation. Moreover, although Mardin’s reference to Ahmed Midhat is page 187 of Sevda-ı Sa’y ü Amel, the book is only 78 pages. In the Turkish edition of the article, Mardin revises his earlier statement by arguing that Sevda-ı Sa’y ü Amel reflects the main themes of Self-Help; and this time he does not provide any page numbers in Ahmed Midhat’s work. (Şerif Mardin, “Tanzimat’tan Sonra Aşırı Batılılaşma,” in Türk Modernleşmesi (İstanbul: İletişim, 1991), 47.) Therefore, although Ahmed Midhat might have been inspired by Smiles, and there are in fact parallels between the two books in terms of themes, there is no concrete evidence for such a direct influence. It is also worth noting that Self-Help was translated into Arabic in 1880 in Cairo, and Smiles’ ideas became very influential among the Egyptian reformists in the following years. (Timothy Mitchell, Colonizing Egypt (Berkeley: University of California Press, 1991), 108–11). Hence it is likely that Ottoman reformists in Istanbul, including Ahmed Midhat, were aware of Smiles’ ideas in the 1880s. Later, Abdullah Cevdet, the well-known materialist intellectual of the early twentieth century, was to openly suggest adopting the ideas in Self-Help. (Hanıoğlu, Abdullah Cevdet, 199)

education in order to turn this potential power into a productive force. This constitutes his response to the widely circulating argument of Ottoman or Oriental laziness vis-à-vis European industriousness.

Ahmed Midhat’s idealistic notion of the roots of capitalism reminds us of a very well-known thesis in social sciences: “The Protestant ethic and the spirit of capitalism” of Max Weber (1864–1920). According to Weber, the Protestant ethic was a key factor in the development of capitalism in the sense that it created a certain work ethic (and a capitalist spirit), which paved the way for and reproduced the main motive of capitalistic labor processes. There are two important aspects of this ethic: first, working hard and putting work at the center of one’s life; second, based on the Puritan principle, using the accumulated wealth (i.e., the result of hard work) for further investment, rather than consumption for worldly goods. Such an ascetic ethic, according to Weber, created the accumulated wealth for investment, and thus established Northern European capitalism. Likewise, Ahmed Midhat suggests such a work ethic or a spirit (e.g., the passion for labor) as the fundamental solution to the problem of the empire’s “economic backwardness.”

In order to warm his readers to this new idea, Ahmed Midhat tells some imaginary stories in which some ideal characters of various occupations enjoy the pleasure and even ecstasy of labor and its material and moral results. He gives the examples of a farmer, a worker, and a merchant, all of whom work hard, and at the end of the day enjoy the fruits of their toil with their

36 Ahmed Midhat, Sevda-yı Sa’yı Amel, 7–12, et passim.
38 The similarity does not arise from any direct intellectual relationship between Weber and Ahmed Midhat. However, these similarities provide us important clues about the Zeitgeist and certain influential schools of thought that might have shaped the ideas of both intellectuals.
beloved ones. Then he uses a much more interesting and important example, which provides us significant clues about the evolution of late Ottoman economic thought. According to him, the most important example of such “lovers of labor” (sevda-yı sa’y ü amel erbabı) is Abdülhamid II. By relating stories he heard about the sultan and referring to the sultan’s own words about the importance of hard work, Ahmed Midhat argues that Abdülhamid II is also a lover of labor, even though he does not need to work at all. With this example, Ahmed Midhat aims to show that the passion for labor is the greatest enjoyment in the world, and no other pleasure can take its place, even for a sultan. Although Ahmed Midhat’s words resemble an example of eulogy for the sultan, praising a sultan for his labor (in the sense of productive work) reflects a paradigm shift in Ottoman economic and political thought in the industrial age. Ahmed Midhat’s economic works, in this respect, are perhaps the most significant products of the change in Ottoman economic mentality due to the impact of capitalist modernity.

_Teşrik-i Mesaʾı, Taksim-i Mesaʾı_ (Cooperation and Division of Labor) complements the capitalist spirit with an organizational component. Cooperation and division of labor were central themes in Smith’s work, and they became staple topics of nineteenth-century classical economics as being the main organizing principles of an industrial economy. By promoting these principles, which had been introduced earlier to Ottoman readership by Ohannes, Ahmed Midhat’s message was simple and straightforward: in order to succeed in anything, we need to cooperate with others. He explains this principle by using the example of machines, a common

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39 Ahmed Midhat, _Sevda-yı Sa’y ü Amel_, 41–44.
40 Ibid., 49–53.
41 Ibid., 34.
reference in nineteenth-century social thought. He suggests his readers to think about what machines can do. Machines, he maintains, comprise of ten to fifteen metal pieces but produce miraculous results by simply obeying the laws of cooperation and division of labor. Then he asks his readers to imagine what millions of individuals can achieve by following the same principle. In other words, he tells his readers that the Ottomans can succeed in everything even if they do not have the necessary means (like capital); all they need is cooperation. Ahmed Midhat then gives various concrete examples, from starting a tannery business to founding a big paper factory, to inspire his readers to employ this principle.

As these examples demonstrate, Ahmed Midhat not only introduced the principles of a new discipline to his readers, he also showed ways of implementing these principles for personal economic success and the economic development of the country. In other words, Ahmed Midhat suggested practical solutions to the obstacles before the economic development in the Ottoman Empire. It is also worth noting that despite his criticisms against Ottoman liberals, his arguments stand on liberal principles. There are two indicators that testify to the intrinsic liberalism in Ahmed Midhat’s economic model: First, the aforementioned principles that he adopted (cooperation and division of labor) are the main pillars of classical Smithian understanding of economics; and second, he assumes that economic development depends on the economic success of the individuals and not on economic enterprises initiated by the state. Therefore, Ahmed Midhat’s stance towards economic liberalism is more complicated than being an “anti-liberal protectionist.”

43 Ahmed Midhat, Teşrik-i Mesa’î, Taksim-i Mesa’î (İstanbul: Kırkanbar Matbaası, H. 1296 [1879]), 121.
44 Ibid., 111, et passim.
In the introduction of Teşrik-i Mesa‘i, Taksim-i Mesa‘i, Ahmed Midhat states that despite all translations from European languages, there is still need for a popular political economy book written for the ordinary people in a simple language to help them understand and apply modern economic principles in their daily lives.\(^\text{46}\) He adds that the books that were translated earlier are mostly technical works, and they cannot be understood by the people without help from a more basic introductory text.\(^\text{47}\) The result of this concern is his Ekonomi Politik (Political Economy or L’économie politique, 1879). Ekonomi Politik is based on Belgian economist George de Brouckère’s Principes généraux d’économie politique (1850),\(^\text{48}\) which was written as a popular manual of economics.\(^\text{49}\) However, Ekonomi Politik is not a translation; it is hardly even an adaptation. Ahmed Midhat used the plan of Brouckère’s book and ignored some parts that were not very relevant to the current condition of the Ottoman economy,\(^\text{50}\) either adding alternative

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\(^{46}\) Ibid., 88–91.

\(^{47}\) Ibid., 88.

\(^{48}\) As Georgeon notes (“Ahmed Midhat’a Göre Ekonomi Politik,” 156) Ahmed Midhat misspells this name, and since Brouckère is not a well-known economist today, many contemporary scholars have repeated his mistake. Thus in the existing literature, Brouckère is generally referred as “Brusker” or “Brosker” (based on Ahmed Midhat’s writing “بروسكر”) without any further information. (See for example, Sayar, Osmanlı İktisat Düşüncesi, 379, et passim.)

\(^{49}\) “L’auteur n’a pas la prétention de présenter des théories novelles, ni de mieux exposer les principes de la science que ses devanciers; mais il a compris qu’une encyclopédie populaire réclamait un traité d’économie politique, et il a cédé à la demande de ses collaborateurs.” Georges de Brouckère, Principes généraux d’économie politique (Bruxelles: Société pour l’émancipation intellectuelle, 1850), 5.

\(^{50}\) Such as the part on distribution of wealth, including chapters on industrial, financial and other revenues. (Brouckère, Principes généraux d’économie politique, 77–96) Ahmed Midhat complains about the lack of a developed Ottoman industry (and states the urgency of establishing it); and he ignores these parts that are no use for understanding the Ottoman economy at the time.
explanations from other economists or advancing his own views about the Ottoman economy.\textsuperscript{51}

This is not an unintentional consequence of his style, but on the contrary, an intended result of his approach to the sciences in general, and his historical approach to economics in particular:

Every writer adapts political economy (just like in law, ethics, and other sciences) to his own country and society, and he writes according to the level of modernization and progress of his country. For example, the intellectuals of Belgium, which has shown an outstanding progress, favor the idea that there should be no barriers to international commerce. Since their nation reached the highest stage of progress in commerce and industry, their ideas are justified. However, the intellectuals of backward countries, such as Italy, deemed protective measures necessary in order to protect internal wealth from being captured and swallowed by external trade [i.e., foreign merchants], and their ideas are equally justified. We are Ottomans, and our country is in a condition of decline. If we merely translate a work from an advanced country, such as the one we take as a model in this work, it would be an obvious mistake. Therefore, it is necessary to find the middle ground and write political economy according to our conditions; this necessitates gathering the summaries of different authors [and alternative ideas] together. This short essay is based on this principle.\textsuperscript{52}

\textit{Ekonomi Politik} reflects Ahmed Midhat’s well-known Hâce-i Evvel (the first teacher) style.\textsuperscript{53} Throughout the book he is in an imaginary dialogue with his students (i.e., his readers). He asks questions to them and then gives his answers to these questions, at the same time answering any questions his students might have in mind. In some parts, he also responds to

\textsuperscript{51} Sayar asserts that Ahmed Midhat referred to works of Sismondi, Droz, Say, and Rossi. Ahmed Midhat mentions these names in passing in his explanations on the name and scope of the science of political economy by giving different descriptions from these economists. His source, Brouckère’s book, does not include these different views; but this does not automatically prove that Ahmed Midhat referred to the books of these authors. A more likely explanation is that he referred to a reference book that included all these information. This source might be Charles Coquline’s \textit{Dictionnaire de l’économie politique contenant l’exposition des principes de la science} (2 vols; Paris, Librairie de Guillaume et Cie., 1852–53), which was then very popular. When we take a look at the entry “économie politique,” we can find the same names referenced by Ahmed Midhat. This may suggest that Ahmed Midhat used either this book or another source with similar references. Moreover, the foreign names issue plagues contemporary works on Ahmed Midhat as well. For example, Sayar mentions the names “Setrock” and “Derose” among Ahmed Midhat’s sources (Sayar, \textit{Osmanlı İktisat Düşüncesı}, 380). The correct names are (Henri-Frédéric) Storch (1766–1835) and (Joseph) Droz (1773–1850), respectively.


\textsuperscript{53} Hâce-i Evvel was the title of Ahmed Midhat’s first popular educational work, published in 1870. Due to his popular educational style and his impact as a teacher on his readers, Hâce-i Evvel later became the title given by his readers to honor him.
Brouckère’s theses. Ahmed Midhat refers to Brouckère’s arguments by saying “as our source argues,”54 and sometimes he quotes him directly using quotation marks, which was not very common in the similar works of the era.55 To the chagrin of Ahmed Midhat, his source is a liberal economist. He challenges his source’s liberal views with the help of protectionist arguments from other economists.56 It is worth noting that Ahmed Midhat is definitely a liberal when it comes to his ideas on monopoly, private property, and freedom of private enterprise, and he also accepts the indispensable benefits of freedom of exchange and competition. He maintains that prohibitions on international trade are not in fact compatible with the fact that the God endowed different resources to different nations and countries.57 In short, he is in accord with his source in suggesting that the monopolies are harmful and they work against the interests of societies, whereas competition brings about wealth and progress.58 Nevertheless, he puts forward his reservations about laissez-faire policies in the short-run.

In the chapter on freedom of external trade, he gives a summary of Brouckère’s liberal theses, and then challenges each of them with the help of protectionist arguments taken from other European economists.59 Reminiscent of Friedrich List’s protectionist arguments, Ahmed Midhat does not reject the validity of laissez-faire theories, but he asserts that these theories are only applicable and beneficial for the most developed countries, including Brouckère’s country Belgium, but not for others, like the Ottoman Empire. According to him, economically backward countries do not possess modern industries that can compete with the Europeans; therefore any

54 Ibid., 49, 69, et passim.
55 Ibid., 57, 69, et passim.
56 Unfortunately Ahmed Midhat does not mention any names.
57 Ibid. 71.
58 Ibid. 72–76.
attempt at competition will result in the total destruction of the existing domestic sectors. \(^{60}\) He also maintains that even the developed countries do not always follow *laissez-faire* principles, and that they have recourse to protectionist policies whenever necessary. \(^{61}\) In order to buttress his theses, he adds an analysis of Ottoman economic history, in which he emphasizes the importance of protectionist policies for overcoming economic backwardness. \(^{62}\) Ahmed Midhat formulated his protectionist ideas in a more effective way in his next economic study, *Hallü’l-‘Ukad.*

After a decade-long break, Ahmed Midhat returned to the field of political economy with another interesting book, *Hallü’l-‘Ukad* (Untying the Knots). This is a compilation of eight letters which are written to an unnamed dignitary in response to his questions concerning the issue of classification of sciences and the place of economics within them, notions of wealth and money, and protectionism. According to Ahmed Midhat, answering these questions would “untie many knots” and educate the people about important economic matters. \(^{63}\) The first part of the book includes epistemological arguments on the *müsbet ilimler* (Ahmed Midhat refers to them as *sciences positives* in French), *sahih ilimler* (*sciences exactes* as he refers to them), and *zannî ilimler* \(^{64}\) (which can be translated as “conjectural sciences,” in which he includes economics). \(^{65}\) Following two letters on wealth \(^{66}\) and money, \(^{67}\) Ahmed Midhat repeats his protectionist

\(^{60}\) Ibid., 128.

\(^{61}\) Ibid., 129.

\(^{62}\) Ibid., 110–35. Ahmed Midhat’s narrative of the Ottoman economic history and his policy proposals will be discussed in Chapters 3 and 4 in more detail.


\(^{64}\) He does not refer to any term in French for this last category.

\(^{65}\) Ibid., 4–34.

\(^{66}\) Ibid., 57–73.

\(^{67}\) Ibid., 74–91.
economic ideas in his letter about trade. In addition to the letters on the biographies of three prominent seventeenth- and eighteenth-century French statesmen/economists (Maximilien de Béthune duc de Sully [1560–1641], Jean-Baptiste Colbert [1619–83], and François Quesnay [1694–1774]), he devotes the last letter to the life and ideas of Adam Smith.

Ahmed Midhat complains about the Ottoman liberals, who reject his protectionist arguments by saying, “the time of Colbert has passed long ago.” He responds to such criticisms by saying that given the current level of development of the Ottoman economy, the time for Colbertian policies has not even come. Then he launches a counter-attack against these liberals, some of whom taught at imperial colleges. He argues that what these liberals understand from science is merely the knowledge of a foreign language, and thus what they do is nothing but translate European books. Ahmed Midhat believes that in order to benefit from the sciences for a country’s problems, one must have a good grasp of the country’s history and geography. In other words, the local conditions should be taken into account in economic policies, rather than simply following allegedly universal laws.

Ahmed Midhat does not specify any reference for his ideas that resemble those of the German Historical School. However, a quick review of the main argument of one of the most
prominent forefathers of this school, Friedrich List (1789–1846), provides us with clear evidence for a—direct or indirect—connection:

It [the theory of free trade] seemed to me at first reasonable; but gradually I satisfied myself that the whole doctrine was applicable and sound only when adopted by all nations. Thus I was led to the idea of nationality; I found that the theorists kept always in view mankind and man, never separate nations. It became then obvious to me, that between two advanced countries, a free competition must necessarily be advantageous to both, if they were upon the same level of industrial progress; and that a nation, unhappily far behind as to industry, commerce and navigation, and which possessed all the material and moral resources for its development, must above every thing put forth all its strength to sustain a struggle with nations already in advance.76

Echoing Friedrich List, Ahmed Midhat, in his letter on Adam Smith, provides a summary of Smith’s ideas on economic liberalism, and concludes that “there is nothing to say to any of these, but one must be in England” to apply them.77 He maintains that the British economy possessed extremely favorable conditions for the implementation of liberal policies, with its well-developed industry and powerful economic infrastructure.78 However, the Ottoman economy has not reached such a high level of development; therefore international competition under free market rules would be disastrous for it. He also reproaches liberals who teach these policies at the Ottoman colleges, emphasizing the inappropriateness of this situation by stating

it seems to be a weak argument especially concerning the strong resemblance of Ahmed Midhat’s arguments and discourse to those of the Historical School. The theses of the German Historical School were so popular and influential in his time that they were summarized even in the works of laissez-faire economists—to show their inaccuracy from the Smithian approach. Therefore it is plausible to assume that he, at least, came across the theses of the Historical School during his studies on political economy. Although it is true that he does not refer to any names from this school, and in his Hall’ül Ukad he advises following the policies of mercantilist economists/finance ministers, the ideas he promoted are much more sophisticated than those of the mercantilists of the eighteenth century. Moreover, he seems to have chosen the mercantilists as the examples to follow not because of their theoretical approach, but due to their success in industrializing an agricultural economy thorough completely pragmatic—thus protectionist whenever necessary—policies.

77 “Bunların hiçbirşine diyecek olmaz, ama bunun için insan İngiltere’de bulunmalıdır.” (Ahmed Midhat, Hallü’l-‘Ukad, 190.)
78 Ibid., 191.
that teaching liberal theories at Ottoman schools is just like teaching the Christian principle of “turning the other cheek.”"\(^{79}\) Moreover, he complains about the young liberal graduates of these schools who tend to criticize his own ideas and efforts for the economic development of the country: “They even say, ‘you don’t know political economy!’ and try to teach it to me. Good God Almighty! [Fesuhanallah]”\(^{80}\)

Despite the protests of the liberals, he suggests that the Ottomans would better learn lessons from the three prominent economists and statesmen of sixteenth-, seventeenth- and eighteenth-century France: Maximilien de Béthune duc de Sully, Jean-Baptiste Colbert, and François Quesnay, respectively. Ahmed Midhat provides biographies of these three men and narrates how they revigorated France by applying strict fiscal measures and protectionist policies which developed French industry and agriculture. Since the Ottoman economy of the late nineteenth-century resembled more pre-Industrial-Revolution French economy than that of the post-Industrial-Revolution Britain, Ahmed Midhat finds these examples more relevant for his country.\(^ {81}\) He concludes: “Here are the biographies of three big economists, you will find the way to salvation no matter which one you choose to follow,” and Adam Smith also developed his own theories based on the ideas and policies of these three economists.\(^ {82}\) More importantly, he adds, these economists wrote for the particular economic conditions that they lived in and this is why the mercantilists emphasized agriculture, and Smith emphasized industry.\(^ {83}\) Ahmed

\(^{79}\) “Adam Smith’in ekonomisini mekteblerde tedris etmek, kiliselerde ‘Size en büyük fenalık edenleri, ez dil ü can seviniz! Bir yanağımıza tokat vuranlara, diğer yanağınızı da çeviriniz!’ diye verilen va’z ü nasihatlara benzer.” (Ibid., 193.)
\(^{80}\) Ibid. 196.
\(^{81}\) Ibid., 104–81.
\(^{82}\) “İşte efendim! Size üç büyük ekonomistin tercüme-i halleri ki bunların hangisine ittiba’ edecek olsanız tarık-i refahi bulur çıkarırınız. Hattâ Adam Smith’in bulduğu yol dahi, şu rehberler sayesinde keşf olunmuşdur.” Ibid., 181.
\(^{83}\) Ibid. 184–85.
Midhat, with this note, once more suggests that the economists should suggest economic policies according to specific socioeconomic conditions of their countries. It is worth mentioning that Ahmed Midhat was not the first Ottoman intellectual who introduced these names to the Ottoman intellectual sphere. In 1859, Münif Efendi (later Pasha) rendered Voltaire’s *Dialogue entre un philosophe et un controleur général des finances* (1751) into Turkish in his *Muhaverât-i Hikemiye*. In this short piece, Voltaire’s *philosophe* discusses the importance of a successful comptroller-general of finance for increasing the wealth of a country, and he mentions Sully and Colbert as well-known examples.  

In short, contrary to prominent liberal Ottoman economists, Ahmed Midhat rejects allegedly universally valid *laissez-faire* policies, instead suggesting a protectionist and patriotic “Ottoman” economics, the principles of which are to be based on the historical and geographical conditions of the empire. Despite the dominance of liberals, Ahmed Midhat was not alone in the protectionist trenches. Akyiğitzade Musa Bey was to join Ahmed Midhat later as a more systematic defender of protectionism. But even before Akyiğitzade Musa, Mustafa Nuri Bey (1844–1906) would also provide an example of Ottoman economics from a protectionist perspective.

### 2.4 Following the First Steps: the 1880s and Early 1890s

In 1882, Nuri Bey, then an official at the Ottoman Customs Administration (*Cemiyyet-i Rüşûmiye âzâsi*), published his *Mebahis-i İlm-i Servet* (Themes in the Science of Wealth).

Although there is no clear evidence in the book itself, the author is most probably the well-

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known Young Ottoman leader Menâpirzade Mustafa Nuri Bey (1844–1906). Several details in Mustafa Nuri Bey’s biography support this identification. First, Mustafa Nuri Bey held the aforementioned position (Cemiyyet-i Rüşümiye âzâsı) between June 30, 1880 and April 3, 1883. Second, it is noted in his official records that “he has works on economics that are published and unpublished.” Third, Tevfik Biren also notes in his memoirs that “[Nuri Bey] studied economics, and such people were rare in those days. As far as I remember, he also wrote a book on economics.” Thus, it seems plausible to believe that Mebahis-i İlm-i Servet (1882) belongs to Menâpirzade Mustafa Nuri Bey. This adds to the importance of the book, since it constitutes the only proper economic treatise written by a leading member of the Young Ottoman movement.

In his introduction, Nuri Bey mentions two factors that motivated him to write the book. The first one is the importance of the science of economics for “civilized societies.” He argues that the coverage of this science expands with the progress of civilization, and its principles have become more and more relevant for a wider spectrum of human relations, both material and moral. Thus, it is impossible for any civilized society to ignore its principles. The second factor is his personal experiences. He states that although the importance of this science first inspired him to write a book on this subject, his experiences in the Ottoman Customs Administration expedited the process. After being assigned to the Administration, he realized that the transactions and the procedures in the Ottoman customs were a far cry from what the principles

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85 Sayar makes the same claim without providing any evidence, see Sayar, Osmanlı İktisat Düşüncesi, 40n25.
87 Ibid.
89 By stating this, I willingly ignore Ahmed Midhat’s early affiliation with the movement as he denounced his “radical” past after returning from exile in 1876. See Ahmed Midhat, Menfa (İstanbul: Kirkanbar Matbaası, 1876).
of modern economics would suggest. He witnessed a chaotic and arbitrary system—or the lack thereof in a modern sense—which made the Ottoman Customs Administration open to all kinds of abuse and corruption.⁹⁰

Nuri Bey names only one Ottoman study on economics: Ohannes’ *Mebahis-i İlm-i Servet-i Milel*. Despite Ahmed Midhat’s immense popularity both as a public intellectual and an ardent supporter of protectionism, Nuri Bey apparently ignores his writings. This might be due to Nuri Bey’s consideration of Ahmed Midhat’s works as popular pieces rather than regarding them as important contributions to Ottoman economic literature. Nevertheless, it is not possible to prove this, since Nuri Bey does not state any reasons for ignoring Ahmed Midhat. Nuri Bey argues that while Ohannes’ book is a competent study, it lacks some important aspects that his own book aims to complete. He notes that a distinctive characteristic of his book is the presentation of economic principles in a dialogical format to make them easier to understand. He also argues that Ohannes’ book teaches, rather dryly, the principles of economics, but not its history. Nuri Bey’s book, however, includes the history of economics and the biographies of prominent European economists. He also considers his own book an important study thanks to inclusion of Arab contributions to economic thought.⁹¹ Here, his reference to “Arab scholars” aims at proving the contributions of Muslims to this field; and by doing so, he traces an Islamic intellectual tradition of economic thought. In other words, Nuri Bey is among the first Ottoman intellectuals who strove for “the invention of tradition” of Islamic economics.⁹²

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⁹¹ Ibid., 2.
⁹² I borrow this concept from Eric Hobsbawm and Terence Ranger (eds.), *The Invention of Tradition*, (Cambridge: Cambridge University Press, 1983). The Muslim reaction to the European claim for the invention of economics was older than Nuri Bey’s book. We learn from a letter dated 1874 from Midhat Pasha to Cevdet Pasha that these two
As a reflection of the two main factors which motivated him to undertake this study, the book is organized in two parts: The first part provides a general introduction to the science of wealth (with its history, as well as the main principles); the second part deals with the question of the division of wealth, a great portion of which is devoted to the government’s share in this division. In other words, the second part is mainly on public finance and particularly customs. Nuri Bey’s book is a very interesting and important example in Ottoman economic literature, for various reasons. First, it is not a translation; although it is very probable that he simply copied some parts from the works of European economists. For example, the first section (entitled Tercüme-i Hal [Biography]) of the first part is a conventional nineteenth-century narrative of the history of economics starting from ancient Greek philosophers and ending with the prominent economists of the nineteenth century like [Claude Frédéric] Bastiat (1801–50) and [Pellegrino] Rossi (1787–1848).93

Yet, his introduction stands out as a much more interesting text than the main body of the book, thanks to Nuri Bey’s narrative of the Arab-Muslim tradition of economic thought. According to Nuri Bey, all students of modern sciences know that the roots of these sciences go back to the contributions of Arab scholars; and there should not be an exception for the science of wealth. “It is impossible,” he states, “that the Arab scholars might have ignored this science which is directly related to the wealth and prosperity of society,” especially considering the prominent statesmen were discussing the issue, and the latter pointed out Ibn Khaldun’s work as the proof of an Islamic economics tradition preceding modern European political economy (BOA, YEE, 38/1, 15/Za/1291). Moreover, Ibn Khaldun was also used by late nineteenth-century Muslim authors to prove the existence of an indigenous Islamic tradition of sociology. See Tripp, *Islam and the Moral Economy*, 19–20. For a recent study that claims that Islamic finance is not a recent phenomenon, but actually a tradition of “fifteen centuries old,” and contemporary Islamic financial engineers are “not aware about the achievements of their forefathers,” see Murat Çizakça, *Islamic Capitalism and Finance: Origins, Evolution and the Future* (Cheltenham: Edward Elgar, 2011).93 Nuri, *Mebahis-i İlm-i Servet*, part 1, 12–41.
religious obligation on Muslim scholars to work for the wellbeing of the community. Then he traces the economic thought in the works of certain Arab-Muslim scholars, and gives examples such as Ibn Khaldun’s arguments on *ilm-i tedbir-i menzil* (the science of household management) and *siyaset-i medeniye ilmi* (the science of urban management). He concludes that since Ibn Khaldun based such arguments on politics, ethics, and wealth, the main components of economics, his writings should be considered within the science of wealth. Then Nuri Bey uses examples from the words and deeds of two Rightly Guided caliphs, Abu Bakr and Ali, to demonstrate the importance they ascribed to economic matters. His sources for such examples are the works of other Ottoman Muslim intellectuals such as Tunuslu Hayreddin Pasha (Khayr al-Din Tunisi) and Subhi Pasha (*Evkaf-ı Hümayûn Nazîrî* [the Minister of Imperial Pious Foundations], 1826–1886). This also shows that there had been earlier attempts to invent an Islamic tradition in economics. Basing his arguments on such examples, Nuri Bey concludes that there was a strong awareness of the principles of science of wealth among scholars and statesmen of the early centuries of Islamic civilization. He goes on to say that this tradition was abandoned at some point in history, and thus the Muslims of his age are unaware of the principles of this essential science. Despite his promise, however, he does not provide a summary of Arab-Muslim contributions to economic thought. Instead, he merely asserts that it was impossible for the Arab scholars to ignore such an important science, and that they did not. He presents neither a history, nor any principles of such an alleged tradition. Ahmad Dallal explains this kind of a Muslim response to “European” sciences in a broader context:

94 Ibid., 4.
95 Ibid., 5.
96 Ibid., 6.
97 Ibid., 8–9.
The main problem is that the Arabo-Islamic scientific culture is a legacy of the past and a hope for the future but absent, in effect, in the present. Much of the debate about science in the modern period focuses on bridging the gap between the lost past and the desired future. Of course, the proposed modes of bridging this gap depend on how the past is imagined.\textsuperscript{99}

The resulting “historicism” that appeared in the Ottoman context will be discussed in Chapter 3.

Following his introduction and the “biography” (i.e., history) of economics, Nuri Bey’s book continues as a dialogue between an “objector” (\textit{mu’teriz}) and a “respondent” (\textit{mûcib}). His objector is not a mere uninformed student who asks questions, but rather a person who has studied the science of wealth and who has some questions and confusion regarding his readings. The objector does not only ask questions, but sometimes literally objects to some widely accepted arguments, some of which were presented also by Ohannes. In this sense, Nuri Bey stands in indirect dialogue with Ohannes’ work along with some European economists.

Nuri Bey follows European examples in his organization of the book. However, the content of each chapter, except for the first chapter on the history of economics, reflects his syntheses of the ideas of European economists and various Ottoman sources. He does not mention any particular work which provided a basis for his book. However, in addition to some classic references like Smith, Rossi, and Say, he mentions the books, and even sometimes articles, of some prominent economists of his age such as Nicolas Villaume, Michel Chevalier, Ferdinand Hervé-Bazin, Francis Lacombe, and many others. It is important to note that these names were not frequently referenced in Ottoman economic literature. Moreover, he also refers

to other more technical sources such as Économie Annuaire, which contains statistical information about the French economy.

Another distinct characteristic of Nuri Bey’s book is his general approach to economics, which can be defined by two keywords: “normative” and “protectionist.” Just like Ahmed Midhat, he does not believe that economics can be counted among the positive sciences. According to him, the science of wealth is not a science that merely explains the facts of acquisition of wealth without any concern for the source of wealth. In other words, notions such as ethics, justice, and concern for public prosperity are and should be indispensable components of economics. However, he also strongly criticizes “unrealistic theories,” such as socialism and communism, which propose radical changes in the social and economic system on the bases of equality and justice. Nuri Bey does not hesitate to extend the borders of public interest into the boundaries of individual freedom, despite his objector’s protests. According to him, the state should interfere in the individual economic enterprises whenever an action against the public interest occurs. For example, if an agricultural producer insists on ignoring her/his social role by keeping her/his land uncultivated, the state can punish this producer or even confiscate the land. In his response to the objector, who asks whether this is not against the notion of individual freedom, Nuri Bey reminds of a prerequisite of the idea of freedom: social responsibility. In other words, according to him, there are limits to individual freedom and there is no freedom without responsibility. It is worth noting that these conventional arguments of nineteenth-century liberal political discourse match perfectly with the traditional land regime of

100 Nuri, Mebahis-i İlm-i Servet, part 1, 51–58; et passim.
101 Ibid., 77–79.
102 Ibid., 80–88.
103 Ibid., 83–84.
104 Ibid., 80.
the Ottoman Empire: Although the land is distributed to the individual producers, the real owner of the land is always the state.\textsuperscript{105}

His protectionist perspective manifests itself in the section on external trade. Echoing Friedrich List—without any direct reference, just like Ahmed Midhat—Nuri Bey summarizes the arguments of the \textit{laissez-faire} approach and says that they seem right in theory.\textsuperscript{106} He states, however, that the applicability of these theories has a very important prerequisite, that is, equivalence in the levels of industrialization of the trading countries. Otherwise, just as in the case of trade between European economies and the Ottoman Empire, the industry of the weaker party becomes incapacitated, and the country becomes economically dependent on foreign industrial powers.\textsuperscript{107} Instead of \textit{laissez-faire} policies, he supports “the infant industry” argument for the short run.\textsuperscript{108} In other words, he argues that until a country builds a strong industrial structure, it has to protect local industries from the destructive effects of free trade. Nuri Bey believes that this should only be a short- or medium-term policy, and as soon as a competitive national industry is built, the principles of free-trade should be applied for further economic development. Otherwise, permanent protectionism is also harmful to economic development.\textsuperscript{109}

The most prominent figure in Ottoman liberal economics, Mehmed Cavid Bey, praised Nuri Bey’s work as an important contribution, but he did not present a review of the work and its

\textsuperscript{105} Ibid., 83.
\textsuperscript{106} Nuri, \textit{Mebahis-i Ilm-i Servet}, part 2, 32.
\textsuperscript{107} Ibid., 33.
\textsuperscript{108} The “infant industry argument” was another popular protectionist argument of the nineteenth century, and it is still defended by many “heterodox” economists. The argument is based on the idea that the newly emerging industries in a developing country have to be protected from the destructive effects of international competition with the developed foreign industries, until the infant industries achieve a certain maturity and strength to cope with its foreign rivals. For more information, see Douglas A. Irwin, “Infant-Industry Protection,” in \textit{The New Palgrave Dictionary of Economics}, vol. 4, 291–93.
\textsuperscript{109} Nuri, \textit{Mebahis-i Ilm-i Servet}, part 2, 37.
ideas in his own book. Nevertheless, concerning Nuri Bey’s protectionist views and Cavid Bey’s uncompromising liberal stance, Cavid Bey’s words of sympathy cast some doubt on whether he actually read the work. More interestingly, when Nuri Bey published his book, he was working under another prominent liberal economist: Portakal Mikael. Mikael was then the General Director of the Ottoman Customs Administration. Nuri Bey praises Mikael and includes a translation of a memorandum written by Mikael, summarizing the conditions of the Ottoman customs regime. Unfortunately, we do not have any hint regarding Mikael’s response to Nuri Bey’s work, nor do we have any information about the impact of this interesting work in the Ottoman intellectual sphere.

In 1885, three years after the publication of Nuri Bey’s book, Mahmud Es’ad published a study entitled *İlm-i Servet* (The Science of Wealth). According to the note on its first page, the book is based on the notes taken in the lectures of Münif Pasha (1830–1910) at the Imperial School of Law. However, Mahmud Es’ad was to publish his own multi-volume work on

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110 Mehmed Cavid, *İlm-i İktisad*, vol 1 (İstanbul: Karabet Matbaası, H. 1315 [1897]), *.* (Mehmed Cavid uses Arabic letters in his introduction as page numbers instead of numerals.)

111 Nuri Bey notes that Mikael Pasha penned this memorandum in French. (Nuri, *Mebahis-ı İlm-ı Servet*, part 2, 39)


113 Ibn’ül-Emîn Mahmud Es’ad Seydişehrî (1855–1918) initially received a religious and later a modern education. With special permission from the Minister of the Imperial Military Academy, he became the only civilian student admitted to this school, but he did not graduate. In 1882 he passed a special exam and became a lawyer. After the establishment of the School of Law, he entered this school, where he took classes from Münif Pasha. He graduated in 1886. Mahmud Es’ad had a brilliant career and assumed very important high offices, in addition to receiving many important orders and titles from the sultan. Throughout his career he served in many teaching positions as a professor of economics and law. In 1897, for example, he replaced Ohannes Pasa to become the Professor of Science of Wealth at the Mekteb-i Mülkiye. Mahmud Es’ad wrote and translated many books in a wide range of topics from law (both Islamic and European) and legal history to economics and history of European civilization. For a detailed biography and a list of his works, see Çankaya, *Yeni Mülkiye Tarihi ve Mülkiyeler*, vol. 2, 1021–32; also see Büyük Türk Hukukçusu Seydişehirli Ibn-ül-Emîn Mahmut Esat Efendi (İstanbul: Türk Hukuk Kurumu, 1943).

114 Mahmud Es’ad, *İlm-ı Servet* (İstanbul: Mekteb-i Sanayi, H. 1302 [1885]), 2. Münif Pasha (1830–1910) was among the most prominent statesmen and intellectuals of Ottoman modernization. He received a traditional education in his early youth, but later he studied modern philosophy and sciences during his diplomatic services as well as his stint at the Translation Bureau. Unlike the Young Ottomans, and later the Young Turks, he promoted education as the main path to modernity. In addition to his efforts to modernize Ottoman education during his
Münif Pasha’s interest in economics began in his early career as a government official and a public intellectual. Münif Pasha’s earlier writings on economic issues appeared in *Mecmua-i Fünün* in the early 1860s. As mentioned above, he also translated Voltaire’s *Dialogue entre un philosophe et un controleur général des finances* (1751) in 1859 when he was a young clerk at the Translation Bureau.

*Ihl-i Servet* follows the conventional outline of economics books of the era (production, distribution and consumption of wealth, and the population question in the conclusion). It is obvious from this outline that Münif Pasha referred to the works of European economists for his lectures, but unfortunately the book does not contain any information about sources. The content and the tone of the book suggest that this is a narrative of classical economics by an Ottoman intellectual rather than a translation of any particular work. Although the topics and the theoretical framework are taken from European sources, the examples and debates are mostly about the Ottoman Empire. The reader feels the didactic tone of an idealist teacher who aims at educating the youth, who are expected build a modern Ottoman country. For example, Münif Pasha considers the science of wealth as a science of state administration; thus, according to him, every official of the Ottoman state must learn it. Moreover, he also suggests that people from

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115 Mahmud Es'ad, *İktisad*, 4 vols (İstanbul: Matbaa-i Hayriye, H. 1325–27 [1909-11]).
all professions must learn and follow the principles of this science in order to achieve national prosperity and economic development.\textsuperscript{117}

Münif Pasha’s lectures also reflect his inclusion of ethics into the sphere of economics; and he constantly refers to traditional Islamic sources (the Qur’an and hadith) both explicitly and implicitly.\textsuperscript{118} More importantly, in addition to transmitting Western knowledge to his students through such filters, he uses traditional ideas and references as the patterns in which he casts Western material. In other words, he employs the familiar to introduce the new. As an example, on the discussion of needs and economic value, he argues that there are both bodily and spiritual needs. Although the latter is more important than the former, according to him, the body should also be well-treated since it is the cover and the “mount” (matiyya) of the soul.\textsuperscript{119} Here Münif Pasha probably refers to a hadith of the Prophet: “your body is your mount (matiyya), treat it gently.”\textsuperscript{120} Thus, he casts the modern economic theory of value into a pattern derived from a hadith, and then uses this instrument to educate his Ottoman (not necessarily Muslim) students in modern economic principles. In order to transmit new ideas, Münif Pasha benefits from the references with which his students are well acquainted. In this sense, the traditional values play an essential pedagogical role even in modern education as they are used to explain or sanction new ideas. As we shall see in the following chapters, Münif Pasha was not alone in using this

\textsuperscript{117} Ibid.

\textsuperscript{118} He mentions, for example, the Islamic principles of “al-mahsūl lā yubeddul illā b’il-mahsūl” (crops are exchanged only with [other] crops) (Mahmud Es’ad, \textit{Ilm-i Servet}, 23), and “laysa lil-insānī illā mā sa’a” (that man will only have what he has worked towards [from the Surat al-Najm, 53:39]) (Mahmud Es’ad, \textit{Ilm-i Servet}, 24.)

\textsuperscript{119} Mahmud Es’ad, \textit{Ilm-i Servet}, 5.

\textsuperscript{120} I reached to this conclusion through Ferit Develloğlu’s Ottoman Turkish dictionary. (Ferit Develloğlu, \textit{Osmanlıca-Türkçe Ansiklopedik Lügat} [Ankara: Doğuş Ltd. Şti. Matbaası, 1970]). Develloğlu refers to this hadith in his definition of the word “matiyye.” The only reference to this particular hadith that I could track down is in Sultan Valad’s (1226–1312) \textit{Valadnameh}. See Sultan Valad. \textit{Valadnâmah}, az Sulṭân Valad. eds. Jalāl al-Dīn Humāyūn and Māḥdukt Bāntū Humāyūn (Tehrān: Mu’assasah-i Nashr-i Humā, 1376 [1997]), 5. Sultan Valad was the eldest son of Mawlana Jalāl ad-Dīn Rūmī (1207–73) and one of the founders of the Mawlawiya order in Anatolia. Although his work does not carry any religious authority, it might be Münif Pasha’s source for this hadith.
teaching method. On the contrary, it was probably the main pedagogical instrument for many Ottoman modernists, including the atheists and ultra-Westernists, who at times suggested the repudiation of the Muslim-Ottoman tradition altogether. Münif Pasha’s work is an interesting and important study in Ottoman economic literature, and it deserves a more detailed analysis, considering his roles as a prominent statesman and intellectual in Ottoman modernization.

In 1888, a graduate of the Mekteb-i Mülkiye, Suʿad, translated Prosper Rambaud’s *Précis élémentaire d'économie politique: à l'usage des facultés de droit et des écoles* (1880), with the title *Telhis-i İlm-i Servet* (*A Summary of the Science of Wealth*, 1888). This introductory book also follows the conventional plan (an introduction to economics, followed by parts on production, distribution and consumption of wealth), and the author adds a final chapter on additional relevant themes (the population question and Malthus; socialism and communism; and insurance). In his introduction, Suʿad provides a brief definition and the scope of the science of wealth. With references to European economists, he argues that just like other aspects of the physical world, economic phenomena are subject to certain natural laws. The science of wealth, as a branch of sociology, he adds, is the inquiry of such natural laws. His main reason for choosing Rambaud’s book for translation is that it is “short and useful” (*muhtasar ve müfid*).

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121 Suʿad, like many other Ottoman intellectuals, does not provide an exact reference to the work he translated. He only mentions that it is the work of a certain “M. Rambaud (docteur en droit)” (Prosper Rambaud, *Telhis-i İlm-i Servet*, tr. Suʿad, [Istanbul: Mihran Matbaası, H. 1305 (1888),] 1). According to library catalogues, this is a translation of a work by the well-known economist Joseph Rambaud. However, Suʿad translated Prosper Rambaud’s *Précis élémentaire d'économie politique à l'usage des facultés de droit et des écoles* (Paris: Ernest Thorin, 1880). Comparison of the *avant propos* in Rambaud’s book and the “*mukaddime-i mü'ellif*” (author’s introduction) in Suʿad’s translation proves it without any doubt. It is also worth noting that Joseph Rambaud published his books on economics after Suʿad’s translation. Joseph Rambaud’s books on economics are: *Sommaire détaillé du Cours d'économie politique professé à la Faculté catholique de droit de Lyon* (Lyon: impr. du "Nouvelliste, 1892); *Éléments d'économie politique* (Paris: L. Larose, 1895); *Histoire des doctrines économiques* (Paris: L. Larose, 1899); and *Cours d'économie politique* (Paris: Librairie de la Société du recueil Sirey, 1910–11).


123 Ibid., 13.
He complains that Ottoman interest in “new” (European) studies is very limited and it is especially so if the works in question are long and detailed (mufassal).\(^\text{124}\)

Rambaud’s study is another example of standard introductory books, and Su’ad’s translation is a faithful one; thus it does not give any interesting insights into Ottoman economic thought of the era. However, an important detail worth mentioning is Rambaud’s approach to economics. In his introduction he argues that a person who writes on social issues must specify his approach in advance. Following this principle, Rambaud declares that he is not a materialist, and he believes that economics cannot be separated from ethics. He thereby expects his readers to use its principles not only for material but also spiritual prosperity.\(^\text{125}\) Su’ad does not comment on this remark, so we do not know if this affected Su’ad’s choice of this book. In any case, Rambaud’s moral concerns suit to the Zeitgeist of the Hamidian era, which was dominated by (Islamic) moral concerns in intellectual as well as educational spheres.\(^\text{126}\)

Following Su’ad’s translation, Ahmed İhsan (Tokgöz) (1868–1942) published his book İlm-i Servet (The Science of Wealth) in 1892.\(^\text{127}\) Ahmed İhsan was a student of Ohannes and

\(^{124}\) Ibid.


\(^{126}\) For the emphasis on Islamic morality in Hamidian education, see Benjamin Fortna, “Islamic Morality in Late Ottoman ‘Secular’ Schools,” *IJMES*, vol. 32, No. 3 (Aug. 2000), 369–93.

\(^{127}\) Ahmed İhsan was another prominent figure in late-Ottoman and early-Turkish-Republican intellectual and press history. He was the publisher of the well-known and influential popular science magazine, *Servet-i Fünûn* (The Wealth of Sciences). While better educated, his career resembles that of Ahmed Midhat, and apparently he took Ahmed Midhat as an inspirational figure. Ahmed İhsan graduated from the Mekteb-i Mülkiye in 1886. After a very brief stint of government service, he decided to become an entrepreneur instead of a civil servant, just as Ahmed Midhat always suggested to the youth. He founded his own printing press (Servet-i Fünûn Matbaası) to the chagrin of the elders of his family, who preferred him to be a respected official rather than a “shopkeeper,” as his grandmother puts it in protest. (Ahmet İhsan Tokgöz, *Matbuat Hatıralarım: 1888–1923* vol.1 (İstanbul: Ahmet İhsan Matbaası, 1930), 26–27.) For a brief biography of Ahmed İhsan and a list of his numerous works, see Çankaya, *Yeni Mülkiye Tarihi ve Mülkiyeliler*, vol. 3, 232–44. As an interesting side note, the well-known Egyptian intellectual of the same era, Jurji Zaydan, recounts a similarly adverse reaction from his family on his decision to become a journalist in 1887. Obviously, Zaydan’s father “wanted his son to study something more ‘decent,’” such as
Mikael at the Mekteb-i Mülkiye, and the lectures and books of these professors aroused his interest in economics. Ahmed İhsan first serialized his study in *Servet-i Fünün* and then published it in the book form. Unfortunately, Ahmed İhsan does not cite any sources in the book, yet it seems to be either an adaptation of a certain study or his summary based on some introductory political economy books. Ahmed İhsan, just like Ahmed Midhat and Nuri Bey, uses everyday language in a conversational tone, and follows the classic outline mentioned above.

The book is organized in nine parts, and each part contains various questions about the principles of modern political economy. In addition to numbering the parts, the author marshals the questions in order so that the book consists of fifty-eight questions, the last one serving as a brief conclusion. In short, Ahmed İhsan’s book is a descriptive introductory book on economics without any controversial issues or original insights.

### 2.5 The Science of Public Finance

Although public finance (*ilm-i maliye*) is a separate discipline, introductory economics textbooks did contain these issues in part. In addition to books on economics, some books on public finance were also published in Ottoman Turkish during this period. Most of these books are technical works on the rules and regulations related to matters such as taxation, customs and tariffs, and coinage and banknotes. These works may therefore seem unrelated to the inquiries of economic medicine or law.” (Ami Ayalon, *The Press in the Arab Middle East: A History* (New York: Oxford University Press, 1995), 221.)


129 In the conclusion, Ahmed İhsan notes that the book is only a very brief introduction to this science, and the interested readers should refer to more detailed books in foreign languages for more information on any particular principle and for the application of these principles. (Ahmed İhsan, *İlm-i Servet* [Kostantiniye (İstanbul): Âlem Matbaası, H. 1309 (1892)], 119–20.)
thought. However, some of these studies contain important and interesting content reflecting the economic thought of the era.

In the same year that Sakızlı Ohannes published his book (1880), a graduate of the Mekteb-i Mülkiye and an intern at the Council of State (Şura-yı Devlet mülazimlarından) Hüseyin Kâzım translated and published Paul Leroy-Beaulieu’s (1843–1916) influential book *Traité de la science de finances* (1877) with the title *İlm-i Usul-i Maliye*.¹³⁰ The translator notes in his introduction that book does not include of any information regarding Ottoman state finances. However, he did not prefer to alter the original text to adapt it to the Ottoman economy. He believed that the same universal principles described in the book were also valid for the Ottoman Empire. Nevertheless, “some honorable gentlemen” (*zevat-i kiram*)¹³¹ suggested to him that the Ottoman case should be evaluated in a separate volume.¹³² We do not know if Hüseyin Kâzım ever attempted to prepare another volume, as suggested by those “honorable gentlemen.” Nevertheless, nine years after Hüseyin Kâzım’s translation, in 1889, we observe the publication of three books on public finance within the same year: Mehmed Rakıım and Mustafa Nail’s *Hayat-i Düvel* (Life of the States), Mikael Portakal’s *Usul-i Maliye* (Principles of Public Finance) and Süleyman Sudi’s *Defter-i Muktesid* (The Economist’s Notebook). Although they

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¹³⁰ Pierre-Paul Leroy-Beaulieu (1843–1916) was a prominent French economist of the French Liberal School. He was also a successful journalist, politician, and businessman. Being a follower of classical liberalism, he adopted Smithian optimistic *laissez-faire* approach instead of Malthusian-Ricardian pessimism. His *Traité de la science des finances* (1877) and *Traité théorique et pratique d’économie politique* (1896) were translated into many languages, including Turkish. For more information on Leroy-Beaulieu and his influence on the late nineteenth-century French economic and political life, see Dan Warshaw, *Paul Leroy-Beaulieu and Established Liberalism in France* (DeKalb: Northern Illinois University Press, 1991). For a more concise narrative of his life and economic thought, see R. F. Hébert, "Leroy-Beaulieu, Pierre-Paul (1843–1916),” *The New Palgrave Dictionary of Economics*, vol. 5, 92.

¹³¹ He does not mention any names.

were all on the same topic, their approaches and the audiences they targeted were completely different.

_Hayat-i Düvel_ is a book by two of Mikael’s former students from the Mekteb-i Mülkiye, Mehmed Rakım (d. 1937) and Mustafa Nail (1859–1919). In the introduction, the authors state that this book is the first published book on public finance in the Ottoman Empire. This shows that—since the publications year is the same—it appeared only months before Mikael’s and Süleyman Sudi’s works. The authors state their reason to write the book as follows:

“Unfortunately, this discipline has hitherto been taught only at the Mekteb-i Mülkiye by Mikael Efendi. Therefore, only the students of this school had the opportunity to benefit from it.” In writing the book, Mehmed Rakım and Mustafa Nail used the works of [Joseph] Garnier and [Paul] Leroy-Beaulieu. They also acknowledge the lectures of Mikael at the Mekteb-i Mülkiye as another source for their book. In addition to theoretical explanations on the subjects, the authors use examples from the Ottoman Empire and compare the Ottoman case with other cases from Europe. In this respect, Mehmed Rakım and Mustafa Nail’s book was an important contribution to Ottoman economic literature.

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133 Both of the authors later assumed teaching and administrative positions at their alma mater. Mustafa Nail Bey later became the Professor of Public Finance at the Mekteb-i Mülkiye in 1894, and he held this position for twenty one years. In 1899, he published a textbook of economics (Muhtasar İlim-i Servet) (For a brief biography of Mustafa Nail, see Čankaya, *Yeni Mülkiye Tarihi ve Mülkiyeliler*, vol. 3, 172–73.). Mehmed Rakım (Açıkalın) also taught public finance at the Mekteb-i Mülkiye (1897-98). In 1909, he was appointed as the director of the school and worked in this capacity until 1911. (For a brief biography of Mehmed Rakım, see Čankaya, *Yeni Mülkiye Tarihi ve Mülkiyeliler*, vol. 2, 834–35.)

134 Mehmed Rakım and Mustafa Nail, _Hayat-i Düvel_ (İstanbul: A. Maviyan Şirket-i Muretbeiye Matbaası, H. 1306 [1889]), 4–5.

135 Ibid., 5.

136 Ibid., 5–6.

137 Ibid., 6.

138 See for example, a comparison of annual state budgets of Britain, France, and the Ottoman Empire, Ibid., 17–21.
Shortly after his students’ book, Mikael’s influential work, *Usul-i Maliye* (Principles of Public Finance) appeared as a lithographed manuscript. *Usul-i Maliye* was published as the textbook for the fourth- and fifth-year students of the Mekteb-i Mülkiye, where Mikael was the Professor of Public Finance.\(^{139}\) Thus, when he wrote the book, he was also familiar with the Ottoman financial system as well as financial theory and policy in Europe. The main body of Mikael Portakal’s *Usul-i Maliye* is based on examples from European countries concerning public finance policies and contains arguments about the Ottoman finances vis-à-vis those more “advanced” and “ideal” cases. Although the author does not go into any theoretical discussions, the theoretical backbone of the book is a liberal approach to public finance and the main thesis of the book is that the Ottoman Empire should follow the “universal” (i.e., liberal) principles that proved to be successful from Prussia to England. Mikael also emphasizes that the science of public finance suggests general principles for managing the revenues and the expenditures of the state, and does not deal with the creation of resources, the latter being the subject of economics (*ilm-i servet-i milel*).\(^{140}\)

Although the tone in this book is clearly liberal, Mikael Portakal does not openly suggest any general economic model for the empire. Nevertheless, in the secondary literature on Ottoman economic thought, his name has been mentioned among the pioneers of Ottoman

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\(^{139}\) Mikael Portakal’s (1841–97) career path resembles that of Sakızlı Ohannes. He also assumed economy-related government positions throughout his official career. He was assigned first to the Translation Chamber (1861) and then became the Director of the Customs of Galata (1868). In 1878 he was appointed as the General Director of the Ottoman Customs and the Professor of Public Finance at the Mekteb-i Mülkiye. Later he became the undersecretary of the Ministry of Finance (1885). In 1888, he undertook the foundation of the Ottoman Agricultural Bank (*Ziraat Bankası*) and became its first General Director. In 1891, he was appointed as the Minister of the Sultan’s Privy Purse (*Hazine-i Hassa Naziri*), and remained in this position until his death in 1897. Ohannes took over the same position upon Mikael Pasha’s death. Obviously, the Armenians were trusted economic administrators in the Ottoman state during the reign of the “pan-Islamist” sultan. For Mikael’s biography, see Çankaya, *Yeni Mülkiye Tarihi ve Mülkiyeciler*, vol. 2, 1043–44.

economic liberalism, without any direct reference to his ideas or any analysis of his works.\textsuperscript{141} The main source for the academic and intellectual circulation of this assumption is probably oral transmission through his students from the Mekteb-i Mülkiye. In any case, like Hüseyin Kâzım, Mikael Portakal also believed in the universal validity of \textit{laissez-faire} principles, and he does not go beyond translating these principles into the Ottoman context with the relevant successful cases from the developed countries of Europe. Therefore, despite its importance as “the” textbook through which many Ottoman statesmen were educated in the science of public finance, Mikael’s study does not contain any original theses concerning the Ottoman economy.

Süleyman Sudi, however, did not write \textit{Defter-i Muktesid} (The Economist’s Notebook) for the prospective intellectual and bureaucratic elite of the empire. Unlike Mikael Portakal, Süleyman Sudi’s fame did not outlive him for long, although his was a more original book.\textsuperscript{142} In addition to his practical experience in the Ottoman public financial system, he studied public finance through European works. We have two sources to support this claim: First, Ahmed İhsan, who personally knew him, notes that Süleyman Sudi studied “economic sciences.”\textsuperscript{143} Second, a careful reading of the book reveals a strong theoretical underpinning.

\textsuperscript{141} See, for example, Sayar, \textit{Osmanlı İktisat Düşüncesi}, 260, 275, and 289.

\textsuperscript{142} Like Ohannes and Mikael, Süleyman Sudi was a finance official throughout his career. He began his career in 1859, when he was fifteen years old, at the Imperial Revenues Office (\textit{Gelirler Muhasebesi}), then worked at different positions in the financial offices. He was assigned as the head of the provincial treasury (\textit{defterdar}) in different important centers of the empire, such as Salonica (1869) and the Province of Syria (1876), in addition to other higher level positions, such as the Director of the Ottoman Mint (1887). For his biography, see Mehmet Ali Ünal, “Süleyman Sudi Efendi” in Süleyman Sudi, \textit{Osmanlı Vergi Düzeni (Defter-i Muktesid)}, ed. Mehmet Ali Ünal (Isparta, 1996), 3–4; and Salim Aydüz, “Süleyman Sudi Bey,” in Süleyman Sudi, \textit{Tabakat-i Müneccimin} (İstanbul: Fatih Üniversitesi, 2005), 20–28.

\textsuperscript{143} Ahmed İhsan Tokgöz, \textit{Matbuat Naturalarım}, vol.1 (İstanbul: Ahmet İhsan Matbaası, 1930), 9–12. Ahmed İhsan also makes a note of Süleyman Sudi’s rich personal library, mostly consisting of books in French.
Ahmed İhsan also notes that Süleyman Sudi was the first Ottoman intellectual who used the word *iktisad*,\(^{144}\) which is still used in modern Turkish to denote both “economics” and “economy.” Sayar takes up this claim and argues that Süleyman Sudi put an end to the confusion and variation regarding the phrases used to render the meaning of the science of economics.\(^{145}\)

Despite Sayar’s claim, however, Süleyman Sudi did not suggest the term *ilm-i iktisad* for économie politique. On the contrary he makes a clear distinction between these two separate sciences, and uses *ilm-i tedbir-i servet* for économie politique and *ilm-i iktisad* for the science of public finance. In other words, for Süleyman Sudi, the term *iktisad* refers to the science of public finance, not economics. He notes also that he derived the word *muktesid* from the Arabic *iktisad* (*iqtisād*), to denote a person who studies or practices *ilm-i iktisad*, i.e., a finance official.\(^{146}\)

Süleyman Sudi states that he wrote *Defter-i Muktesid* for practical purposes. During his term as the Chair of the Selection Committee for choosing civil servants for the Ministry of Finance, he observed that the majority of the candidates could answer all the questions based on the basic knowledge of public finance principles, but they could not successfully respond to questions on the Ottoman financial system. This gave him the motivation to pen a comprehensive but practical manual for candidates as well as for active civil servants already working in the imperial financial system.\(^{147}\) The rules and principles governing the Ottoman financial system were derived from Islamic jurisprudence (*fiqh*), and it was impossible for every finance official to master such a complicated field. Therefore he decided to write a compendium

\(^{144}\) Tokgöz, *Matbuat Hatıralarım*, vol.1, 9n1.

\(^{145}\) Sayar, *Osmanlı İktisat Düşüncesi*, 292. It was called *ilm-i tedbir-i menzil* (science of household management), *ilm-i tedbir-i servet* (the science of wealth management), *ilm-i servet* (the science of wealth), *ekonomi politik* (political economy or économie politique) and *ilm-i iktisad* (the science of economy or the science of economics) by different intellectuals.

\(^{146}\) Süleyman Sudi, *Defter-i Muktesid*, vol. 1 (Dersaadet [İstanbul]: Mahmud Bey Matbaası, H. 1306 [1889]), 10–11.

\(^{147}\) Ibid., 3–4.
of public finance that includes Islamic principles of public finance and the basic features of the Ottoman financial system.\textsuperscript{148}

In \textit{Defter-i Muktesid} Süleyman Sudi explains each item in the state finances on three grounds: a summarized history (\textit{icmalen tarihi}), definition and assessment (\textit{usul-i tarhi}), and collection (\textit{usul-i tahsili}). In this sense he discusses each and every item in its historical and practical context. Another very interesting aspect of his work is that he gives etymological information (mostly in the footnotes) for each major term; and these notes become longer especially if a French word has an Arabic or Persian (thus a Muslim) root.\textsuperscript{149} Using footnotes for such additional information is also another significant characteristic of his work. This reveals a direct European influence, since using footnotes was still not very common in the Ottoman writing of his time.

More important, the book suggests an Ottoman paradigm for this modern science based on a historical context supported by some Islamic principles concerning public finance and economics. In addition to recourse to Qur’anic verses and \textit{hadith} literature, he uses stories of Caliph ʿUmar (”\textit{Hazret-i Ömerü’l Faruk}”), known for his justice, to give ideal Islamic examples of managing public finances.\textsuperscript{150} However, it is wrong to assume that these were his only sources.

\textsuperscript{148} Ibid., 6.
\textsuperscript{149} See, for example, the footnote where he suggests that the French word \textit{douane} (customs) comes from Arabic \textit{diwan}, which had been adopted from Persian. Sudi gives reference to Ibn Khaldun for this information. (Süleyman Sudi, \textit{Defter-i Muktesid}, vol.3, 20–21). For this information, his source is a “professor from University of Bonn,” but he does not mention the name of the specific study. He also suggests that the word \textit{tarif} was derived from an Arabic root, and this time his source is a French dictionary of \textit{économie politique}. (Süleyman Sudi, \textit{Defter-i Muktesid}, vol. 3, 105) Unfortunately, he does not give an exact reference for this dictionary.

\textsuperscript{150} Süleyman Sudi, \textit{Defter-i Muktesid}, vol.1, 34, 37, 64, et passim. For a very interesting footnote exemplifying his method and approach see Süleyman Sudi, \textit{Defter-i Muktesid}, vol. 2, 5–9, where he starts with the discussion on the etymology of the word \textit{cadastre}, then he mentions the well-known French economist and finance minister Colbert and his policies. Finally he argues that tax assessment based on cadastral surveys is a very old tradition in the Ottoman Empire, and in the history of Islamic civilization it goes back to the age of Caliph ʿUmar.
On the contrary, as Ahmed İhsan notes, Süleyman Sudi was a “European-type” intellectual in terms of both his thoughts and lifestyle.\textsuperscript{151} Thus, in every discussion, he refers to modern European studies and to policy examples from major European countries (mostly France and Britain), placing the Ottoman financial system in a global context. The difference of his style from that of Mikael is that he does not present European cases as ideals to be reached, but rather as possible alternatives. In short, Süleyman Sudi’s work explains the Ottoman financial system in its historical and theoretical (with reference to both European and Islamic principles) context, concerning both the internal and external conditions under which it has been shaped.

Apparently, Süleyman Sudi’s work received a very warm welcome, especially from the anti-\textit{laissez-faire} intellectuals. The introduction to his third volume, written by an official from the Translation Office of the Ministry of Finance (Mehmed Muhtar), includes praises from three prominent Ottoman intellectuals and statesmen: Fehim Efendi from the Board of Audit (\textit{Divan-i Muhasebat}), Ahmed Midhat Efendi, and Mehmed Murad Bey (Mizancı Murad).

Fehim Efendi notes that Süleyman Sudi’s study is an extremely important contribution as a practical manual for the officials of the Finance Ministry; and “it has been needed for a long time.” He asserts that the Islamic government tradition had created a sophisticated and powerful financial administration system and a body of financial principles in its long history. However, he adds, due to the lack of a work that illuminates this history, these facts are not known in modern times. As a result, some scholars claimed that the science of public finance was a European invention.\textsuperscript{152} According to Fehim Efendi, Süleyman Sudi’s work successfully shows

\textsuperscript{151} Ahmed İhsan, \textit{Matbuat Hatıralarım}, vol.1, 9.
\textsuperscript{152} This was really the case both for public finance and economics. It was a widespread belief that they both were modern European inventions. Nevertheless, not every economist thought that the Islamic civilization was devoid of
that many principles of the modern (European) science of public finance had existed in the Islamic tradition for centuries.\footnote{Süleyman Sudi, \textit{Defter-i Muktesid}, vol. 2, 11–14. By mentioning a reinstated financial system in France, namely \textit{La forte Quint}, Fehim Efendi himself also exemplifies a modern Ottoman finance bureaucrat who closely follows the developments in Europe.}

Ahmed Midhat Efendi joined Fehim Efendi by saying that the book was a wonderful summary of both Islamic financial principles and the latest European theories. Ahmed Midhat also used this opportunity to attack \textit{laissez-faire} economists. He suggested that a summary of this book should be used as a textbook in Ottoman higher education, replacing existing textbooks—implying those of Ohannes and Mikael Portakal—that promote European theories that are inapplicable in the Ottoman Empire.\footnote{Süleyman Sudi, \textit{Defter-i Muktesid}, vol. 3, 15–16.}

Mehmed Murad Bey (1854-1917), in an article originally published in his own journal \textit{Mizan} (Balance),\footnote{Mehmed Murad}, \textit{“Defter-i Muktesid,” Mizar 104 (1889), 999.} also joined these two reviewers by saying that the book filled an important void by providing a history of the Ottoman financial system. He also exploited the opportunity to attack some European “ignoramuses” who claimed that the Europeans invented the science of public finance and that there had been no such a discipline before Sully, Colbert, Turgot, and Adam Smith.\footnote{Süleyman Sudi, \textit{Defter-i Muktesid}, vol. 3, 17–19.} Murad Bey also claimed that the work of Süleyman Sudi proves the existence of a deeply rooted and sophisticated tradition of public finance in Islamic civilization much earlier than the appearance of such a science in Europe in the modern age.
As these articles, which were published in the popular press, show, Süleyman Sudi’s work struck a chord with Ottoman intellectuals thanks to its original approach and content, blending both Ottoman and European elements. Although Süleyman Sudi cannot be considered a protectionist,\(^{157}\) the indigenous character of his work attracted the attention of the Ottoman anti-laissez-faire intellectuals, who strongly denied the universal applicability and global benefits of liberal policies. More importantly, his book is an excellent example of the synthetic texture of Ottoman modernist discourse composed of European and Islamic/Ottoman elements.

2.6 Protectionism vs. Liberalism Revisited: Akyiğitzade Musa and Mehmed Cavid

The contention between the protectionists and liberals culminated in the 1890s with a new generation of Ottoman economists divided into two camps. In 1896, Akyiğitzade Musa (1865–1923) published his İktisad yahud İlm-i Servet: Azadegi-i Ticaret ve Usul-i Himaye (Economics or the Science of Wealth: Freedom of Exchange and the System of Protectionism).\(^{158}\) As the title suggests, Akyiğitzade’s book is not an introductory book for economics; it focuses on a specific debate in economics: laissez faire vs. protectionism. Akyiğitzade revived Ahmed Midhat’s earlier struggle against the dominant laissez-faire tradition in Ottoman economic thought.

\(^{157}\) For his ideas on the importance of free trade based on international division of labor, see Süleyman Sudi, Defter-i Muktesid, vol.3, 97–101. Süleyman Sudi states that regarding the underdevelopment of Ottoman industries, Ottoman economy is dependent on imports, therefore free trade is a must for the Ottoman economy; see ibid., 117–19.

\(^{158}\) Akyiğitzade Musa was a son of an elite Tatar family of Kazan. After finishing high school in Russia, he came to Istanbul and entered the Mekteb-i Mülkiye with a special permission from the sultan. After his graduation in 1891 he worked as a civil servant at various positions, and for a short time he published some journals and newspapers in the post-1908 period. In addition to his İktisad yahud İlm-i Servet, he wrote Avrupa Medeniyetinin Esâsına Bir Nazar (A Glance at the Essence of the European Civilization, 1897), in which he evaluated and criticized European civilization, and compared it with Islamic civilization. Akyiğitzade’s main thesis in this book is that the roots of European civilization stand on the scientific and philosophical contributions of Islamic civilization. Thus, he concludes that Islam is not incompatible with modernity; on the contrary, it actually is the source of modernity. He, just like many other Muslim intellectuals, uses examples from the Qur’an and hadith literature and suggests that the main principles and ideas of the Enlightenment and modernity have Muslim equivalents. For a short personal and intellectual biography of Akyiğitzade Musa, see Çankaya, Yeni Mülkiye Tarihi ve Mülkiyeliler, vol. 3, 468–71; also see Ülken, Türkiye’de Çağdaş Düşünce Tarihi, vol. 1, 343–52.
However, his book differs from Ahmed Midhat’s works by providing a more systematic and
detailed response against the liberal theses. In his introduction, Akyiğitzade notes that he
benefitted from the books on political economy that are studied in French higher education.
More specifically, he mentions two names as his main sources of inspiration: (Friedrich) List and
Paul Cauwès (1843–1917). By suggesting the names of these two economists of the Historical
School of economics, Akyiğitzade declares his stance as a protectionist.\textsuperscript{159} However, the book is
not a translation of the work of any of these economists, but rather a free-style adaptation of their
theses in the Ottoman context.

In the first part of the book, Akyiğitzade evaluates these two contending approaches
separately by providing a detailed summary of the main theses of both sides.\textsuperscript{160} Throughout the
rest of the book, he provides comparisons between these two approaches and argues why a
“moderate protectionism” (\textit{himâye-i ma’kûle}) is necessary for economic development.
Akyiğitzade’s main argument is based on List’s hierarchical development model for human
societies.\textsuperscript{161} As I shall discuss in Chapter 3, such stagial development models marked theories of
development in the nineteenth and the early twentieth centuries. According to the Listian model
as presented by Akyiğitzade, nations go through four stages of economic development: hunting,
animal husbandry, agriculture, and finally industry. Within the industrial phase, there are
different stages in which the same nation produces different products. Therefore, the comparative

\textsuperscript{159} Akyiğitzade Musa, \textit{İktisad yahud İlm-ı Servet: Azadegi-i Ticaret ve Usul-i Himaye} (İstanbul: Karabet Matbaası,
H. 1314 [1896]), 4.
\textsuperscript{160} For his list and summary of the \textit{laissez-faire} theses see Ibid., 7–15, and for the protectionists see Ibid., 15–21.
\textsuperscript{161} “In reference to political economy, nations have to pass through the following stages of development: -- The
savage state, the pastoral state, the merely agricultural state, and the state at once agricultural, manufacturing and
commercial.” (List, \textit{National System}, 265.)
advantage of a nation does not remain in the same product.\textsuperscript{162} Based on these “historical facts,” Akyiğitzade claims that Ottoman liberals are simply wrong in claiming that the Ottoman Empire should remain as an agricultural producer because of its comparative advantage in agriculture.\textsuperscript{163} He adds that agricultural prices are mostly dependent upon the developments in the external markets, and that this creates a continuous uncontrollable threat for the local producer and the whole economy.\textsuperscript{164} He also notes that industry and consequent urbanization is at the heart of civilization, and that an advanced civilization cannot be found on a village economy. Therefore, the road to civilization passes through industrialization, according to him.

Like Ahmed Midhat and Nuri Bey, Akyiğitzade follows List in acknowledging that Smith’s theses hold in theory, yet there are some preconditions for their application. For example, there must be a balance of industrial power among the trading nations, otherwise the weaker state will simply destroy its own industry by allowing a complete freedom of exchange. He supports this thesis by suggesting that all industrial nations currently promoting economic liberalism had developed by implementing protectionist policies in their early stages of development. He maintains that these countries adopted economic liberalism only after reaching a certain stage of economic development, a policy List suggests for all backward economies. The United States, Akyiğitzade adds, is still a protectionist country, and thanks to protectionist and dirigiste policies, it rose from an agricultural colony of England to an independent industrial power.\textsuperscript{165} He also argues that protectionism is not against the principle of division of labor, which constitutes the basis of free-trade arguments. He confirms that exchange between nations

\textsuperscript{162} Akyiğitzade Musa, \textit{Iktisad yahud İlm-i Servet}, 21.
\textsuperscript{163} Ibid., 22.
\textsuperscript{164} Ibid., 30.
\textsuperscript{165} Ibid., 34, 61–62.
based on their comparative advantages is very beneficial, but that this should not obstruct industrial development by insisting—as liberals do—on remaining an agricultural producer and importer of industrial goods. In brief, Akyiğitzade’s main argument is that industrialization is the unquestionable path to modern civilization (medeniyet), and—following List—this is only possible through protecting nascent industries until a higher stage of industrial development is achieved.

It is important to note that Akyiğitzade Musa Bey’s interest in America is not unique in late-Ottoman modernist thought. Ottoman modernists turned their gaze to the United States especially in the 1880s and 1890s as a result of its rapid rise as a leading industrial power, in spite of its colonial and peripheral past. In the eyes of the Ottomans, America was the land of the miracles of civilization, thanks to industrial and technological innovations. The popular journals and newspapers of the era, such as Tercüman-ı Hakikat and Servet-i Fünûn, are full of news about the latest “bizarre inventions” in this country; almost all such news items begin with sentences such as, “The Americans, who do everything to the extreme, including arts and sciences ....” The extremes of “excess and deficiency” (ifrâd ve tefrîd), which is frequently referred to as an expression in describing America in such news items, was not tolerated in traditional Islamic thought. Nevertheless, in the 1890s modernist context, it implied more of a fascination along with a hint of reservation due to this traditional concern. It is also worth noting that the American example, along with the German case, enjoyed an exceptional status in late Ottoman economic thought. Unlike the British and French cases, the United States was not—

166 Ibid., 37–38.
167 See, for example, “Amerika’da Gazete Revaci,” Servet-i Fünûn 81 (September 29, 1892), 44. For an interesting example (an article on the Americans’ excessive drinking habits), see “Amerika’da Sarhoşluk,” Servet-i Fünûn 55 (March 31, 1892): 42.
yet—considered an “imperialist” power. On the contrary, it was perceived as an exemplary success by a former agricultural and colonial economy. In this respect, it invigorated Ottoman hopes to industrialize and take their place among the world’s “civilized nations.”

Soon after Akyiğitzade’s attack on laissez-faire economics, a student and a faithful follower of Sakızlı Ohannes, Mehmed Cavid Bey (1875–1926), came to the scene with his books, which became the new “bibles” of the Ottoman laissez-faire tradition. Moreover, Cavid Bey himself became the symbol of late Ottoman economic liberal thought and the legendary Minister of Finance of the empire after the 1908 Revolution. He published the first volume of İlm-i İktisad (The Science of Economics) in 1897. The book came out in four volumes, and Cavid Bey completed it with the publication of the last volume in 1899. Later, he published a more concise edition for high schools in 1908, and then an even more easy-to-read edition in 1911 with the title Ma’lumat-i İktisadiye (Knowledge of Economics). In 1904, he also published a book on statistics entitled İhsaiyat (Statistics).

168 Mehmed Cavid, like his mentor Ohannes, was both a finance official and an educator. Immediately after his graduation from the Mekteb-i Mülkiye, he began working at the Ziraat Bankası (the Agricultural Bank) and then at the Statistics Office of the Ministry of Education (Maarif Nezareti Kuleti İstatistik Şubesi Katibi). In 1898, in addition to his bureaucratic position, he was appointed as teacher of mathematics at Ayasofya Rüşdiyesi (High School) and instructor of economics (ilm-i servet) at Darulmuallimin-i Aliye (Teacher Training College). But he played his main role in the late Ottoman history after the 1908 Revolution. After the revolution, he was appointed as the professor of economics at his alma mater, Mekteb-i Mülkiye, in 1908. More importantly, as a member of the Committee of Union and Progress and a prominent economist, he became the Minister of Finance in 1909 for the first time. In the Young Turk period (1908–18), he held this position many times. Despite all the critiques and controversies about him and his ideas, he became the super-star Finance Minister of this era. He was regarded—by many European financiers, as well as Ottoman statesmen—as the only Ottoman statesman who had the sufficient knowledge and talent to discipline and administer the Ottoman financial administration. (Çankaya, Yeni Mülkiye Tarihi ve Mülbeyeliler, vol. 3, 683–85)

169 Mehmed Cavid, İlm-i İktisad: Mekâtib-i İdadiyeye Mahsus, Matbaa-i Amire, H. 1326 [1908].

170 Mehmed Cavid, Ma’lumat-i İktisadiye: Mekâtib-i İdadiyenin En Son Programlarına Muvâjîk Olarak Tertib Edilmişdir (İstanbul: Kana’at Matbaası, H. 1329 [1911]).

171 Mehmed Cavid, İhsaiyat, (İstanbul, H. 1318 [1901]).
"İlm-i İktisad is a classic example of an introductory book on classical economics with some short extra parts on the Ottoman economy. The author’s short introduction is probably the first study on the history of Ottoman economic thought. Here, Cavid Bey provides a brief history of Ottoman economic publications, and he notes that although twenty years has passed since the publication of Ohannes’s book, it is still the best work in the field. Cavid Bey also notes in his introduction that he benefitted from the works of [Pierre Émile] Le Vasseur (1828–1911), [Charles] Gide (1847–1932), [Henri] Baudrillart (1821–92), [Paul] Beauregard (1853–1919), and [Paul] Leroy-Beaulieu (1843–1916). The scholars of Ottoman economic thought as well as the editors of the new editions of his books have taken this for granted, without checking its validity. More interestingly, these scholars and editors even ignore Cavid Bey’s later words in the same introduction. He argues that his initial draft consisted of parts that are “taken” from the aforementioned four economists. For example, he states that in this early draft, “there were many pages taken especially from Beauregard.” He later decides to expand the text using also Leroy-Beaulieu’s massive work. However, having seen the rich content of this latter study, he changes his draft of over-hundred pages, and he mixes it with material from Leroy-Beaulieu’s study.

172 See for example, the editor’s introduction to the transcribed edition of Cavid Bey’s book: Orhan Çakmak, “Takdim” in Mehmed Cavid Bey, İktisat İlimi, ed. Orhan Çakmak (İstanbul: Liberte Yayınları, 2001), ix. The problem of European names also appears in recent works on Cavid Bey as well as new transliterated editions of his works. These studies contain names such as “Lauro Abulyo” (Leroy-Beaulieu), “Kene” (Quesnay), and “Emil du Velay” (Émile de Lavaye). See for example, Deniz Karaman, Cavid Bey ve Ulûm-i İktisâdiye ve İçtimaiye Mecmuası (Ankara: Liberte Yayınları, 2001), 8; and Mehmed Cavid Bey, İktisat İlimi, passim.

173 Mehmed Cavid, İlm-i İktisad, vol.1, 3.


It seems, however, that the four-volume İlm-i İktisad is a selective summary of Paul Leroy-Beaulieu’s Traité théorique et pratique d’économie politique, with some possible minor additions from other sources. The plan of Cavid Bey’s four volumes copies that of Leroy-Beaulieu’s four volumes. Yet Cavid Bey in some cases disregards parts in the original work and instead adds brief sections on the Ottoman economy. He also changes the place of some parts, for example moving the population question from the fourth to the second volume. The chapter titles of Cavid Bey’s translation include the truncated versions of the original titles in French, such as “İhtiyacat-i Beşeriye ve Servet – Besoins humains et richesse” (including the part in French), which is “Les besoins humains et les richesses” in the original. His second and shorter İlm-i İktisad published in 1908 as a textbook for high schools is also an adaptation from Leroy-Beaulieu’s Précis d’économie politique (1888).

In the footsteps of his two intellectual mentors, Ohannes and Leroy-Beaulieu, Cavid Bey became an ardent supporter of laissez-faire theses, even when he served as the Finance Minister of the increasingly protectionist and nationalist Young Turk regime. His books, speeches and articles in popular journals reflect his uncompromising belief in the universal laws of the science mezc etmeğe mecbur oldum.” Cavid (1897, 3)

176 As an interesting side note, Dan Warshaw notes that Leroy-Beaulieu was one of the few economists who appeared in fiction, and his presence in Marcel Proust’s A la rechere du temps perdu as a powerful political figure testifies to his formidable personality and his prominent place in French intellectual life of the era (Warshaw, Leroy-Beaulieu, 3). Likewise, Mehmed Cavid Bey and his mentor Sakizli Ohannes are perhaps the only Ottoman economists who appeared in fiction. In Attila Ilhan’s Dersaadet’te Sabah Ezanları, Cavid Bey is mentioned in different conversations among the characters, (Attila Ilhan, Dersaadet’te Sabah Ezanları [Ankara: Bilgi Yayınevi, 1988], 68, 175, 178), and in one of such conversations his economic ideas are criticized by two characters (Attila Ilhan, Dersaadet’te Sabah Ezanları, 313). Ohannes is also mentioned in the same conversation only in comparison to Cavid Bey.

177 See for example, Mehmed Cavid, İlm-i İktisad, vol. 1, 314–19, in which Cavid Bey excludes a part on Ricardo’s theory of land rent and adds a section on the restrictions on industry in the Ottoman Empire (“Memalik-i Osmaniyyede Serbest-i l’mal ve Sanayie Vuku' Bulan Tehdidat”).

178 Compare Mehmed Cavid, İlm-i İktisad, vol.1, 30, and Leroy-Beaulieu, Traité théorique et pratique d’économie politique, vol.1, 98.
of economics. According to him, the restrictions in traditional Ottoman economic administration on producers, such as the official guild regulations (esnaf nizâmatı) and the difficulty in obtaining permission (gedik) for production hindered the development of Ottoman economy. He also believed that these restrictive measures even caused the collapse of the existing industries in the nineteenth-century. Likewise, state monopolies and other obstacles impeding entrepreneurship, including the protective measures based on the infant industries argument, constituted similar obstacles to economic development. The solution, according to Cavid Bey, is full incorporation into the European economic system, on the principle of comparative advantage. In this context, he maintains (or rather translates from Leroy-Beaulieu) that international trade agreements between different nations are indispensable means for establishing trade relations; thereby considering them beneficial for economic development. Then he adds a short section on the trade agreements between the Ottoman Empire and the European nations that were signed in the nineteenth century. Although, he does not explicitly declare his views about these specific agreements, the fact that he places this part just after the section on the benefits of international trade agreements hints that he is in favor of such agreements. Needless to say, these ideas were in direct contradiction with protectionist theses presented by Ahmed Midhat Efendi and Akyiğitzade Musa Bey.

In the same year that Mehmed Cavid published the last volume of his first İlm-i İktisad (1899) a certain Kahvecibaşızade Mahmud Hayri translated a book by one of Mehmed Cavid’s

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181 Ibid.
182 Ibid., 317–22.
183 Ibid., 326–28.
main sources, Paul Beauregard. This short book is actually an eighty-eight-page summary of the original book, which is over 330 pages long. Mahmud Hayri’s abbreviated translation was published with the same title as Ohannes’ book, Mebadi-i İlm-i Servet-i Milel (The Principles of the Science of Wealth), and it is another introductory book with a classical plan and a liberal approach. Mahmud Hayri, in his translation, includes original terms in French next to their Turkish equivalents or their transliterations in Perso-Arabic script. This short book is not a distinct piece in Ottoman economic literature, but there are two details that are worth mentioning in the translator’s introduction: First, Mahmud Hayri emphasizes the central role of labor in human society by giving references to the Qur’an and hadith literature. Then, he adds that the science of wealth shows the ways to use this God-given power (i.e., labor) to produce wealth and prosperity through commerce and industry. This is another example showing the synthetic character of modern Ottoman economic discourse that began to take shape in earlier works.

Second, interestingly enough, the last paragraph of Mahmud Hayri strongly resembles the last paragraph of Sakızlı Ohannes’ introduction to his own book. In this paragraph, Mahmud Hayri says that he used a clear and simple language without any compromise in the accuracy of its terminology; then he adds that although the work might have some mistakes, he hopes that it will be a pioneer to be followed by much better works. This last sentence does not seem relevant for this rather late work as much as it was for Ohannes’ book, which really was a trailblazer in

184 Unfortunately Mahmud Hayri also does not provide any exact reference, but the original book must be one of the many editions of Beauregard’s Eléments d'économie politique.
185 Fındikoğlu claims that this might be due to Mahmud Hayri’s being a graduate of the Mekteb-i Mülkiye, see Ziyaeddin Fahri Fındikoğlu, Türkiye'de İktisat Tedrisatı Tarihçesi ve İktisat Fakültesi Teşkilâtı (İstanbul: Akgün Matbaası, 1946), 40.
186 He quotes “layṣa lil-insāni ʾillā ṭuṣā’ā” from the Qur’an (Surat al-Najm; 53:39). See Mahmud Hayri, “İfade-i Meram” in Paul Beauregard, Mebadi-i İlm-i Servet-i Milel, tr. Mahmud Hayri (İstanbul: Mahmud Bey Matbaası, H. 1317 [1899]), 2. This verse was well-suited to the work-oriented economic Zeitgeist of the era and thus frequently quoted by modernist Ottoman intellectuals. See Chapters 3 and 4 for other examples.
187 Ibid.
188 Mahmud Hayri, “İfade-i Meram,” 3; also see Ohannes, Mebadi-i İlm-i Servet-i Milel, 12–13.
Ottoman economic literature. This resemblance might well be a result of Ohannes’ impact on both ideas and styles in Ottoman economic writing.

Also in the same year, in 1899, Mustafa Nail’s *Muhtasar İlm-i Servet* (A Brief [Introduction to] Economics) appeared as a textbook for high schools. The book does not include any author’s introduction. Thus, we do not have any information on his sources. In any case, the importance of the book is that it is a textbook which aims at introducing basic economic concepts and principles to high-school students. Although it is not an important contribution to Ottoman economic thought, its decent academic content gives us an idea about Ottoman economic education at the high-school level, or or at least its objectives.

### 2.7 Ottoman Popular Economics: Maurice Block and Ahmed Muhtar

In 1906, a very interesting and important example of Ottoman popular economics came out. It is a translation of a global economic best-seller, Maurice Block’s *Petit manuel d’économie pratique* (1872), which had been translated into many languages in earlier decades. Block’s book is a manual of practical economic knowledge and it consists of didactic short stories about youths in a small French village. Pierre, Paul, Louis, and Jerome come across some practical as well as abstract economic problems and questions that they cannot resolve on their own. They seek help from their teacher (*l’instituteur*) who shows them how to apply the principles of modern political economy in their daily lives. The stories introduce various principles of political economy and many economic institutions (e.g., the importance of hard work, principles of

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189 Mustafa Nail, *Muhtasar İlm-i Servet* (Istanbul: Matbaa-i Âmire, H. 1317 [1899]).
exchange, use of the banknote), but as the author suggests in his preface the book is based on a single main message: “Work and thrift will facilitate the practice of many other virtues.”

Ahmed Muhtar, another graduate of the Mekteb-i Mülkiye, adapted the book into Ottoman cultural and economic context. Ahmed Muhtar uses Ottoman characters, and mentions Ottoman cities instead of French and other European cities. Ömer, Zeki, Fatin, Hasan, and Ali replace the French youngsters, and ‘l’institeur’ becomes hâce. Other Ottomanized characters such as Mahmud Ağa (Mr. Mahmud) and Veli Dayı (Uncle Veli) also appear along the stories. In the original book, cotton comes from America, India, and Egypt, whereas in Ahmed Muhtar’s translation India is replaced with Adana, the famous cotton producing region in southern Anatolia. La Banque de France becomes Osmanlı Bankası (the Ottoman Bank) in the translation, and Ahmed Muhtar provides a brief summary of its history and functions.

Ahmed Muhtar’s introduction contains information about Maurice Block and his book, which had been translated into thirteen other languages (including Bulgarian, Hungarian, and Japanese) by the publication of Ahmed Muhtar’s translation. Ahmed Muhtar also provides a very brief history of economics starting from ancient Greece and adds a brief note concerning the contributions of the Muslim scholars. Unfortunately, just like Nuri Bey, Ahmed Muhtar does not provide any specific examples of such contributions, simply asserting their existence in passing. This part reflects also the increasingly Turkish-nationalist intellectual atmosphere of the period.

190 “Le travail et l'économie leur faciliteront l'exercice le beaucoup d'autres vertus.” (Maurice Block, Petit Manuel d'économie pratique, cinquième édition [Paris: J. Hetzel, 1878], 6.)
191 Ahmed Muhtar, “Mukaddime” [Introduction], Maurice Block, Ameli İktisad Dersleri, tr. Ahmed Muhtar, (İstanbul: Mahmud Bey Matbaası, H. 1324 [1906]), 11.
192 Maurice Block, Petit Manuel d'économie pratique, 19.
193 Maurice Block, Ameli İktisad Dersleri, 29.
194 Ibid., 58.
Ahmed Muhtar mentions some contributions from the scholars of the “noble Turkish nation” 
(Türk kavm-i neciî) in addition to those of early Muslim scholars.\textsuperscript{196} Such contributions, 
according to him, can be found in the commentaries of the religious texts written by Turkish 
scholars.\textsuperscript{197} He notes that economic ideas are scattered in these texts, but he does not give any 
进一步 detail regarding the names of any of those scholars or their works. In short, Ahmed 
Muhtar’s tone reflects the emergence of Turkish nationalist discourse at the dawn of the Young 
Turk government in politics and their National Economy model.

In the Hamidian era, the Ottoman interpretations of modern economics went beyond the 
limits of a translation movement with more refined debates on and models for the Ottoman 
economy. The discussions on the strategy of economic development moved along two 
interconnected axes: “industrialization vs. agricultural production” and “liberalism vs. 
protectionism.” It is essential to note, however, that liberal economists who suggested that the 
Ottoman economy would better focus on agricultural production were not against 
industrialization per se. Protectionists believed in the urgency of industrialization, therefore they 
recommended state’s active involvement in the industrialization process. On the contrary, 
liberals opposed interventionist and protectionist policies that aimed at hastening the 
industrialization process at the expense of free trade in agricultural sectors where the Ottoman 
Empire had comparative advantage.

\textsuperscript{196} Ibid., 7.  
\textsuperscript{197} Ibid., 8.
The Ottoman modernists’ approach (on both sides of the liberal-protectionist dispute) to the discipline of economics was shaped by the positivist paradigm of the age. As Hanioğlu puts it, the Weltanschauung of the Ottoman modernist intellectuals of the late nineteenth century can be summarized in two words: science and progress.\(^{198}\) Moreover, as a result of the “positivistic understanding of modern science as an instrument of power rather than a system of thought,”\(^ {199}\) Ottoman modernists regarded economics as an indispensable instrument for the salvation of the empire, first as a guide to strengthen state finances, later as an instrument for a comprehensive social engineering project through influencing popular economic mentality.

Political economy was also one of the fields in which Ottoman intellectuals responded to the nineteenth-century question of “Islam vs. modernity.” Especially in the Hamidian era, intellectuals such as Münif Pasha, Nuri, and Ahmed Midhat examined traditional Islamic-Ottoman values and modern European scientific methods and ideas in a dialectical process to establish an intellectual basis for an indigenous “Ottoman modernity.” Notions and ideas from modern economic theories were tested and sometimes simply legitimized through Islamic references. This process paved the way for an Islamic capitalist discourse with its own jargon. Furthermore, Ottoman-Muslim intellectuals attempted to dig up (or rather invented) a modernity-compatible tradition of Islamic economic theory and policy. As a reaction to the widespread acknowledgment of Muslims’ defeat vis-à-vis European capitalist modernity, Muslim Ottoman intellectuals began to discover modern aspects of Islam. In the case of economics, for example, Muslim economists emphasized that essential capitalist notions—like hard work, productivity, and private property—had already been accepted and encouraged in Islamic civilization.

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Besides, according to them, Islamic political tradition had its own economic and fiscal administration systems and principles from its early history. Thus, these Muslim modernists claimed, the disciplines of economics and public finance were not European inventions but had existed in the Islamic civilization even before the modern age. In short, this period witnessed the first steps toward an Islamic economics, which was to gain a much bigger importance especially after the rapid enrichment of some Muslim nations through oil in the twentieth century.\(^{200}\)

Ottoman economic thought was not confined to its domestic debates but mostly followed major global trends. This does not mean that the Ottoman intellectual sphere did not have its own internal dynamics or that it can only be understood through European patterns. However, it is obvious that at the end of the nineteenth century, Ottoman intellectuals were more in tune with modern European intellectuals of their age than with their own predecessors of the early nineteenth century. In other words, in the late nineteenth-century context, modernization meant Europeanization at the expense of the domestic intellectual tradition. Nevertheless, Ottoman Muslim reformists also tried to preserve modernity-compatible aspects of the tradition as much as possible. The resultant Ottoman-Turkish modernization process was to culminate in the Young Turk nation-building project of the late Ottoman imperial and early Turkish Republican eras.

Finally, in concluding this discussion of the economic literature of the Hamidian era, it is worth noting that the books discussed in this chapter made a popular impact beyond schools and even beyond the imperial capital by providing idealist Ottoman modernists with a toolbox in

their struggle for development. For example, in a provincial journal (Ahenk of Izmir) in 1900, the author advises his rural audience to be knowledgeable on economic life, adding:

Look, I took these ideas that I am telling you from this book. It shows you the way to wealth. It is called the book of wealth. If you read this book, you would know how to make money, how to take care of your farming implements, understand how capital is created, what a company is, and what trade and free trade mean.

The next chapter examines the impact of economic thinking on Ottoman modernists’ projections for a “modern” Ottoman society.

201 The author does not give reference to any specific book but rather encourages the peasants to refer to any book on economics.
Chapter 3 – Economic Thought in the Hamidian Era I: The Social Question

Every man thus lives by exchanging, or becomes, in some measure, a merchant, and the society itself grows to be what is properly a commercial society.¹ (Adam Smith, 1776)

When the people of a country get used to civilization, the [natural] human disposition and personal interests render that people capable and willing to improve their own living conditions. … Since the science of the wealth of nations studies the natural principles concerning the material interests of society, nobody from the ordinary people—as well as the elite—can be excused from studying this science.² (Sakızlı Ohannes, 1880)

Just as the Industrial Revolution in England was accompanied by a new bourgeois social thought, the Ottoman economic modernization project brought about a new approach to the question of “society.” This chapter suggests an analysis of the paradigm shift in nineteenth-century Ottoman social thought caused by capitalist economic thinking. More specifically, it focuses on the economic aspects of the “social question” that emerged within the context of late nineteenth-century Ottoman modernization. First, I will briefly discuss the impact of economics—especially the economic perception of the world and its history—on the Ottoman perception of the world. Second, I will present an overview of Ottoman observations on modern European socioeconomic systems. These two discussions will help us understand how Ottomans situated their country and defined their identity vis-à-vis modern European industrial civilization. Using this analysis of Ottoman self-perception under the new capitalist world order, I will then analyze projections for a “modern” Ottoman society and its ideal individuals in the writings of the most influential intellectuals of the Hamidian era such as Münif Pasha and Ahmed Midhat Efendi. I will discuss an indispensable component of the social question, that is, the definition of

² Ohannes, Mebâdi-i Servet-i Milet, 4–5.
the modern Ottoman “nation” and its implications for the emergence of Ottoman economic nationalism in the next chapter within the context of Hamidian models of economic development.

3.1 World Upside-Down: Economics and a New Perception of the World

Economics, as a social science, aims to explain society as a dynamic system of production and consumption relations. However, economics is not only about analyzing certain aspects of a pre-defined structure (i.e., society), it also suggests a specific definition of this structure. As Karl Polanyi states, economics in the nineteenth century was based on the discovery of “the existence of a society that was not subject to the laws of the state, but, on the contrary, subjected the state to its own laws.”³ This discovery itself, on the other hand, is not a sudden realization of an ever-existing mechanism, but a result of a peculiar nineteenth-century development: the self-regulating market and the consequent market society. According to Polanyi, the economic sphere is embedded in social relations in pre-capitalist societies. In the capitalist market economy, however, “Instead of economy being embedded in social relations, social relations are embedded in the economic system.”⁴ Moreover, the nation-state was rising as the new main political agency, ruling over on a closed national economy. In short, the market society, comprising the market economy and the nation-state, defined the modern notion of society, thereby causing a paradigm shift in early nineteenth-century philosophy.

Meanwhile, Newtonian physics perpetuated its unquestionable dominance over scientific and philosophical inquiries in Europe. And accordingly, economists were trying to reveal the

³ Polanyi, *Great Transformation*, 111.
⁴ Ibid., 57.
“natural laws” that govern economic relations. In the same vein, machines were to become a perfect metaphor for social relations throughout the nineteenth century, as they are composed of individual metal pieces that obey the natural laws of division of labor and cooperation, the very laws which explained society since Adam Smith. The human individual, as it was likened to an interchangeable part of a machine, thus became the starting point of all social engineering projects of the modern age. In economic thought, an essentialized and mostly misunderstood version of Adam Smith’s *Homo economicus*—with its purely economically motivated behavior—determined the assessment of appropriate individual economic behavior. In other words, as human communities were being transformed into market societies, human individuals were expected to become economically-motivated atomic units in nineteenth-century social imagination. In the eyes of an economist, therefore, society is defined as a national organization of *Homines economici*.

With the emergence of the self-regulating market and the market society, the state lost its omnipotent role in analyses of socioeconomic dynamics and historical change. In this respect, Adam Smith’s economics suggested an alternative explanation of human history, that is, what we call today “economic history.” From the perspective of economics, the history of human societies was the history of socioeconomic organizations. In other words, the economic history of the nineteenth century suggested that the history of human civilization was one of production forces and production relations, in Marxist terms.

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3.1.1 “Economic” History, Historicism, and the Ottoman Empire

Economic history is a sub-discipline within economics and, to a lesser degree, within history, whose main focus is the study of economic growth and development over time. … Although historians have practiced their craft at least since the time of Herodotus (the fifth century BC), economics emerged as a separate social science with the work of Adam Smith or, perhaps, as some have argued, that of the Mercantilists and the Physiocrats. Classical economists, with the notable exception of Ricardo, were almost all also historical economists. The reader of Smith, Mill, Marx, or even Marshall ploughs through thick volumes in which propositions in economic theory are embedded in often lengthy descriptions of historical events or the course of economic history. Throughout most of the 19th century, the divide between economists and economic historians was weak.  

Modern economics did not bring about only new scientific principles that explain certain (i.e., economic) social relations, but also a new perception of the world. The new economic explanation of historical change suggested a self-regulating mechanism governed by its own laws, thereby excluding the state’s and even God’s role in explaining socioeconomic dynamics. As a well-known example, Marx’s historical materialism suggests a linear and hierarchical pattern of historical progress from primitive to advanced modes of production, i.e., from primitive communism to capitalism. Marx’s economic historical perspective is not idiosyncratic at all. On the contrary, it resembles other similar hierarchical models of his age, such as

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8 Werner Sombart labels such classifications as “stage theories.” He claims that “differentiating between periods or peoples according to dominant form of production” is the “oldest method” in historiography which is observed as early as in Aristotle’s political theory. (Werner Sombart, “Economic Theory and Economic History,” The Economic History Review 2, no. 1 (1929): 10.) Sombart further notes that these classifications are popular in social thought of the eighteenth and nineteenth centuries. (Sombart, “Economic Theory and Economic History,” 10–13.)
Friedrich List’s formulation of a progressive model of historical change from “the savage state” to the “manufacturing and commercial” state of nations.⁹

All in all, the economic historical paradigm of the age was shaped by an optimistic industrialism and a self-assured Eurocentricism. Economic developments in late eighteenth-century Europe heralded a new phase in human history and inspired a new hierarchy of nations based on their levels of economic sophistication. In short,

More work and inventiveness resulted in ever higher levels of social development and economic productivity, culminating in the scientifically oriented, industrialized nation states that had come to rule the globe. Work meant progress; industry produced prosperity; felt needs drove the Europeans to dominate the world.¹⁰

The world, thereby, began to be defined as “the West and the rest”: the industrialized world and the primitive economies. To the chagrin of the proud Ottomans, their empire, with its non-industrial economy, took its place in the second category. This challenge had a deep impact on Ottoman modernization by both creating an anxiety and providing a set of rules for the modernization process: hard work, science, increasing productivity, inventiveness, and industrialization.

Moreover, the rise of economic history was accompanied by the emergence of historicism in the early nineteenth century.

One important response to the rapid changes in French society since the Revolution of 1789 was a renewal of interest in history. If the events of the present seemed confused and disturbing, it was felt they might begin to make

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⁹ “In reference to political economy, nations have to pass through the following stages of development: – The savage state, the pastoral state, the merely agricultural state, and the state at once agricultural, manufacturing and commercial.” (Friedrich List, National System, 265)
¹⁰ Adas, Machines as the Measure of Men, 256.
sense when seen in relation to events of the past. Napoleon and later governments encouraged the expansion of historical and philological studies by creating chairs of history in every university, and every field of endeavor was touched by the new historical sense.  

As the most well-known example to this new historical sense, G. W. F. Hegel’s (1770-1831) philosophy of history, explains social processes and institutions by their history. Hegel’s notion of “unfolding history” was later adopted and reinterpreted by Karl Marx and other nineteenth-century philosophers in their progressive formulations of historical change. The new historical sense of the early nineteenth century, which was informed by historicism and economic history, was to make a considerable impact on Ottoman economic and political thought as well as Ottoman historiography.

3.1.2 Ottoman Economic Historiography and Historicism

Until the mid-nineteenth-century, Ottoman historiography was principally a tradition of chronicling military and political events from the state’s perspective. Although several Ottoman intellectuals before the nineteenth century included socioeconomic analyses in their historical narratives and “mirror for princes”-style works, these analyses were predominantly based on the notion of the state’s omnipotence in shaping socioeconomic life. The most well-known example of this phenomenon is the notion of “the circle of justice” formulated in Kınalızade Ali’s Ahlak-ı Alai in the sixteenth century. This traditional approach to economy regarded socioeconomic factors that caused the rise and fall of a state as results of the rulers’ decisions and actions. The deviation from this tradition came with the renowned statesman,

intellectual, and historian Ahmed Cevdet Pasha (1822–95), who incorporated social, financial and economic analyses into his narrative of the political history of the Ottoman Empire. His new approach to Ottoman history was inspired by European intellectuals and historians such as Michelet, Taine, Hammer, Buckle, Macaulay, and Montesquieu.

Ahmed Cevdet Pasha starts his twelve-volume study of history with his conception of the progress of history, inspired by Ibn Khaldun’s evolutionary, cyclical, and organic conceptualization of history. According to this earliest “institutional” approach to history, states are born, grow and finally “die” due to various institutional factors. Ahmed Cevdet Pasha, following Ibn Khaldun, asserts that societies pass through certain hierarchical stages of development (i.e., from nomadism to urbanism). He maintains that in more advanced stages, societies possess more sophisticated social, economic, and political institutions. According to this model, urban socioeconomic organization constitutes the highest level of social development, with its most sophisticated production systems and highest standards of living. The similarity of this fourteenth-century conceptualization of society and its history to nineteenth-century social theories explains why Ibn Khaldun’s work struck a chord with the

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14 Tanpınar, XIX. Asır Türk Edebiyatı Tarihi, 164. It is important to note, however, that Ahmed Cevdet Pasha was not the first Ottoman historian who referred to European sources. Before Ahmed Cevdet Pasha, Vasıf Efendi (d. 1806), Kethüdazade Said Efendi, and Şanizade Ataullah Efendi (1771–1826) also used Western sources for their studies of history. (Mükrimin Halil Yinanç, “Tanzimattan Cumhuriyete Kadar Bizde Tarihçilik,” in Tanzimat: Yüzünçü Yıldönümü Muḥasebeti [İstanbul: Maarif Matbaası, 1940], 574.)
15 Ahmed Cevdet Pasha, Tarih-i Cevdet, 12 Vols. (İstanbul: Matbaa-yi Âmire, 1854–84).
17 Ibid.
18 Ibid.
nineteenth-century European social thought as well as with Ottoman intellectuals.\(^\text{19}\) As a
twentieth-century Muslim biographer of Ibn Khaldun states,

> It was believed that Western research was the first to discover the philosophy of
topics of Sociology and political Economy [sic], but it was then
[in the latter half of the nineteenth century] found out that Ibn Khaldun had long
preceded the West, and treated those subjects in his Prolegomena.\(^\text{20}\)

In this context, Ottoman modernists did not overlook the importance of Ibn Khaldun in
the question of “Islam vis-à-vis modernity.”\(^\text{21}\) As seen in the previous chapter, some Ottoman
intellectuals cited Islamic traditions of economics and public finance in the early centuries of
Islam in order to challenge the European claim that these new scientific fields were modern
European inventions. Ibn Khaldun’s work was well cut out to challenge this claim. A
correspondence between two prominent statesmen of the Tanzimat era, Mithat Pasha (1822–84)
and Ahmed Cevdet Pasha, dated December 21, 1874, testifies to the importance of the matter for
Ottoman reformists.\(^\text{22}\) In his letter, Mithat Pasha mentions a past conversation between the two
on Ibn Khaldun’s economic studies, and he expresses his gratitude to the latter for showing that,
contrary to European claims, Muslim scholars had studied political economy centuries before
modern European economists.\(^\text{23}\)

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\(^\text{19}\) For Ibn Khaldun’s impact on nineteenth-century European historiography and social thought, see Mohammad Abdallah ’Inan, *Ibn Khaldun, His Life and Work* (Lahore: Sh. Muhammad Ashraf, 1944), 157–75.

\(^\text{20}\) Ibid., 160.

\(^\text{21}\) It is important to note, however, that the Ottomans did not discover the work of Ibn Khaldun in the nineteenth
century. Ibn Khaldun’s ideas and especially his philosophy of history had been influential on Ottoman intellectual
circles since the early seventeenth century, as can be observed in the works of Kâtib Çelebi (1609–1657) and Naima
(1655–1716). For more information on the impact of Ibn Khaldun in the Ottoman Empire, see Z. Fahri Fındıkoğlu,
“Türkiye’de İbn Haldunizm,” in 60. Doğum Yılı Münasebetiyle Fuad Köprülü Armağanı (Istanbul: İstanbul Dil ve

\(^\text{22}\) BOA, YEE: 38/1, 15/Za/1291.

\(^\text{23}\) “İbn-i Haldun’un ticâret-i devlet hakkında yazmış olduğu mesele Frenklerin kendi ihtira’-kerdeleri olmak zann ve
da’vasında bulundukları ekonomi-politik fenninin mesâ’il-i asliyesinden bir bahs-i mühim olduğu halde bu
mes’elenin Frenklerden nice âsar-i mukaddem ulemâ-i İslâmiye tarafından tedkik idilim ve meydana konulmuş
olduğu ihtâr ve beyân buyurulmağa iş-arât-i âliyyelerinin bu fikrasında dahi şu suretle istifâde kilnmiştir.” (Ibid.)
In any case, the aforementioned European economic historical paradigm gave the Ottoman elite a major impetus to catch up with the developed world within the parameters of the same paradigm. Ahmed Cevdet Pasha’s new approach to history, therefore, seems to be an early reflection of the impact of economic history and historiography in Ottoman reformism.

Following Ahmed Cevdet Pasha, other Ottoman intellectuals adopted a historicist perspective, looking for the causes of their “backwardness” in the past. This Hegelian-type Ottoman historicism may explain the great interest in reading, and more importantly, writing history especially among Hamidian-era intellectuals. In this era, history-writing ceased to be a monopoly of the court historian, and was undertaken by many modernist intellectuals.24

As another example, Namık Kemal’s historical analyses also help us to understand the impact of economic history and historicism on modernist Ottoman intellectuals.25 Kemal attributes European progress to the economic, scientific and technological developments of the eighteenth and nineteenth centuries, and he criticizes Ottoman failure to adapt to the times. He goes on to argue that the Ottoman inability to catch up with European industrialization paved the

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24 Providing a complete list of popular history books published in this era is well beyond the scope of this study, yet it might be useful just to mention the most prominent ones in order to give an idea: Namık Kemal began writing history with his historical stories (e.g., Celaleddin Harzemşah), and later he wrote a multi-volume Ottoman history (1887–88). Ahmed Midhat wrote and published multi-volume world history books such as Kâinat (The Universe, 1871–81), Tarih-i Umûmi (General History, 1877–78), and Mufassal Tarih-i Kurun-i Cedide (Detailed History of the Recent Centuries, 1887–88). Just like many of his other works, these were first serialized in his Tercüman-ı Hakikat and then published as books. Ahmed Rasim wrote and adapted Ottoman histories as well as histories of human civilization, such as Terakkiyât-ı İlimiye ve Medeniye (Scientific and Civilizational Progress, 1888) and Resimli ve Haritalı Osmanlı Tarihi (Ottoman History with Illustrations and Maps, 1908). Another prominent intellectual of the era, (Mizancı) Mehmed Murad Bey, was the Professor of History at the Mekteb-i Mülkiye, and penned the multi-volume Tarih-i Umûmi (World History, 1881–85) and Muhtasar Tarih-i Umûmi (A Brief History of the World, 1884). There are other similar works that could be added to the list, especially those on more specific topics like Ahmed Rasim’s Arabların Terakkiyât-ı Medeniyesi (Civilizational Progress of the Arabs, 1884), and numerous articles on similar topics published in popular journals and newspapers such as Mecmua-i Fünün, Tercüman-ı Hakikat, and Servet-i Fünün.

25 Şerif Mardin attributes the first “economic interpretation of history” in the Turkish language to İsmail Gaspiralı and his newspaper, Tercüman (1895). (Mardin, Jön Türkler, 46.) However, as we shall see below, as early as in the 1870s several Ottoman intellectuals suggested a variety of economic analyses of problems in Ottoman history and politics.
way for the destruction of the guilds in the Ottoman Empire, leaving Muslims out of the productive sectors of the Ottoman economy. Along with foreign dominance, Kemal criticizes the traditional fatalistic and anti-entrepreneurial economic mentality of Muslim Ottomans as another major cause of backwardness. He, therefore, recommends industrial and commercial education for Muslims in order for them to adapt to the new economy-centered age. Similar ideas were to be repeated by many intellectuals following Kemal. Likewise, the Hamidian government established industrial and commercial schools, especially for Muslim students, as an essential component of its economic development project.

As another example that testifies to the ubiquity of such arguments, in 1870 the influential yet controversial Muslim intellectual of the era, Jamāl-al-Dīn al-Afghānī (1838–97), voiced similar concerns during his speech at the opening ceremony of the first modern Ottoman university, the Dâr ül-Fünûn. Al-Afghānī urged Muslims to catch up with European economic progress in order to get rid of the yoke of European imperialism. He asserted that Islamic civilization had been economically and scientifically advanced in the past, thanks to the diligence and industriousness of Muslims. He added, however, that in time Muslim got used to comfort and indolence, and as a result, they lost their superiority and began to lag behind. In order to correct “the mistakes of the past,” al-Afghānī suggests two remedies: hard work and education. These were to become the main pillars of the Ottoman modernization process, especially in the

26 Namık Kemal, “Sanʿat ve Ticaretimiz”, İbret 57 (1872), 1–2. It is important to note that guilds did not exclusively consist of Muslim producers. There were many guilds dominated by non-Muslim Ottoman producers as well. Nevertheless, as we will also see in Chapter 4, in the late nineteenth century, the destruction of the Ottoman guilds—as a result of the influx of European commodities—was frequently associated with Muslim loss of dominance in the Ottoman economic sphere.
27 Namık Kemal, “İbret,” İbret 3 (1872), 2.
29 For the full text of the speech, see Takvîm-i Vekâyi, 22 Zilkâde 1286 (23 February 1870).
30 Ibid. For the impact of al-Afghānī on the Young Turks, see Mardin, Jön Türkler, 65-66.
1880s and 1890s. Al-Afghanī was not the first Muslim intellectual to emphasize the past economic and technological superiority of the Islamic world. This was a common response of Muslim modernists to the challenge of Eurocentric capitalist modernity. For example, as early as 1861, Mehmed Şerif Efendi argued that the Muslims had been advanced in industry in the past, and that this claim could be proved by a well-known anecdote that is found in history books.31 According to this anecdote, the Abbasid Caliph Hārūn al-Rashīd (c.766–809 AD) sent an automated alarm-clock to the King of France. The French regarded this gift as a “strange thing” due to their ignorance of automated machines. Nevertheless, Mehmed Şerif Efendi adds, the Europeans have advanced in science and technology since then, whereas the Ottomans have not shown the same enthusiasm in these fields.32

Ottoman economic historicism made its intellectual impact especially in the 1880s through the writings of Ottoman popular economists, and especially through Ahmed Midhat. His historical approach to economics was an assault on the economic liberalism taught at Ottoman institutions of higher education by Ohannes and Mikael Pashas.33 As I shall show below in more detail, Ahmed Midhat asserted that the traditional militaristic and nomadic (thus anti-entrepreneurial) economic mentality of the Ottomans was the principal reason for their economic backwardness. His projection for a modern Ottoman nation is primarily based on this historical (and historicist) analysis. After him, Akyiğitzade Musa, a more systematic follower of the German Historical School, argued that since the industrial stage is the highest stage of development, liberal arguments emphasizing agricultural production (based on the theory of

32 Ibid.
33 For the parallels between Ahmed Midhat’s economic ideas and the German Historical School, see Chapter 2.
comparative advantage) were tantamount to saying that the Ottomans had to remain backward. According to him, the Ottomans should derive lessons from the history of European economic development and follow the same path—pursuing protectionist policies in the earlier stages of industrialization—to reach the highest stage of development. Meanwhile, on the opposite side of Ottoman economic thought, the well-known liberal economist Cavid Bey attributed the backwardness of the Ottoman economy to the traditional practices (thereby to the past) of interference in the economy and limitations on economic enterprise. In short, both sides of the “protectionism vs. liberalism” battle had recourse to historicism to support their arguments on the historical roots of economic backwardness.

In the early twentieth century, especially with the Young Turks, Ottoman historicism turned to harsh critiques of the traditional Ottoman institutional setup, which allegedly kept the empire economically and socially backward. Presenting arguments similar to those of Ahmed Midhat, the famous Ottoman “philosopher” of the early twentieth century, Rıza Tevfik (1869–1949), suggested getting rid of some “traditional characteristics” of the Turks. According to him, nomadic and militaristic forms of societal organization had brought wealth and glory through conquests and plunder in the past. However, the intellectual setup it created became obsolete and even harmful in the modern age, as it led people to indifference and even abhorrence towards

34 Akyiğitzade Musa, İktisad yahud İlm-i Servet, 20–22.
35 Mehmed Cavid, İlm-i İktisad, vol.1, 314–19.
36 “An institutional setup consists of formal and informal components. Whereas the formal component consists of factors such as the laws and structure and organization of the state, the informal component involves culture, norms and values.” (Eyüp Özveren, “Economic Agents, Rationality and the Institutional Setup: The Advent of Homo Economicus in the Representations of the Levant,” History of Economic Ideas, 14, no. 3 (2006), 12.)
commerce. He wrote, “[Our] laziness, immorality, and barbarity today are [the vestiges of] yesterday’s pride, arrogance, nomadism, and Janissary fights.”

In short, the discourse of “backwardness vis-à-vis Europe” and the economic historical paradigm of the nineteenth century led Ottoman reformists to explore their history from an economic perspective to ascertain the reasons for “failure.” As they began to identify the traditional institutional setup as the main culprit, proposals for a total institutional transformation in the empire overshadowed alternative proposals. As a result, in the late nineteenth and early twentieth centuries, the Ottoman modernization project was dominated by the idea of building a modern society defined in economic terms. I will discuss the social vision of the Ottoman modernists in the following sections, but before discussing these social models, it is necessary to turn to another dimension of the social question, that is, the issue of identity. The Ottoman modernists did not derive lessons only from history books. Their project took Europe as the model for modernity, especially in the latter half of the nineteenth century. It is therefore essential to analyze how Ottoman observers perceived themselves vis-à-vis modern Europe, and how this self-perception shaped Ottoman projections for a modern country. The travelogues written by Ottoman observers of Europe provide insights into this important question.

3.1.3 The “Ottoman” vis-à-vis the “Modern” in Ottoman Travelogues

Diyar-ı küfrü gezdim beldeler kaşaneler gördüm,
Dolaştım mülk-ũ İslami bütün viraneler gördüm.39
Ziya Pasha’s (1825–80) well-known verse is a neat summary of Ottoman self-perception vis-à-vis European capitalist modernity in the late nineteenth century. According to the dominant view among the modernist Ottomans of the age, Europe was the land of wealth and prosperity as well as industry and technology, which were the result of hard work, entrepreneurship, diligence, and thrift; and the Ottoman Empire was the land of poverty and ruin as a result of laziness.

Every journey to a foreign land is also a journey into the labyrinths of one’s own culture and identity. During these travels, our conception of the world widens and is enriched with new perspectives. The travelogues are excellent manifestations of such questionings of the “self” and the “other” during our endeavors to redefine our self in our new wider world; and the travelogues written by Ottomans are not exceptions. Ottoman travelers to Europe provide us with very interesting and important accounts witnessing the formation of a new Ottoman identity in a completely new Eurocentric world with its allegedly global civilization. In this context, it is obvious that Ottoman self-perception was shaped by the identity attributed to the Ottomans by Europeans. Drawing on European travelogues about the Levant, Özveren shows how a kind of

40 For overviews of this literature and its main themes, see Bâki Asiltürk, Osmanlı Seyyahlarının Gözüyle Avrupa (İstanbul: Kaknüs Yayınları, 2000). and İbrahim Şirin, Osmanlı İmgeleminde Avrupa (Ankara: Lotus, 2006). For economic observations of the Ottoman travelers, see Asiltürk, Osmanlı Seyyahlarının Gözüyle Avrupa, 445–75; and Şirin, Osmanlı İmgeleminde Avrupa, 311–22.
“myth of lazy native,”⁴² was created by European observers of the Levant in the nineteenth century.

Shortly after its emergence in the nineteenth century, *homo œconomicus*⁴³ was deployed as a yardstick to measure individual economic behaviour irrespective of temporal and spatial differences. With the European penetration into the Levant, the concept was applied to the evaluation of the economic behaviour of locals. This led to the implicit conception of *homo levanticus* as the opposite of *homo œconomicus.*⁴⁴

The more important question for the purpose of the present study, however, is how the Ottomans regarded themselves vis-à-vis *Homo economicus.* This section traces the answer in Ottoman observations about Europe, thereby suggesting insights into the development of modern Ottoman identity in its economic aspect.

Ottomans, like other visitors from all over the world, were astonished by their observations of the industrial societies of Europe.⁴⁵ Later, these observations gradually intertwined with the idea of the backwardness of their country, especially in terms of science, technology and economic structure. One of the common observations that Ottoman travelers made was that the driving force behind modern European civilization was the economy, and that the main input behind this new force was hard work. This striking observation also changed

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⁴³ “During the nineteenth century, *homo œconomicus* gradually emerged as the catchword for the goal-oriented, rational, and calculating individual.” (Eyüp Özveren, “Economic Agents,” 9)

⁴⁴ Eyüp Özveren, “Economic Agents,” 9

⁴⁵ For an illuminating analysis of the “turning point in Ottoman intellectual history” caused by the European challenge in the late eighteenth and early nineteenth centuries, and the emergence of the question of Westernization, see Hanoğlu, *Young Turks in Opposition*, 7–13.
Ottoman self-perception. From then on, Europe and the Ottoman Empire would be defined in terms of the implicit dichotomy of industry and indolence.\(^{46}\)

In one of the earliest examples of such travelogues, the *Resimli Seyahatname* (Illustrated Travelogue, a manuscript dating from 1838), the author compares “two cultures” (i.e., Ottoman and European), particularly on the basis of labor. He concludes that the main sources of wealth and prosperity in Europe were hard work and great interest in new industrial skills and knowledge. The author complains about the relative indifference of Muslims to commerce and industry, although, according to him, the Muslims are much smarter than the “slow-witted infidels.”\(^{47}\)

An important example of the mid-century Ottoman travelogue literature is the *Seyahatname-i Londra* (Travelogue of London) of an anonymous Ottoman bureaucrat. It was first serialized in the newspaper *Ceride-i Havâdis* (May 1852–May 1853), and following its success it was also published as a book by the same newspaper (1853).\(^{48}\) The *Seyahatname-i Londra* is full of details reflecting the astonishment of a Tanzimat bureaucrat in the face of the progress of European science and technology and the new patterns of economic and social organization accompanying these scientific and technological developments. The author informs his Ottoman readers of various examples of new socioeconomic institutions, from shopping

\(^{46}\) Şirin, Osmanlı İmgeleminde Avrupa, 311.

\(^{47}\) “gabavet ü batâet-i tab’ ile meşhur olan ehl-i küfr” (Şirin, Osmanlı İmgeleminde Avrupa, 312).

\(^{48}\) *Seyahatname-i Londra: Tanzimat Bürokratının Modern Sanayi Toplumuna Başı*, (ed.) Fikret Turan (İstanbul: Tarih Vakfı Yurt Yaymları, 2009), 1. The editor’s choice for the subtitle is very appropriate: *Tanzimat Bürokratının Modern Sanayi Toplumuna Başı* (A Tanzimat Bureaucrat’s View of Modern Industrial Society). It reflects the author’s obvious emphasis on the social and cultural traits of industrial England, as well as its economic organization. This edition includes both the transcription of the original text and an adaptation to modern Turkish. The same travelogue had been adapted to modern Turkish and published by another editor, as *Bir Osmanlı Aydınının Londra Seyahattnamesi* (ed.) Erkan Serçe (İstanbul: İstiklal Kitabevi, 2007). In this study, I prefer to use the transcribed original text in the 2009 edition, instead of the adapted version of the 2007 edition.
malls to the shopping habits of people, and from fishery, agriculture, and husbandry to the press industry.\textsuperscript{49} He also discusses why observing Europe is essential for the economic and social development of the Ottoman Empire. The author’s arguments on science and education boil down to the idea that, although the center of the “supreme sciences” (i.e., Islamic sciences) in the world is the Ottoman capital (Istanbul), the center of the new “strange” sciences and the new type of education is the European continent.\textsuperscript{50}

The author also emphasizes that Europeans never waste time, and they continuously pursuing useful, educational, and productive activities in their spare time. He goes on to note that the Europeans spend considerable amounts of money on such activities. As an example, he mentions how the people of London form many associations and clubs, wherein they spend their time reading and discussing with other people about their fields of interest.\textsuperscript{51} He connects such arguments to his observations on the British love for labor with an implicit comparison to his own society:

\begin{quote}
The people of London take commerce so seriously that everybody rushes to work as if they are rushing to their beds. … Since there is no work on Sundays, they sit down and bemoan… that they cannot work that day. ... And just because the people here are so ambitious and avaricious for [and always busy with] commerce, other people who come to London cannot find anyone to chat with. Nevertheless, there are various amazing places like factories, wherein new and original goods are produced. … Thus they [the visitors] spend their time visiting
\end{quote}

\textsuperscript{50} Ibid., 141.
\textsuperscript{51} Such an association was later founded in the Ottoman Empire in 1861 by Münif Pasha and his friends: Cemiyet-i ılmîyye-i Osmâniye (Ottoman Society of Sciences). The Cemiyet-i ılmîyye established the first modern research library and published the first popular science magazine (Mecmua-i Fünûn) in the Ottoman Empire. Ahmed Midhat Efendi (in 1887) also praises these European institutions on the same basis. He notes that such well-organized associations provide a venue for people to get involved in (socially and individually) beneficial activities. See Ahmed Midhat, Mîsâbahât-i Leyliye, Birinci Müsâhabe: Vakit Geçirmek (İstanbul, H. 1304 [1887]), 17–21.
these places, thereby appreciating these amazing industries and products which are the pride of humanity and civilization.52

Although the discourse as well as contents of the works describing Europe did change in time, similar observations and ideas regarding labor and technology were repeated by various authors. The prominent Young Ottoman intellectual, Namık Kemal, for instance, argued in an article published twenty years after the Seyahatname-i Londra that the sole source of wealth and prosperity in Europe was hard work.53 He exaggerates this idea so much that his description of Europe comes to the conclusion that European civilization is a product and a symbol of labor.54 More interestingly, he praises London, which was marked by the factory smoke, rather than Paris, “the city of light,” as the true miracle of this civilization.55 It is worth noting that this remark does not only reflect Ottoman astonishment, but also the Zeitgeist. As Rabinbach argues, in late nineteenth-century Europe,

The language of labor power was more than a new way of representing work: it was a totalizing framework that subordinated all social activities to production, raising the human project of labor to a universal attribute of nature.56

Accordingly, neither the anonymous author of the Seyahatname-i Londra nor Namık Kemal were alone in their astonishment and admiration for London. In their age, “Journalists, artists, novelists, social reformers, clergymen, and other students of society were drawn to London as ‘an epitome of the round world’ where ‘there is nothing one cannot study at first hand.’ They came there to see where society was heading.”57

52 Seyahatname-i Londra, 128.
54 Şirin, Osmanlı İmgeleminde Avrupa, 317.
55 Namık Kemal, “İbret,” 2.
56 Rabinbach, The Human Motor, 4.
Covering the entire travelogue literature is beyond the scope of this study, but one last example will provide us with insights into late Ottoman industrial romanticism (as opposed to pastoral romanticism of nineteenth-century Europe). Mehmed Enisî (Yalkı) visited some European coastal cities in 1895 and published his travelogue in 1911. He notes about Marseilles that this famous and beautiful coastline was “adorned with factories” as well as “other elegant buildings.” He adds that Marseilles, with its factories, high-rise buildings, and commercial offices was a product of the progress of human intelligence and civilization. Reminiscent of Namık Kemal’s words about London, Mehmed Enisî’s romantic depiction of an industrial panorama reflects the late nineteenth-century fascination with industrialization. This, however, was not unique to the Ottomans. As mentioned above, many tourists (not necessarily Ottoman) were visiting factories as miraculous manifestations of modern civilization. In short, the aspiration to become a modern industrial nation and its hard working individuals (based on European examples) became the dominant motivation behind the late nineteenth-century Ottoman modernization project. The next section takes a look at influential examples of projections for a modern Ottoman society in the popular writings of Ottoman modernist intellectuals and statesmen.

3.2 “What is to Be Done?”: Building a Modern Ottoman Society

In a capitalist system, the market is not only the major site for the exchange of commodities, but becomes the supreme institution and dominant metaphor for most social transactions. Money and the search for profit become the measures of all things, completing the circle of disembodied cash transactions in which ethical constraints are no longer considered part of the process, except prudentially. This model of rationality colonises the ethical world, suggesting that it is the model for

58 Mehmed Enisi, *Avrupa Hatıratım*, vol. 1 (Kostantiniye [Istanbul]: Matbaa-yı Ebüzziya, R. 1327 [1911], 38.
59 Ibid.
a universal rationality, its triumph evident in the ethically sanctioned freeing of ‘human nature’ to become the agent that will reproduce capitalist enterprise.  

In the Ottoman case, however, the earlier suggestions for social reform towards a more capitalistic institutional setup were not (on their face) free from ethical constraints. First the Young Ottomans, then Münif Pasha and Ahmed Midhat Efendi, proposed Islamically sanctioned patterns for a modern Ottoman capitalist society. According to their models, although production relations and the dominant work ethic were expected to be determined by the cold facts of modern economics, the inhumane aspects of capitalist society were to be fine-tuned by an Islamic moral economy. The idea of an Islamically fine-tuned capitalist society eliminated the remaining hesitations about the modernization of Ottoman society in line with European parameters. Nevertheless, there was a bigger problem than the hesitation of intellectuals, that is, the consent of the society to such changes. In other words, actual social change stood as the real challenge before the Ottoman modernization process. The social reformist wing of the Ottoman modernist intellectuals, such as Münif Pasha and Ahmed Midhat Efendi, played critical roles in the Hamidian struggle for social reform based on modern economic principles.

Before delving into their social models, it is important to understand the separation between the “social” reformers and the “political” reformers. Following the Young Ottomans’ “politicization” of Westernization, two main wings emerged in the Ottoman modernization movement. The first wing was the libertarians who aimed at political liberalization and the establishment of a parliamentary system in the Ottoman Empire. The second wing focused on education and social change rather than political change on the way to modernization. I loosely

60 Tripp, Islam and the Moral Economy, 5. See Chapter 1 of Tripp’s book for an analytical survey of the emergence of the “social problem” (as he puts it) in modern Islamic thought as a response to modern capitalism.
61 Mardin, Jón Türkler, 222.
define these groups as the “political” reformers and “social” reformers respectively. However, it is worth noting that these categories are by no means exclusive. First, despite differences on the surface, both wings shared the same goal in essence, that is, modernization. Second, many political reformers also suggested models for social change despite giving priority to political change. In any case, the following sections focus on the works of the social reformers as they provide more information on the social question of Ottoman modernization.

The social reformers’ disregard for politics can be explained by personal career concerns as well as Hamidian political repression. Nevertheless, there is also a purely economic idea behind this particular approach to the question of modernization. As the French economist Jean-Baptiste Say (1767–1832) argues in the introduction to his highly influential book, *Traité d'économie politique* (1817),

> Wealth … is essentially independent of political organization. Under every form of government, a state, whose affairs are well administered may prosper. Nations have risen to opulence under absolute monarchs, and have been ruined by popular councils.

The following sections show how social reformists, such as Münif Pasha and Ahmed Midhat Efendi, tacitly adhered to this idea when working for the prosperity of the country under a despotic monarch. I will also discuss how the same idea was incorporated into revolutionary politics by some Young Turk leaders of the early twentieth century, such as Prince Sabahaddin (1877–1948).

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3.2.1 Münif Pasha and Education: Knowledge as an Input of Production and the Notion of Economic Development as a Social Process

Mehmed Tahir Münif Pasha (1828–1910) was a leading reformist statesman of the latter half of the nineteenth century. He was also the pioneer of Ottoman *encyclopedism*, which began with the foundation of the Cemiyet-i İlımiyye-yi Osmâniye (Ottoman Society of Sciences, founded in 1861) and its journal, *Mecmua-i Fünûn* (Journal of Sciences). Münif Pasha was the founder and a leading figure of both the Society and the journal. *Mecmua-i Fünûn* constituted an example for the subsequent publications of the Ottoman *encyclopedist* movement, which later continued with Ahmed Midhat’s *Tercüman-i Hakikat*, Ahmed İhsan’s *Servet-i Fünûn* and other similar popular periodicals. Almost all of Münif Pasha’s writings on social, economic, and political matters were published before the Hamidian era. Nevertheless, thanks to his role as a prominent public intellectual, an important reformist statesman, and an educator, his ideas shaped the social and educational policies of the Hamidian regime in its early years. He became Minister of Education three times between 1871 and 1891. He thereby contributed significantly to the shaping of the Hamidian education system and dedicated his life to the struggle for the formation of educated and industrious citizens.

As mentioned in Chapter 2, Münif Pasha’s lecture notes on economics were published as a book in 1885.64 However his ideas on economic matters, and especially those related to the social question, had appeared in his earlier writings in *Mecmua-i Fünûn*. Münif Pasha’s model for modern Ottoman society was based on cooperation among industrious and scientifically minded individuals who would understand and uphold a modernization project initiated by the

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64 Mahmud Es’ad, *İlm-i Servet* (İstanbul: Mekteb-i Sanayi, H. 1302 [1885]).
state. In his speech at the opening ceremony of the Dâr ül-Fünûn, he states, “It is possible to obtain results from the modernization efforts [in the short run], but they would not last long without education.”\(^{65}\) In an article he wrote for *Mecmuâ-i Fünûn*, he summarized his ideas through the example of ants, regarded as industrious and social animals:

An ant, when it is alone, seems like a weak and insignificant insect. However, in its nest with its fellow creatures …, it is considered a civilized individual of a society that is defined by mind, reason, labor, and effort.\(^{66}\)

He goes on to explain how these “insignificant creatures” build magnificent structures and beat even lions as they act systematically and in cooperation.\(^{67}\) Münif Pasha’s message is clear: an individual has no significant power when alone, but if individuals work hard and cooperate with each other, following science and reason, they can overcome all sorts of difficulties and build a developed and civilized country in a short time. In this context, his approach to scientific knowledge is purely pragmatic.\(^{68}\) For him, education is necessary not only for civil servants, but for all citizens. He argues that in every occupation scientific education and know-how increase efficiency, and the lack thereof causes waste.\(^{69}\) Accordingly, he concludes that if a government wants to increase social prosperity, it should establish institutions of education for every segment of society, from peasants to merchants.\(^{70}\) This remark hints at his comprehensive approach to the question of economic development.

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\(^{65}\) Münif Pasha, *Takvim-i Vekayi*, 20 Zilkade 1286 [1870], 2.


\(^{67}\) Ibid., 230–36.

\(^{68}\) Ismail Doğan, *Tanzimatın İki Ucu: Münif Paşa Ve Ali Suavi: Sosyo-Pedagojik Bir Karşlaştırma* (İstanbul: İz Yayıncılık, 1991), 146.

\(^{69}\) “Mesela fenn-i ziraatde malumatlı, ehliyetli olan bir adama olmayan beyinde külli fark vardır. Bir ekinci ziraat vaktini ve memleketin ahvalini bilir, arazisini ve tohumunu eyû intihab ider ve fenn-i ziraatde mahareti olur ise, bir kile yerine yırımı otuz kile alır. Lakin bunlara bilmediği cihatle bir kusur iderse tahsil itmedikten başka sarf itdiği emeğini ve tohumunu bile itlaf Itmiş olur.” (Mahmud Es ad, *İlm-i Server*, 20)

\(^{70}\) Mahmud Es ad, *İlm-i Server*, 20–21.
In order to understand his notion of economic development, we should start with his understanding of “wealth.” Münif Pasha defines wealth based on the notions of utility and exchange;\(^{71}\) he notes that a commodity can be considered wealth only if it satisfies a need and if it is subject to exchange.\(^ {72}\) He then makes the distinction between the notions of “utility” (menfaʿat), “value” (kıymet), and “price” (baha).\(^ {73}\) The notion of value has a central place in his lectures on economics. The value of a commodity is directly related to the satisfaction of one’s needs through that particular commodity, including immaterial needs. For example, he notes that jewelry possess value since it satisfies our “need to boast.”\(^ {74}\) Following Smithian principles, he argues that precious metals cannot be considered wealth on their own, unless they are used for satisfying needs.\(^ {75}\) Therefore, they should not be hoarded, but spent for the public good; only then do they gain a real value. This idea leads us to his understanding of economic development based on social prosperity, and his notion of economics as an instrument for economic development.

\(^{71}\) It is essential to note here that there is almost nothing original in Münif Pasha’s definitions; they are standard “Smithian” definitions.

\(^{72}\) “Servet, ihtiyacatı defʿ idüb kabil-i mûbadele olan şeylerdir.” (Mahmud Es’ad, \textit{İlm-i Servet}, 8) Here, he refers to both “value in use” and “value in exchange.” Adam Smith explains the difference in one of the most quoted passages in the history of economics: “The word value, it is to be observed, has two different meanings, and sometimes expresses the utility of some particular object, and sometimes the power of purchasing other goods which the possession of that object conveys. The one may be called ‘value in use’; the other, ‘value in exchange.’ The things which have the greatest value in use have frequently little or no value in exchange; and, on the contrary, those which have the greatest value in exchange have frequently little or no value in use. Nothing is more useful than water; but it will purchase scarce any thing; scarce any thing can be had in exchange for it. A diamond, on the contrary, has scarce any value in use; but a very great quantity of other goods may frequently be had in exchange for it.” (Smith, \textit{The Wealth of Nations}, 12.)

\(^{73}\) Mahmud Es’ad, \textit{İlm-i Servet}, 13.

\(^{74}\) Ibid., 15.

\(^{75}\) “Hulasa altun ve gümüş servet olmayub hakikatde servet mezıkât, melbusât ve mesâkinden ibaret olmağla asıl himmetimiz bunların tahsili neye mûtevaffık ise evvel esbâbı tedarike masruf olmalıdır.” (Mahmud Es’ad, \textit{İlm-i Servet}, 11)
According to Münif Pasha, the most important criterion of economic development is the standard of living of ordinary people. He argues that a country can be considered wealthy only if its people possess “valuable commodities” (i.e., things that satisfy their needs or “consumer goods”) in abundance and in good quality. He suggests a simple method for assessing economic development: When we wander the streets in a city, if we see that the things people eat and wear are of bad quality, we consider them poor, no matter how much gold the wealthier ones keep in their coffers. As a result, since economic development is measured by the standard of living, the science of economics should be used as an instrument for public prosperity. His instrumentalist approach to science in general and economics in particular is nothing but a manifestation of the distinct characteristic of the nineteenth-century Ottoman reformism, that is, pragmatism.

After providing a summary of the development of capitalism in Europe, Münif Pasha states that people who are not aware of the principles of economics cannot understand the fact that economic development is a comprehensive and long-term socioeconomic process. He maintains that such people would assert that, although there are some successful Ottoman entrepreneurs, entrepreneurship is not appreciated and rewarded in the Ottoman Empire, and therefore economic development is not possible in this country. As a response to this sort of

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76 Münif Pasha’s inspiration was again the Smithian understanding of economics: “The most important argument of The Wealth of Nations is that a market economy is best able to improve the standard of living of the vast majority of the populace—that it can lead to what Smith called ‘universal opulence’. The book built on the Enlightenment assumption that worldly happiness was a good thing, and sought to show that material well-being need not be confined to ‘luxuries’ available only to a thin stratum at the top. On the contrary, Smith made the purchasing power of consumers the measure of ‘wealth of the nation.’ The book also argued that under the right institutional conditions, the spread of ‘commercial society’ would lead to greater individual liberty and more peaceful relations among nations.” Jerry Z. Muller, The Mind and the Market: Capitalism in Modern European Thought (New York: Alfred A. Knopf, 2002), 52–53.
77 Mahmud Es‘ad, İlm-i Servet, 8.
78 Ibid.
pessimism, he argues, “Those who know the truth [the principles of economics] would realize that summer does not come with a single blossom.” In other words, individual enterprise cannot produce any permanent results unless it is supported by broader reforms for economic development, such as the improvement and dissemination of general public education.

According to Münif Pasha, educated and industrious individuals constitute the backbone of Ottoman modernization. Meanwhile time, labor, and knowledge are essential inputs of all production processes. Therefore, laziness, ignorance, and time-wasting stand as the main obstacles to economic development. In the first issue of *Mecmua-i Fünûn*, he argues,

The ignorant spend their time doing nothing but smoking pipes, nattering with people like themselves, and doing similar trivial and harmful things. They waste a [beautiful] life with boredom. In contrast, wise people study the rise and fall of states..., the creation and working of all animate and inanimate beings, and minerals. In short, wise people would feel sorry for even a minute that was wasted idly.

As we shall see below, Ahmed Midhat Efendi and other Ottoman modernists complained about the same phenomenon with similar words. The scene at an ordinary Ottoman coffeehouse with its idle regulars appears in Münif Pasa’s writings as an undesirable lifestyle that is the absolute opposite of the modern “industrious” lifestyle. It is worth noting that his and other Ottoman modernists’ critique of Ottoman work habits and perception of time has strong parallels with the Western critique of non-Westerners in the industrial age. As Michael Adas argues,

[Western] essayists and colonial policymakers pointed to the supposedly inherent lack of punctuality exhibited by non-Western peoples, their improvidence and

79 “Bu ilmin mesailinden gâfîl olanlar hakikat-i hâli bilmezler, ‘erbab-ı san’at kadri bilinmiyor, filan kimse âlâ bir tefennün yaptı ama alan satan olmadı’ diyerek ta’n iderler. Lakin hakikat-i hâle vâkîf olanlar bir çiçekle yaz gelmeyeceğini birılır.” (Mahmud Es’ad, *İlm-ı Servet*, 23)

lethargic work habits, and their apparent indifference to time “lost” or “wasted” in gossip, meditation, or simply daydreaming. 81

It is important to note, however, that this is not only a manifestation of the essentialist, Orientalist approach. In the industrial age, “Time became a commodity that could be ‘saved,’ ‘spent,’ or ‘wasted.’”82 In this respect, Münif Pasha’s perception of time simply reflects the industrialist-capitalist understanding of the notion of time.83

In addition to his place in late Ottoman economic thought, Münif Pasha’s ideas are the key to understanding the logic behind the transformation of the Ottoman education system in the Hamidian era. As Minister of Education in the early 1880s, he was one of the architects of the Hamidian education system, which was aimed principally at producing economically productive individuals.84 Furthermore,

It was felt that even though the state apparatus was in Muslim hands, the domestic and international economic and social developments were marginalizing the Muslim population and the Ottoman state. In correlation with such sentiments, there was a strong tendency in the early 1880s for the inclusion of a number of professional courses in the primary and secondary school curricula. These courses imparted practical knowledge and aimed at developing industry and trade particularly among Muslims.85

In other words, the Muslim ruling elite aimed to activate Muslim entrepreneurship in response to increasing non-Muslim dominance in the Ottoman economy. Children of Ottoman Christian communities, especially after the Tanzimat, were able to receive practical as well as

82 Adas, *Machines as the Measure of Men*, 242.
85 Ibid., 174.
theoretical education to develop commercial and industrial skills at church schools. The Hamidian administration established special schools with similar objectives (e.g., sanayı mektebleri, industrial schools) and introduced economy-related courses in the curricula of other schools to provide Muslims with similar opportunities. Although the goal of creating a Muslim-dominated economy could not be achieved to the fullest extent in the short run, such efforts had significant long-run effects. A network of modern high schools (idâdî) was established throughout the country. More importantly, the Mekteb-i Mülkiye of the 1880s and 1890s educated Ottoman youth with a new economic mentality. As Ahmed İhsan notes, the professors at this school, especially Ohannes and Mikael Pashas, taught their students that “life is based on economy,” and that the power of a nation depended on the strength of its financial and fiscal organization as well as on the people’s effort. Ahmed İhsan further notes how these teachers also helped Ottoman youth to “get rid of the fatalistic medieval mentality.” In short, Hamidian educational endeavors, under the leadership of Münif Pasha and other like-minded Ottoman bureaucrats, sought to pave the way for a new Muslim middle class.

3.2.2 Ahmed Midhat’s *Homo Ottomanicus* and Economic Society

Münif Pasha’s vision for a modern Ottoman society and his ideas on the relationship between education and modernization were echoed in the writings of later Ottoman intellectuals. Ahmed Midhat, for example, systematized such ideas with a much more specific and detailed blueprint to achieve the same goal. After Münif Pasha’s concentrated efforts to further education at the

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86 Osman Ergin, *İstanbul Mektepleri ve İlim, Terbiye, ve San'at Müesseseleri Dolayısıyla Türkiye Maarif Tarihi*, vol. 3 (İstanbul: Osmanbey Matbaası, 1941), 729.
88 Ibid.
89 Ibid.
formal and institutional level, Ahmed Midhat took over the baton to become the most prominent *encyclopedist* intellectual of the Hamidian regime. His contributions to the education of the Ottoman middle class were by no means less than those of Münif Pasha. This section discusses Ahmed Midhat’s vision of the modern Ottoman individual and society and the economic principles on which such a society should be built.

### 3.2.2.1 Historical Conditions and the Need for Social Transformation

Ahmed Midhat’s historical approach to economics led him to emphasize the importance of the historical and geographical conditions of a country in determining its economic policies. Accordingly, in his *Ekonomi Politik* (1879), he provides a brief economic history of the Ottoman Empire to illustrate the historical causes of economic backwardness: “We, the Ottomans, should take a look at the beginnings of our history to be able to assess our national wealth. Our history indicates that our first appearance [in history] was in the form of a military nation.”

He then argues that the Ottomans also showed great success in industry, expanding their commercial enterprises along the Mediterranean coast. He adds that, although the vestiges of these great economic achievements are still evident, these achievements were mostly realized by the non-Muslims. Yet “the Muslim-Turks,” who are the “military element of the nation,” constitute the majority in Ottoman population; he thus concludes that the Ottomans still count as a military nation.

Then, he connects this historical analysis to a characteristic nineteenth-century capitalistic idea about economy and economics: Wars are the greatest obstacles to industrial and

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92 Ibid. What is obvious here is that although at first he writes about the “Ottomans,” including both Muslim and non-Muslim subjects, his narrative of history boils down to a Muslim-Turkish economic nationalist discourse.
commercial development; so economics promotes peace more than any other science.\textsuperscript{93} He goes on to argue that the Ottomans’ status as a military nation had not impeded its pursuit of wealth in the past thanks to the continuous flow of taxes and booty from newly conquered territories.\textsuperscript{94} Wealth gathered through military power, however, is always prone to be wiped out by a more powerful enemy, and thus is not reliable from the perspective of economics, he argues.\textsuperscript{95} The science of economics indicates, according to him, that the wealth of artisan and merchant nations is more likely to endure, even if their political and military power should wane.\textsuperscript{96}

In the same context, in \textit{Sevda-yi Sa’y ü Amel} (1879), Ahmed Midhat examines the traditional Ottoman mentality through an analysis of Ottoman material culture in its historical context. He notes that Ottoman rural and even urban lifestyles and mentalities still display some nomadic characteristics.\textsuperscript{97} Since nomads do not have time and means to invest in cultural as well as economic development, they cannot build a sophisticated civilization.\textsuperscript{98} They lack notions like discipline, order, law, or even political notions such as “homeland.”\textsuperscript{99} In other words, according to Ahmed Midhat, nomads are the opposite of “civilized” (\textit{medeni}). He maintains that until very recently Ottoman daily life (in many parts of the empire) was not very different from a nomadic lifestyle.\textsuperscript{100} Some of his examples are meant to show that such lifestyles are not limited to distant corners of the empire, but are found in its capital, Istanbul. The Ottoman notion of “furniture” (or the lack thereof), according to him, is the most informative manifestation of the nomadic

\textsuperscript{93} Ahmed Midhat, \textit{Ekonomi Politik}, 111–12.
\textsuperscript{94} Ibid., 113–14.
\textsuperscript{95} Ibid., 114.
\textsuperscript{96} Ibid. His examples of these two categories of nations (i.e., militaristic and merchant) are the Romans and the Jews, respectively. (Ibid.)
\textsuperscript{97} Ahmed Midhat, \textit{Sevda-yi Sa’y ü Amel}, 14.
\textsuperscript{98} Ibid., 15.
\textsuperscript{99} Ibid., 15–16.
\textsuperscript{100} Ibid., 16. Compare with the words of Rıza Tevfik above.
heritage. For example, using chests instead of closets for clothes and other belongings is a remnant of a nomadic culture based on the practice of mounting horses at sunrise to move camp. Likewise, hanging spoons and bread on the wall is a residue of the tradition of hanging these on the saddles of animals while on the move. Using foldable mattresses (and folding and unfolding them before and after sleeping every day) is another good example of the nomadic lifestyle. Thus, he concludes that the Ottomans’ use of furniture resembles that of nomads who value mobility. He adds that even the marketplaces in Istanbul are not composed of permanent stores but of temporary stalls. Since permanent results cannot be obtained by temporary solutions, the first step in economic modernization, according to him, was to get rid of such vestiges of the nomadic lifestyle and establish a new economic mentality of building permanent structures through hard work, investment, and education.

Adhering to the classical labor theory of value, Ahmed Midhat argues that the only source of wealth is labor, and that even if wealth is somehow acquired, it does not create any value if it is not employed as capital. He asserts that in the Ottoman Empire the “old wealth” has collapsed, but the means of creating “new wealth” (i.e., industrial and commercial capital) has not yet been established. This holds true not only for the Ottoman Empire but for the entire

101 For an illuminating analysis of Ottoman material culture in the late eighteenth century, see M. Şükrü Hanioğlu, A Brief History of the Late Ottoman Empire (Princeton: Princeton University Press, 2008), 27–33. For changes in material culture as a result of the European impact, see Hanioğlu, Late Ottoman Empire, 105–6.
102 Ahmed Midhat, Sevda-yi Sa‘y ü Amel, 17.
103 Ibid., 17–18.
104 It seems that by “old wealth,” he means traditional wealth-creating institutions from guilds to the military.
world of Islam. Observing the Ottoman economy, he sees that every major economic sector is controlled by either foreigners or non-Muslim Ottomans.

In short, when we apply political economy to our country, its first conclusion would be that we possess neither capital, nor agriculture, nor industry, nor commerce, and not even skills. In order to make us a nation that is subject to political economy, the first step will be to create all of these things once again.

According to Ahmed Midhat, the primary problem was not economic backwardness itself or the lack of economic and financial capital in this context. The primary problem was that Muslim Ottomans were totally out of the economic sphere because the commercial and industrial sectors were controlled by “the others,” that is, the non-Muslim Ottomans and Europeans. Therefore the first problem to be solved was not the lack of capital, but the lack of indigenous (i.e., Muslim) skills to control and manage capital. As a result, the wealth created through local resources did not contribute to the wealth of the nation. Therefore, the solution was to establish a new society whose members were in control of directing and managing their own resources through their own labor. The management of resources to increase the wealth of society (i.e., economic development) would be the next step. From this arose a critical question: How shall we transform Ottoman society in order for it to procure its own wealth and prosperity in the long run? In other words, what is the path to a radical bottom-up social transformation that would pave the way for industrialization and economic development? Ahmed Midhat’s answer was the

106 Ibid., 115–16. This argument reflects yet another frequent grievance of late nineteenth-century Muslim-Ottoman intellectuals. Starting with Namuk Kemal, Ottoman Muslim modernists were complaining about the fact that the skilled labor in the empire consisted almost entirely of non-Muslims and that only “lowly” occupations (e.g., that of street porters) were left to the Muslims. See Chapter 4 for similar arguments in the context of economic development and foreign dominance in the Ottoman economy.
107 Ibid., 117–18.
creation of a “capitalist spirit” (in Weberian terms) which would ignite a capitalistic social awakening.

3.2.2.2 The “Capitalist Spirit” According to Ahmed Midhat

Adam Smith asserts that the principles of economics are based on some natural instincts (“truck, barter, and exchange”) of human beings. This assumption constitutes the backbone of his formulation of Homo economicus. Likewise, Ahmed Midhat suggests a Homo Ottomanicus also driven by economic instincts, but differing significantly from Homo economicus because of the addition of moral concerns. In the first decade of the twentieth century, a more developed and a much more explicitly liberal form of this model, namely “adem-i merkeziyet ve teşebbüs-ü şahsi” (decentralization and private initiative), was formulated by Prince Sabahaddin. I will analyze this latter model in the next section.

Not only did Ahmed Midhat envision a new type of citizen, he also worked for the formation of this new type through his didactic works.108 When we look at his bibliography, the range of topics—from economics and history to geography and literary theory—gives us an idea about the kind of knowledge base he expected a modern Ottoman citizen to have.109 But first and foremost, he wanted Homo Ottomanicus to be the embodiment of a new work ethic. Since labor is the only source of wealth, a modern Ottoman citizen should be industrious. Otherwise, he says, this “lazy man” is considered not only “useless,” but also “harmful” to society due to his

108 Homo Ottomanicus is definitely a male character. Ahmed Midhat frequently uses the word “âdem” (“man” or “guy”) to give examples; and this is perfectly normal and ubiquitous in the nineteenth-century European social thought discourse. However, Ahmed Midhat encouraged the education of women and emphasized the importance of educated, rational, and hard-working women in his fiction and as well as his non-fiction works. See Chapter 5 for the “ideal” Ottomans in his fiction.
109 For a complete list of his books and treatises on topics ranging from political economy and history to religion and parenthood, see Us, Bir Jübiilenin İntiba’ları, 169–72.
Ahmed Midhat’s model for the new individual and the new society was based on two essential economic principles, elaborated in two separate books: Sevda-yi Sa’y ü Amel (The Passion for Effort and Labor, 1879) and Teşrik-i Mesa’i, Taksim-i Mesa’i (Cooperation and Division of Labor, 1879). Sevda-yi Sa’y ü Amel starts with Ahmed Midhat’s arguments regarding the concept of sevda¹¹¹ and its various forms, such as sevda-yi vatan (passion for the homeland) and sevda-yi hürriyet (passion for freedom). According to him, sevda-yi sa’y ü amel is not inferior in importance to the other two.¹¹² Passion for the homeland and passion for freedom were the slogans of the Young Ottomans, and these were later taken up by the Young Turks. Ahmed Midhat, however, suggests an economic alternative to these rather politically oriented passions: the passion for labor. In order to show the power of this new idea, he compares this sort of passion with that for a person. He claims that “tasting” the passion for labor would change a person permanently, just as one may go mad as a result of his/her passionate love for his/her beloved.¹¹³ Accordingly, he asserts, as soon as the Ottomans taste the joy of labor, they will work harder in order to have more of this unrivaled pleasure. He therefore considers passion for labor as a powerful force driving towards economic development.

This reminds us of a well-known idea in the social sciences which was formulated much later than Ahmed Midhat’s publications: Max Weber’s (1864–1920) The Protestant Ethic and

¹¹⁰ “O tenbel ve muzîr âdemi cem’iyyet-i medeniyyeden def’ itmelidir.” Ahmed Midhat, Ekonomi Politik, 44.
¹¹¹ Sevda can be translated as love or passion. In fact, “passionate love” gives a closer approximation to what Ahmed Midhat meant. However, in this study I prefer to use the word “passion” for the sake of simplicity.
¹¹³ Ibid., 24.
the Spirit of Capitalism.\textsuperscript{114} Considering that neither could have influenced each other—unless we assume that Weber read Ahmed Midhat—the most likely explanation for this similarity may be the Zeitgeist. Revealing Ahmed Midhat’s sources for such ideas and establishing the connections between his and Weber’s ideas require further studies. It is equally important to emphasize, however, that Ahmed Midhat’s perception of labor differs from a purely ascetic work ethic as defined by Weber, since Ahmed Midhat encourages enjoying the material fruits of one’s labor as well. As we read especially in his fiction, his ideal modern individual is someone who works hard, but who also lives a comfortable life thanks to his income.\textsuperscript{115} In this respect, Ahmed Midhat’s notion of labor more closely resembles the Saint-Simonian and Fourierian models, which reject degrading aspects of industrial labor and suggest a new society based on free and thus enjoyable forms of labor as well as on comfort and leisure. Nevertheless, Ahmed Midhat did create some fictional characters, such as Şinasi in his \textit{Bahtiyarlık} (1885), who are closer to Weber’s description of an ideal ascetic entrepreneur.\textsuperscript{116}

Although Ahmed Midhat tried to introduce a new work ethic to his audience, he saw labeling it “new” as somewhat problematic, because it was not something foreign to be imported from Europe. In other words, Ahmed Midhat rejects the idea of an essential “Oriental indolence vs. European industriousness,” asserting that the passion for work exists in every human being. He maintains that the main driving force behind European success is labor, but this is not because they have an instinct others lack.\textsuperscript{117} The “European difference,” according to him, derives from the fact that Europeans have processed and mobilized this instinct through

\begin{footnotes}
\item[115] See for example, Rakım Efendi in his \textit{Felatun Bey ve Rakım Efendi} (1876).
\item[116] See Chapter 5 for an economic analysis of Şinasi’s story.
\end{footnotes}
education.\textsuperscript{118} In a similar vein, his references for a new economic mentality were not necessarily European sources. He repeatedly emphasized that Islam also promotes such economic values and principles, giving examples from the Qur’an and hadith collections in addition to Ottoman proverbs that encourage hard work.\textsuperscript{119} He thereby shows that the notion of passion for labor already exists in Muslim-Ottoman culture and that Islam prescribes industriousness. In short, Ahmed Midhat emphasizes that Ottomans possess the necessary spirit for economic development, but in a rather raw form. What remained was to process and mobilize this spirit for the construction of a new society.

For Ahmed Midhat, the critical matter is labor; to what end it is used is a secondary issue. He compares lazy and industrious people and concludes that an industrious person can work for work’s sake (because it is pleasurable). Such a person works for charity even when he does not have to work for himself.\textsuperscript{120} Nevertheless, he adds that there are certain professions that the Ottomans should pursue in order to help the empire on its way to economic development. For example, he notes that “even” the civil service might be a good profession for lovers of labor, and that it is definitely necessary for the country that hard-working people take up bureaucratic positions.\textsuperscript{121} However, he adds, in the “developed and modern countries” (memalik-i müterakkiye ve mütemeddine) the lovers of labor prefer private entrepreneurship to civil service.\textsuperscript{122} Such people can turn their diligence and creativity into the production of personal wealth, and this, in

\textsuperscript{118} Ibid., 12.
\textsuperscript{119} Ibid., 19. His examples to such proverbs are as follows: “Meramın elinden hiçbir şey kurtulmaz” (everything is possible through will); “çığnemeden yutulmaz” (one cannot swallow without chewing); “kime lazım ise ekmek, ona lazım ekmek” (whoever needs bread should sow [wheat]).
\textsuperscript{120} Ibid., 27–28.
\textsuperscript{121} Ibid., 56–57.
\textsuperscript{122} Ibid., 57. In Teşrik-i Mesa’i, Taksim-i Mesa’i, he advises fathers to encourage their children to pursue entrepreneurial activities instead of civil service. (Ahmed Midhat, Teşrik-i Mesa’i, Taksim-i Mesa’i, 115–16)
turn, brings about prosperity and wealth for the entire country. In order to support this Smithian idea with a visual example, he compares the dynamism of the marketplace with the “well-known” sloth of civil servants. In short, according to Ahmed Midhat, although civil service could be considered an honorable duty, creative human labor should be channeled to productive sectors rather than the bureaucracy. In one of his famous novels, Müşahedat (Observations, 1891), his ideal entrepreneur Mehmed Seyyid Numan summarizes Ahmed Midhat’s views: “My dear friend! One should not regard civil service as something to exploit [materially]. It is not [a source of] income and benefit. It is simply an honor.” Ahmed Midhat, appearing as a leading character in the novel, notes that these words “could constitute the most important part of a philosophy treatise.”

It is also worth assessing the non-economic aspects of the notion of labor in Ahmed Midhat’s thinking. According to him, labor is directly related to morality. It brings about self-discipline and responsible behavior. Idleness, on the other hand, leads one to “evil thoughts” and

123 It is important to note that this is not necessarily a Western-originated idea. We encounter similar opinions even in the earliest Islamic treatises on economic life. For example, in al-Shaybānī’s (d. 805) Kitāb al-Kasb (Book of Acquisition [Earning]), there is a strong emphasis on the idea that “money earned by commerce or crafts is more pleasing in God’s eyes than money received from the government for civil or military service. The same point is argued by al-Jāhiz (d. 809) in an essay entitled “In praise of merchants and in condemnation of officials’ and is echoed by many later writers.” (Bernard Lewis, Islam in History: Ideas, People, and Events in the Middle East, New Edition, Revised and Expanded [Chicago: Open Court, 1993], 97.) For a detailed analysis of al-Shaybānī’s Kitāb al-Kasb, see Michael Bonner, “The Kitāb al-Kasb Attributed to al-Shaybānī: Poverty, Surplus, and the Circulation of Wealth,” Journal of the American Oriental Society 121, no. 3 (2001): 410–427.
124 Cf. Adam Smith’s words on private interest: “By pursuing his own interest he [an individual] frequently promotes that of the society more effectually than when he really intends to promote it.” (Adam Smith, An Inquiry into the Nature and Causes of the Wealth of Nations [Edinburgh: Thomas Nelson, 1843], 184.)
125 Ibid. 76–78.
126 Ahmed Midhat, Müşahedat (Istanbul, 1308 [1891]), 132. In this novel, Ahmed Midhat presents his ideas on economic development through the words of a successful entrepreneur, Mehmed Seyyid Numan. Ahmed Midhat appears in the novel as himself, and during a long conversation, Seyyid Numan summarizes the main ideas of Ahmed Midhat’s Sevda-yü Sa’y ü Amel and Teşrik-i Mesa’i, Taksim-i Mesa’i. (Ibid., 124–36). Ahmed Midhat then notes that the words and deeds of this exemplary Ottoman businessman inspired him to write these aforementioned books. (Ibid., 136) Therefore—unless this story is real and he really met such a person—he builds a reverse relation between this character and his books on economic issues.
127 Ahmed Midhat, Müşahedat, 132.
to immorality. In addition to his non-fictional writings, he illustrates this “danger” more explicitly in his fictional works. In *Obur* (Glutton, 1885), for example, he says that since the root of all evil is idleness, Europeans fill their leisure times with useful and beneficial activities (like going to the theater) to avoid evil and immoral ideas. In short, he suggests that an industrious person is a not only a producer of wealth for himself and his country, but is also a self-disciplined and moral individual. In order to support his theory with religious principles, Ahmed Midhat has recourse to the then-popular quotation from the Qur’an: “We should never forget that God in His glorious book says, ‘there is nothing for a human but his labor.’” Here, he refers to a verse (Sūrat al-Najm, 53:39; *laysa lil-insāni illā mā saʿā – “that man will only have what he has worked towards”), which Ottoman intellectuals of his age frequently cite in the same context. Interestingly enough, the verse does not actually have any direct economic implication. The word *saʿā* refers to “deeds,” rather than “labor.” More importantly, the verse is actually about divine judgment based on one’s deeds, rather than material gains resulting from one’s physical effort. In any case, as noted above, Ottoman modernists employed such divine rulings opportunistically so long as they served their cause of encouraging the Ottoman public to put more *saʿy* (effort) into economic development.

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128 See, for example, Ahmed Midhat, *Vakit Geçirmek*, for various “side effects” of idleness and boredom, from hypocondria (p. 9) to depravity (especially for women, p. 10). Ali Bey, in his satirical dictionary *Lehcet ül-Hakâyık* (1897; p. 14) defines boredom as the “devil’s advocate” (“*şeytanın da’ vâ’ vekili*”), giving the term a more literal meaning.

129 Rabinbach summarizes similar ideas of European intellectuals of the same age; see Rabinbach, *The Human Motor*, 8.


133 For other examples, see the next section on the Young Turks, and see also Chapter 2.
3.2.2.3 Consumption and Waste

In addition to the theme of labor, the Europeanization of consumption patterns and social manners was another popular issue in late Ottoman intellectual life. “Super Westernization,” as Şerif Mardin defines it, has generally been discussed under the rubric of “traditionalism vs. modernism” in the existing scholarship on Ottoman social change. However, the critique of super-Westernization by Ahmed Midhat and other similar-minded intellectuals should be read in its economic context, as well as in the cultural context of Westernization. According to many critical Ottoman modernists, super-Westernization led to ridiculous quasi-Western appearances and mannerisms, along with an alienation from one’s own culture. More importantly, however, it caused the waste of huge resources on conspicuous consumption that could otherwise have been employed as capital. Ahmed Midhat, for example, was not against Westernization in the sense of adopting European scientific, intellectual, and even cultural patterns. On the contrary, he wrote a manual on European etiquette to educate his readers to adapt to social life in the “civilized world.” However, he opposes pseudo-Europeanization, which consists of mimicking the Europeans in dressing and talking (like sprinkling French words into everyday language), while ignoring their work ethic, which, according to Ahmed Midhat, is the real source of their economic and technological superiority. In short, he argues against a superficial and wasteful Europeanization, while definitely favoring a “productive” interpretation of Europeanization.

134 Şerif Mardin, “Super Westernization in the Ottoman Empire in the Last Quarter of the Nineteenth Century,” in Turkey: Geographic and Social Perspectives, ed. Peter Benedict, Erol Tümer tekin, and Fatma Mansur (Leiden: Brill, 1974), 403–446.
135 For satirical examples of such critiques, see Palmira Johnson Brummett, Image and Imperialism in the Ottoman Revolutionary Press, 1908–1911 (Albany: State University of New York Press, 2000), 221–58.
136 Ahmed Midhat, Avrupa Adâb-ı Muşereti yâhud Alafranga (İstanbul: İkdam Matbaası, H. 1312 [1894]).
It is also important to note that Ahmed Midhat’s criticisms of wastefulness do not only concern material resources. His arguments on waste also include immaterial resources such as time. The industrial-age perception of time, that is, time as a commodity and as an input of production, is another idea promoted in his economic writings. In Sevda-yı Sa’y ü Amel, he provides comparisons between industrious and lazy behavior, and then contrasts a worker with a member of the leisure class (in Veblenian terms). He contends that these two types have a natural mutual loathing for each other due to their completely opposite approaches to work. He depicts an imaginary encounter early one morning. A worker is on the way to work, while a dandy is leaving a ball and heading to bed to spend the rest of the day asleep. After describing their mutual abhorring gaze, Ahmed Midhat analyzes the hatred towards work among the leisure class, and then argues that these people always pursue unproductive activities, such as playing cards, and if asked the reason for it, would simply say “pour tuer le temps.” He attacks this mentality by stating that although the British say “time is money,” time is much more important than its potential monetary value. For him, “time is life itself; so when we kill time, we

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139 Ibid., 30.
140 In this piece, the main issue of conflict is centered on the leisure-labor dichotomy, rather than reflecting a direct class conflict. Yet, in an earlier (1871) article, which Ahmed Midhat wrote during his “materialist” and dissident years before his exile, he develops a quasi-class-based analysis to compare lives of the poor and the rich. In the same article, he promotes ideas put forward by European socialists and the First International on social justice and equality. For Ahmed Midhat’s earlier socialising ideas, see Ahmed Midhat, “Fakr ü Ganâ,” Dağarcık, no. 7 (1871): 194–99.
141 Ahmed Midhat, Sevda-yı Sa’y ü Amel, 34.
142 Ahmed Midhat frequently refers to this expression to propagate the idea of time as a commodity that could be “saved, spent or wasted.” In Vakit Geçirmek, for example, he states, “The British who say ‘time is money’ … are aware of the fact that one should spend time economically, just as he should in spending money.” (Ahmed Midhat, Vakit Geçirmek, 16). He even opposes spending time for just ‘any amount’ of money, meaning the money gained should match the time spent for that particular task (ibid.). This reflects his implicit concern for a time-money equation and a notion of value measured in labor-time.
actually kill our lives.” Moreover, based on his earlier explanations of the passion for labor, he adds that life is not as enjoyable for the leisure class as it is for the lovers of labor, who get the pleasure of hard work every single day of their lives. He concludes that since the members of the leisure class do not experience the pleasure of work—thus that of life itself—they try to kill time in order to make it pass quickly. Yet, labor is the solution even to this problem: when we work, time “passes just as quickly as it does when two lovers are together.”

The comparison of European clubs and cafés with Ottoman coffeehouses in the context of leisure appears also in Ahmed Midhat’s writings, but in more explicit and direct terms than in the *Seyahatname-i Londra*. Ahmed Midhat argues that even though some people “are burning with passion for labor,” they do not know “how to declare their love to their beloved.” In other words, such people do not know how and where to start working. His solution is pure and simple: Ottomans enjoy visiting their neighbors or going to coffeehouses in their leisure time, yet they could spend this time more productively reading or at least thinking about work and industry. He once again turns to Europe for examples and states that although Europe is already advanced in science and technology, Europeans still organize conferences to find ways for further progress. He adds that in case it is not possible to act right away, even pondering these

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143 Ahmed Midhat, *Sevda-yi Sa’yü Amel*, 34. Eight years later, Ahmed Midhat expanded this subject into a pamphlet on boredom and killing time, and he gives the same example. See Ahmed Midhat, *Vakit Geçirmek*.
144 Ahmed Midhat, *Sevda-yi Sa’yü Amel*, 35. Ahmed Midhat, thereby, accidentally enters into the field of relativity with an example very similar to the well-known quotation from Albert Einstein: “When a man sits with a pretty girl for an hour, it seems like a minute. But let him sit on a hot stove for a minute and it's longer than any hour. That's relativity.” (Although this is one of the best-known quotations from Einstein, it does not exist in his books or well-known articles. It is from one of his least-known articles that appeared in the (now defunct) *Journal of Exothermic Science and Technology*, vol. 1, no. 9 [1938].)
145 See the section above on Ottoman travelogues.
147 Ibid., 129–30.
matters and developing ideas would be a good way to start.\textsuperscript{148} For example, he says, if a person does not possess the capital to start a business, he can at least develop ideas about establishing a paper factory and put them on paper. Later, another person who possesses the necessary means to start a paper factory can find these ready-to-use ideas in the former’s work and put them into practice.\textsuperscript{149} Therefore, he concludes, even reading and thinking about labor, instead of spending time with neighbors talking about daily trivia, would lead to productive results.\textsuperscript{150}

3.2.2.4 Ahmed Midhat and Hamidian Economic Ideology

Ahmed Midhat’s economic thought cannot simply be regarded as the isolated ideas of an independent mind. On the contrary, he can be considered an important component of the Hamidian education system, thanks to his vast popularity and the didactic character of his works. His educational concerns and economic ideas were in perfect harmony with the goals of the Hamidian education system:

An essential component of Ottoman education has been the function of ‘social disciplining.’ This term could be understood within the context of early-modern Absolutism and within the framework of the eighteenth-century European Enlightenment. ... [Under Absolutism] people were expected to become obedient, pious, and hard-working subjects.\textsuperscript{151}

Ahmed Midhat suggests that the sultan, Abdülhamid II, is a good example of “lovers of labor” (\textit{sevda-yi sa’y ü amel erbâbi}), and he relates stories about the sultan’s industriousness.\textsuperscript{152}

\textsuperscript{148} Ibid., 130–31.
\textsuperscript{149} Ibid., 131.
\textsuperscript{150} Ibid., 130.
\textsuperscript{151} Somel, \textit{The Modernization of Public Education}, 5
\textsuperscript{152} Ahmed Midhat, \textit{Sevda-yi Sa’y ü Amel}, 49–53.
It is a well-known fact that Abdülhamid II was a skilled carpenter.\textsuperscript{153} Supporting Ahmed Midhat’s claim, Kemal Karpat argues that “He [Abdülhamid] was addicted to work. His regular day consisted of fourteen hours during which he personally read and answered much of the voluminous internal and external correspondence.”\textsuperscript{154} If we are to trust Ali Vehbi’s accounts, Abdülhamid II—in addition to encouraging labor and entrepreneurship through official (including religious) channels—presented himself as an example to his subjects:

The root of all our problems is that the Ottoman man does not work to create material value. He is accustomed to play the master and make others work for him. For him, what is important is to live and to enjoy life to the full. Upon my request, the Sheikh ul-Islam declared that labor is praised by God and it is by no means degrading. This declaration will be read in schools as well. Our youth desire to become civil servants, soldiers or ‘ulama. Why does not even a single Ottoman want to become a big merchant, a skillful artisan, or a scientist? I am a good example to the people as I am engaged in carpentry. It is a shame that we are not used to this way of thinking. It is so hard to get rid of traditional ideas.\textsuperscript{155}

The Nobel Prize laureate Scandinavian author Knut Hamsun testifies to the sultan’s success in disseminating his image as an industrious figure. In his accounts (1905) of his visit to Istanbul in 1899, Hamsun notes that Abdülhamid II is known as a very hard-working person who wakes up at dawn every day.\textsuperscript{156} Hamsun also claims that Turkey has regained its dignity in the international arena thanks to the sultan’s efforts for education, the development of commerce, the building of railways, and military reform.\textsuperscript{157} Thus, Ahmed Midhat’s ideas on industry and entrepreneurship reflect the Hamidian project of economic development, and his tales about the

\textsuperscript{153} Kemal Karpat notes that he simply followed “the long-established Ottoman imperial tradition of learning a practical trade.” [Kemal Karpat, The Politicization of Islam: Reconstructing Identity, State, Faith, and Community in the late Ottoman State (Oxford: Oxford University Press, 2001), 160.]
\textsuperscript{154} Ibid.
\textsuperscript{156} K. Hamsun and H.C. Andersen, Istanbul’dan Iki İskele Seyyahi, tr. B. Gürsaler-Syvertsen (İstanbul: Yapı Kredi Yayınları, 2009), 21.
\textsuperscript{157} Ibid.
sultan’s industriousness reflect the sultan’s own concern to present himself as an example to promote such ideas. This is another manifestation of Ahmed Midhat’s role as an embedded intellectual of the Hamidian regime.  

3.2.2.5 Ahmed Midhat’s Impact on Ottoman Social Change

Before concluding the section on Ahmed Midhat, it is necessary to assess the impact of his ideas in Ottoman society. His prolific work both reflected and influenced his age to a great extent. His articles on various subjects were carefully read and discussed among Ottomans of different generations. Moreover, his ideas had a significant impact on the intellectual development of intellectuals and statesmen of subsequent generations. One such example, Ali Kemal, notes in his memoirs that when he was a student at the Mekteb-i Mülkiye, he and his friends followed Ahmed Midhat and his newspaper, Tercüman-ı Hakikat, so carefully that they almost memorized every single word of his.  

Abdurrahman Şeref, who describes Ahmed Midhat as a “publicist” and a “vulgarisateur,” notes that his popular works on scientific issues were selling like hot cakes to those who “were thirsty for reading.” According to a well-known publisher of the age, Karabet Bey, Ahmed Midhat’s immense popularity was primarily a result of his clear prose. Karabet Bey

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158 The last official chronicler of the Ottoman Empire, Abdurrahman Şeref, argues that Abdülhamid II put Ahmed Midhat on the payroll under the pretext of “protection” (himâye) as part of his policy of silencing intellectuals through such pecuniary means. (Abdurrahman Şeref, “Ahmed Midhat Efendi,” TOEM, no. 18 [1913]: 1115.) Although, Abdurrahman Şeref’s overt accusation against the sultan reflects the anti-Abdülhamid II sentiments of the post-1908 political atmosphere, Ahmed Midhat had already been infamous for his cooperation with the Hamidian regime, especially among the revolutionaries. See for example, a very harsh response—with strong language—to an article of Ahmed Midhat by the official organ of the Committee of Union and Progress in 1897, “Ahmed Midhat Melʿūnu,” (The Cursed Ahmed Midhat) Kânûn-ı Esâsi 12 (1897): 8.


stated in 1895, in a Spanish cultural review, that “His prose, just like that of eighteenth-century French, has an incomparable clarity and simplicity.”

In *Hallü‘l-‘Ukad* (1890), Ahmed Midhat writes that the Ottoman dignitary to whom he dedicated the book wrote in a letter, “A book is one’s best friend; and your *Tercüman* [Ahmed Midhat’s newspaper] is such a great friend for fruitful conversations in these long nights.” In the same vein, Ahmed Hamdi Tanpınar notes that Ahmed Midhat changed Ottoman family life and gave a new meaning to spending nights at home. Tanpınar recounts that all members of the family would gather around the literate one to listen to Ahmed Midhat’s works, and they then discussed new things that they had learned from him. Another well-known Turkish intellectual of a later generation, Hüseyin Cahit Yağlı, also describes such family gatherings in his memoirs. He notes that his earliest memories of family life were mixed with these nightly reading and discussion hours. He wrote that novels, especially those of Ahmed Midhat, were read aloud during these gatherings, and Ahmed Midhat’s long explanations on scientific and philosophical matters were also carefully listened to. Although Yağlı’s mother found such parts long and boring, his father, an admirer of Ahmed Midhat, insisted that these parts should be read as well.

The impact of Ahmed Midhat on children was not limited to oral transmission. Many Ottoman children developed their literary taste and obtained their initial knowledge of the world by reading his works. For example, İbn‘ül-Emin Mahmud Es‘ad Seydişehrî, whose works were

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163 Tanpinar, *XIX. Asır Türk Edebiyatı Tarihi*, 413.
mentioned in Chapter 2, notes that his reading of Ahmed Midhat in his childhood made a great impact on his early intellectual development. Moreover, many of Ahmed Midhat’s young followers copied his style and themes in their own works. Hüseyin Cahid’s first novel, *Nadide* (1892), includes praise of Ahmed Midhat praise on its first page. In this novel, he admits to copying Ahmed Midhat’s style in terms of both the theme and the long explanations he provided for his readers. We come across similar references to Ahmed Midhat’s influence through stories of fictional characters as well. Yakup Kadri’s novel *Hep O Şarkı* (1956) opens with the protagonist’s (Münire) attempt to write a novel, where she notes that Ahmed Midhat’s novels were her favorites, especially in adolescence.

The fact that his works were read aloud in family gatherings implies that Ahmed Midhat’s popular influence was not limited to literate people. Everybody in the household became his student. Moreover, coffeehouses provided a similar service to the larger public. The coffeehouse (as its Turkish name—*kıraathane*, literally meaning reading house—also denotes) was a place where newspapers and even books were read aloud, especially for the illiterate. This might be seen as a continuation of the ages-old story-telling tradition in a modern version. Yet this time, the material was not “lousy old stories full of superstitions,” as Ahmed Midhat would describe them, but modern works, including scientific articles and news

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165 Büyük Türk Hukukçu Su Seydişehirli İbn-İm Emin Mahmut Esat Efendi (İstanbul: Türk Hukuk Kurumu, 1943), 16.
167 Yakup Kadri Karaosmanoğlu, *Hep O Şarkı* (İstanbul: İletişim Yayınları, 2004), 11.
168 For an illuminating analysis of “popular exposure to the press” in the Arab world—which is extremely relevant to the Turkish case—in this era, see Ami Ayalon, *The Press in the Arab Middle East: A History* (New York: Oxford University Press, 1995), 154–59.
169 Ibid.
170 Ülken, *Türkiye’de Çağdaş Düşünce*, vol.1, 159.
from all over the world. Thus, his style as well as his themes were shaped by his awareness of a cultural context, wherein “Texts were written so as to be transmitted to an audience in the literal sense of the term—a listening, not reading, public.”

Finally, the verses (by Nigâr Hanım) inscribed on Ahmed Midhat’s tombstone provides us with a very terse and neat summary of what has been discussed in this section:

Gayretindir sevdiren fazl-ı ulûmu ümmete,  
Verzeşindir anlatan sevda-yı sa’yı millete.  

3.2.3 The Social Question According to the “Young Turks in Opposition”

Following earlier sporadic criticisms of the dominant tendency of young Muslim Ottomans to become civil servants rather than entrepreneurs, the Young Turks took a more definite stance against “fonctionnarisme” (*memuriyetperestlik*), as Abdullah Cevdet (1869–1932) put it. The Young Turks, who are principally known for their radical political thought and action, gave priority to education and social change, especially before the 1902 Congress. Even after 1902, some Young Turk leaders remained as the standard bearers of this approach to modernization. Among such intellectuals, Prince Sabahaddin (1877–1948) is one of the few in the Young Turk

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171 This holds for the provinces as well as for Istanbul. Şerafeddin Mağmumi notes in his travelogue about Anatolia that although local people’s interest in reading books and periodicals in Bursa was low (c. 1892), he could find *Sabah* and *Tarık* newspapers at coffeehouses. He also adds that, thanks to an exchange system, a local library brought newspapers and journals from all over the empire. (Şerafeddin Mağmûmî, *Seyahat Hâtıraları* [Cairo, 1909], 40.)  
172 Ayalon, *The Press in the Arab Middle East*, 154. It is important to note also that the same applied to the reading culture of the West up to the late eighteenth century. Therefore, reading as an individual activity is a product of modern cultural and economic developments, such as the expansion of public education and advances in printing technologies (ibid.).  
173 “It is your efforts that endeared the virtues of science to the *ummah*. It is your endeavors that introduced the love of labor to the nation.”  
174 Hanioğlu, *Abdullah Cevdet*, 196. For a brief analysis of the Young Turks’ arguments on bureaucracy, see Mardin, *Jön Türkler*, 292–93. Mardin notes that although Murad Bey and Ahmed Rıza also criticized corrupt Ottoman bureaucrats, Sabahaddin Bey was the first to attack bureaucracy itself as a harmful (i.e., unproductive) occupation.  
175 Hanioğlu, *Young Turks in Opposition*, 207.
movement who continued to emphasize the importance of structural transformation in Ottoman society over political change.\(^{176}\)

Prince Sabahaddin Bey was a follower of Edmond Demolins (1852–1907), who suggested in his *A quoi tient la supériorité des Anglo-Saxons?* (1897) that the superiority of the Anglo-Saxons was a result of their individualistic education both in the family and at school. Demolins’ distinction between communal (or collectivist) and individualistic societies constitutes the backbone of Sabahaddin Bey’s critique of “Oriental societies” in general and Ottoman social and political structure in particular. Demolins himself was the disciple of Pierre Guillaume Frédéric le Play (1806–82) who “campaigned for a social-science based reform program that would promote social peace in a new class-divided and individualistic industrial society.”\(^{177}\) As a follower of this approach, Sabahaddin Bey suggested that the only way to the salvation of the Ottoman Empire was a complete transformation of Ottoman society into a more Anglo-Saxon (i.e., individualistic and entrepreneurial) structure. He formulated his solution as “decentralization and private initiative” (*adem-i merkeziyet ve teşebbüs-i şahsi*). According to Şerif Mardin, his social thought includes four elements:

1. An ideal individual,
2. An educational model that would form the ideal individual,
3. A social model based on the ideal individual,


4) A method of social analysis that would be used to analyze existing societies.\textsuperscript{178}

If we compare his social thought with that of Ahmed Midhat, we can easily see a basic agreement between the two. Nevertheless, the last element, that is, “a method for social analysis,” gives Sabahaddin Bey a distinct place in late Ottoman social and economic thought. After the quasi-functionalist ideas of Münif Pasha and Ahmed Midhat,\textsuperscript{179} their students (i.e., the Young Turks) continued Ottoman modernist social thought by openly adhering to the structural-functionalism of Émile Durkheim and Herbert Spencer. In this context, Sabahaddin Bey’s systematic and methodological approach provided the Ottoman reformists with a well-defined model. His model created more controversy than unity among the Young Turks. Nevertheless, he launched the era of social models in Ottoman-Turkish modernization. After him, Ziya Gökalp was to introduce Durkheimian corporatism, which provided the Young Turks with a paradigmatic worldview and a social model to which they could resort during the Republican nation-building process.\textsuperscript{180}

Regarding private initiative, Sabahaddin Bey also quotes the then-popular Qur’anic verse (53:39; \textit{laysa lil-insâni illâ mä sa'äd}), and he concludes that private initiative is praised by God in the Qur’an.\textsuperscript{181} He goes on to state that according to this Qur’anic principle, individuals should depend on their own labor and enterprise, not on their community and state, in order to earn their

\textsuperscript{178} Mardin, \textit{Jön Türkler}, 290.
\textsuperscript{179} “Functionalists argue that society should be understood as a system of interdependent parts. The different parts of social life depend on each other and fulfill functions contributing to social order and its reproduction.” (John Halmwood, “functionalism,” in \textit{Cambridge Dictionary of Sociology}, 218.)
\textsuperscript{180} See Taha Parla, \textit{Ziya Gökalp, Kemalizm ve Türkiye’de Korporatizm}, eds. F. Üstel and S. Yücesoy (İstanbul: İletişim Yayınları, 1989).
\textsuperscript{181} “Kur’an-i Kerim’de ‘aleyküm enfüseküm’ ve ‘laysa lil-insâni illâ mä sa’äd’ ayât-ı fahriyesiyle lüzum-u kat’isine işaret buyuran teşebbüs-i şahsîye gelince...” (M. Sabahaddin, \textit{Teşebbüs-i Şahsi ve Tevsi’i Me’zuniyet Hakkında Bir İzah} (Dersaadet [İstanbul]: Kütübhane-i Cihan, 1324 [1908]), 15.)
Working hard and incessantly improving one’s skills were the backbone of this principle. However, he notes, these ideas are still foreign to the Ottomans, who are accustomed to making a living by doing nothing but striving to get some sort of endowment from the state. In other words, according to him, Ottomans considered civil service, not private enterprise, the best career choice. Meanwhile, similar concerns are also voiced in the official governmental reports:

[N]early all of the graduates of government schools enter into civil service, and since only a small minority decide to be engaged in productive branches such as agriculture, industry, and trade, the economic development of the empire cannot reach its desired level due to the lack of interest on the part of those sufficiently educated.

Against this social backdrop, Sabahaddin Bey’s formula for the salvation of the empire is the transformation of the bureaucratically and communally minded Ottoman society into an individualistic society of entrepreneurially minded citizens. Şükrü Hanioğlu notes that the criticism of the general tendency to become civil servants in Ottoman society was a major theme in the publications of various Young Turk groups. However, Sabahaddin Bey was the first intellectual who analyzed this phenomenon in detail within the context of a sociological model. His ideas therefore had a significant impact on other prominent figures of the Young Turk movement. For example, another Young Turk leader, Abdullah Cevdet, followed Sabahaddin Bey’s arguments and wrote extensively on the traditional mentality of

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182 Sabahaddin, Teşebbüs-i Şahsi ve Tevsi-i Me’zuniyyet, 15–16.
183 Ibid.
184 From a report by the Ministry of Public Education (1904): BOA IM 322 Ca 7-1-896 (649); quoted in Somel, The Modernization of Public Education, 179. (Somel’s translation.)
185 For his program for the “salvation of Turkey,” see Sabahaddin, Türkiye Nasıl Kurtarılabilir? Meslek-i İctimā’î ve Programı, İstanbul: Kader Matbaası, R. 1334 [1918]; especially pp. 53–79.
186 Hanioğlu, Abdullah Cevdet, 196.
187 Ibid.
memuriyetperestlik (fonctionnarisme) among the Ottomans. According to him, memuriyetperestlik is among the most important reasons for underdevelopment; he suggests adopting Samuel Smiles’ ideas in Self-Help as a solution.

In a related fashion, we frequently come across arguments on “Ottoman indolence vs. European industry,” the joy of labor, and entrepreneurship in the writings of the Young Turks. For example, Satiʿ al-Husri (1882–1968), who was an Ottomanist Young Turk in his earlier political life and later became a prominent intellectual of Arab nationalism, states:

> When we compare ourselves with the Europeans, we say that they are hard-working and we are lazy. And we add that they do not indulge in worldly pleasures as much as we do. However when we talk about this with the Europeans who live in our country, they argue the exact opposite. They are surprised [to see] how we can live without such pleasures. The answer to this [paradox] is simple: The meaning of “pleasure” is different for us than it is for Europeans. We seek joy in idleness [and inactivity], but Europeans [find it] in activity. We regard movement and activity as “boring,” but their greatest enjoyment is action.

Al-Husri notes also that he was the first person to suggest that economics should be introduced into the curricula of the Ottoman schools to change this mentality.

As another example, Akçuraoğlu Yusuf (1876–1935), in his early writings, emphasizes the importance of social change, rather than political intervention. In one of his articles in Şura-yı Ümmet (1902), he summarizes the main thesis of the “social reformist” approach within the Young Turk movement: “There is no need for a regime change to improve the [social and 

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188 “memuriyetperestlik diye tercüme etmek istedigimiz fonctionnarisme hangi millette ifrad dereceye varmisza o milletin istiklalı verem olmuş demektir. Zira milletler ferdlerin icimanda hasil olduğu gibi bir milletin kymet-i hakikiyesi olan seciye-i milliyeti de kendisini teşkil eden ferdlerin temayül-ü tabillerinden, kuvvâ-i mahsülésinden vucudpezir olur.” (Quoted in Hanioğlu, Abdullah Cevedet, 198.)
189 Hanioğlu, Abdullah Cevedet, 199.
190 Ibid. See Chapter 2 for a discussion on a problematic claim by Şerif Mardin (and then Carter Findley) about an earlier impact of Samuel Smiles on Ottoman economic thought through Ahmed Midhat Efendi.
191 Quoted in Ülken, Türkiye’de Çağdaş Düşünce, vol.1, 278.
192 Ibid.
economic] conditions of the country. We need a total transformation of Ottoman society.” He goes on to argue that such a transformation entails changing the habits, sentiments, and beliefs that have shaped the Ottoman mentality for ages. Although this is a very difficult task, he adds, it is not altogether impossible. Akçuraoğlu Yusuf was to become a very influential intellectual and political figure in the late imperial and early republican eras. His ideas about social change, put forward in 1902, reflect a clear blueprint of the social engineering project of the Young Turks for the creation of a modern Turkish nation-state in subsequent decades.

Last but definitely not least, it is necessary to review the ideas of another influential Young Turk leader, Ahmed Rıza (1859–1930), in this context. Along with Sabahaddin Bey, and even before him, Ahmed Rıza was “seeking an evolutionary change and not a revolution ... [as he] had consistently stressed since 1895.” Although his political ideas began to take on a more politically activist character towards the revolution in 1908, his emphasis on social change through education attracted a significant following and made a deep impact on the complex and colorful pattern of Young-Turk ideology. Following Namık Kemal and other earlier modernists, he criticized fatalism, dependence on the state, and the anti-entrepreneurial mentality of Ottoman society as the impediments to progress:

“The people used to expect everything from destiny; they are completely unaware of the command, “make effort” (saʿy ediniz). They have gotten used to expecting their rights from the government. All these hopes and expectations reflect laziness. A human should expect his well-being from his own effort and

193 Akçuraoğlu Yusuf, Eski “Şura-yi Ümmet”de Çıkan Makâlelerimden (İstanbul: Tanin Matbaası, R. 1329 [1913]), 41.
194 Ibid.
195 Hanioğlu, Preparation for the Revolution, 28.
196 Ibid., 29.
197 Ahmed Rıza seems to refer to a religious principle without giving any exact reference. In any case, as we have seen above, such references to the Qur’an and the hadith are ubiquitous in the publications of the era.
zeal. … One who earns his living through his own labor … would not be afraid of any government. Such feelings can be awakened among the people only through education.\textsuperscript{198}

Therefore, for Ahmed Rıza, the principle of “effort and labor” (saʿy ü amel) is not only a key to individual—and consequently national—prosperity, but would also pave the way for political change. In other words, he suggests that reformists give priority to the education of the masses in order to make the principle of effort and labor prevail in Ottoman society. After this is achieved, he believes, the people will take their destinies into their own hands, realizing a revolution that will put an end to their misery.

Towards 1908, social reformism began to be overshadowed by more politically motivated activism within the Young Turk movement, thereby leading to a top-down political revolution followed by a dictatorship of the modernist elite. Despite all of the aforementioned evolutionary and bottom-up arguments that put the social question before the political revolution, the following decades of the Ottoman-Turkish history were to be shaped by the well-known principle of Young Turk modernization: “for the people, despite the people.”

In short, from Namık Kemal and Ahmed Midhat to Sabahaddin Bey and Abdullah Cevdet, the critique of the lack of interest in entrepreneurship in Ottoman society constituted a major theme of Ottoman modernist thought. Accordingly, the objective of building an economically vibrant society composed of entrepreneurially minded individuals, instead of traditional Ottoman memuriyetperestlik, was a common theme in the economic thought of various political groups and intellectuals. The most striking difference between the earlier models (e.g., those of Münif Pasha and Ahmed Midhat) and that of Sabahaddin Bey is that the

\textsuperscript{198} Ahmed Rıza, “Mukaddime,” \textit{Meşveret}, 13 Cemaziyüelevel 1313 [1895], p.1. (Quoted in Mardin, \textit{Jön Türkler}, 190–91.)
latter represented the effort to transform Ottoman society from a *Gemeinschaft* into a *Gesellschaft*, in Ferdinand Tönnies’ (1855–1936) conceptualization. In other words, earlier social models resemble a community-type societal organization, in which the individual is defined as a part of the whole and serves the community’s interests more than his/her own. Sabahaddin Bey, however, suggested a societal organization based exclusively on individualism at the social level and decentralization at the political level. In any case, despite considerable differences in their political discourses, there existed a quasi-consensus on the necessity of building an economy-centered modern society based on entrepreneurially minded individuals. This idea was to be crystallized in the National Economy (*Millî İktisat*) program after the 1908 revolution.199

The Ottoman intellectual sphere was a predominantly all-male milieu. Moreover, whenever Ottoman modernists mentioned an ideal modern Ottoman, they depicted a male character. This does not imply that women were excluded from modernization efforts, but they were usually assigned complementary roles in the Hamidian modernization project. More importantly, however, the Hamidian era also witnessed the emergence of female intellectuals who joined the modernists’ efforts for social change. A semi-official publication of the Hamidian regime, *Hanımlara Mahsus Gazete* (The Newspaper Especially for Women), was aimed—as its title suggests—at a female audience, and it provides us with important insights into the roles and work ethic thought appropriate for women in modern Ottoman society.

199 See Toprak, *Millî İktisat* for a detailed analysis of the post-1908 National Economy program of the Young Turks.
3.2.4 Women of an Economic Society: The Case of Hanımlara Mahsus Gazete

Ahmed Midhat Efendi and other Ottoman *encyclopedists* preferred to use “vulgar Turkish” (*kaba Türke*, the language of the ordinary people) in their works in order to convey their messages and ideas to the masses more effectively. As Ahmed Midhat argues, it was essential to use simple language even in scientific studies in order to make these works more accessible “even to women.”²⁰⁰ Here, the then-frequently used phrase, “even to women,” does not necessarily connote a disdain for women’s mental capabilities.²⁰¹ What Ahmed Midhat suggests is that if even the most complicated scientific arguments and theories are put in simple terms, they can be understood by uneducated people, and even by women, who had no chance whatsoever to receive formal education.

For Ottoman modernists, not just intellectual women such as Fatma Aliye or Şair Nigâr Hanım, but also ordinary housewives who had not actively participated in intellectual production processes were expected to play a central role in the building of a new society. Women were considered the managers of the modern household, and they were to raise the citizens of the future. Thus, they had to be educated in the latest scientific techniques of “household management” (i.e., home economics, *ev idaresi*). This was essential for more efficiently managed households and consequently a more economy-driven society. Moreover, women also had to be equipped to raise scientifically minded individuals. It was therefore necessary that they become the consumers of popular works on modern sciences and technologies. This too is why Ottoman modernists preferred using a language that “even housewives” could understand.

²⁰⁰ See, for example, Ahmed Midhat, *Fennî Bir Roman yahud Amerika Doktorlari* (İstanbul, H. 1305 [1888]), 3.
²⁰¹ It is worth noting that misogyny and disdain for women’s mental capacities were indeed ubiquitous. Thus, one should not totally disregard such a perspective in reading the texts of this age.
Many elite Ottoman women were home-schooled by Ottoman and European instructors. In the Hamidian era, these women began to transform the Ottoman intellectual sphere by their increasingly active involvement as consumers and even producers of intellectual products. In this respect, *Hanımlara Mahsus Gazete* (1895–1908) is an essential source for scrutinizing women’s roles in the modernizing Ottoman Empire. *Hanımlara Mahsus Gazete* was the longest lasting and also the most influential women’s periodical of the Hamidian era. It was written and edited by prominent women intellectuals, who were mostly the daughters and wives of leading intellectuals and bureaucrats of the era. In accordance with the Hamidian modernization project, the main aim of the periodical was the education of women based on the latest scientific principles of household management as well as on Islamic morals. In their statement of purpose, the editors argue that the education of women has a pivotal importance in the development of a country. Otherwise, only one part of the family (i.e., men) would be educated, and the other part (i.e., women) would lack an education. As a result, society would not be able to achieve complete or balanced development. Moreover, since women were the primary educators of future generations, the whole social development project depended on the

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205 As for “Hamidian Islamism,” it is worth noting here that *Hanımlara Mahsus Gazete* does not represent a conservative or Islamist stance that situates itself against European values. Even a cursory glance at its pages will show this. For example, pictures of European-style dresses and dress patterns—for the women to sew similar examples at home—appeared on the pages of the newspaper. In short, the ideal Hamidian woman was definitely a European-looking educated woman who at the same time preserved her Ottoman identity through her commitment to traditional Islamic morals.

children that they raised. In addition to articles with practical information on household management (e.g., issues ranging from healthcare to children’s clothes), the periodical includes articles on women’s economic roles in a modern society. In the rest of this section I will focus on some examples of such articles in order to understand the economic messages given to Ottoman women within the context of Hamidian social and economic thought.

Although the newspaper attributes equal importance to men’s and women’s education in the modernization process, its authors do not suggest the total equality of both sexes. The Hamidian sexual division of labor remained within the boundaries of traditional social values, in which men were bread winners and women were household managers. In other words, there was no suggestion that the complementary assignment of gender roles should be changed and women encouraged to actively join the national workforce. Yet, we observe that the general principles of capitalist work ethics are suggested as the indispensable guiding rules also in women’s everyday lives. For example, the granddaughter of Ahmed Cevdet Pasha, Zeyneb Hanım, argues that the responsibility of women in “developed” countries is to serve as the general managers of the household. Since effective time management should be a central concern for any manager, she criticizes women who waste their time gossiping and embroidering, arguing that this was no longer necessary given that manufactured goods had replaced

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207 Ibid. Also see “Kadınlarn Tahsili Hakkında Bir Mütala’a,” Hanımlara Mahsus Gazete 20 (1895), 1–2.
208 See for example, an article by Ahmed Cevdet Pasha’s granddaughter, Zeyneb Sünbül bint-i Sedad bin Ahmed Cevdet Paşa, about the education of women, Hanımlara Mahsus Gazete 7 (1895), 2–4; and see “Kızların Tahsili Hakkında Bir Mütala’a - 2,” Hanımlara Mahsus Gazete 21 (1895), especially p. 2 for an anthropological explanation of gender differences.
handicrafts. Women, she argues, should concern themselves with managing the household economy and with studying sciences in their leisure time.

In another (anonymous) article, inspired and partly adapted from an article published in a British journal, the author suggests that women keep a ledger showing all allowances and expenses in order to manage the family budget more systematically. Waste, in the context of the family budget, represented a serious issue for the newspaper. For example, Seniha Vicdan argues in her article entitled “Moda-İsraf” (Fashion-Waste) that, in addition to its “other irrational aspects” (e.g., wearing uncomfortable clothes just because they are fashionable), fashion (moda) led to a huge waste of valuable resources. She maintains that women’s conspicuous consumption on the pretext of “following the latest fashions” could even drive a family into poverty in some cases. As we will see in Chapter 5, poverty and destitution as the result of conspicuous and wasteful consumption (of both men and women) was a very popular theme in late Ottoman literature. The Europeanization of consumption patterns and especially the notion of fashion created a significant concern for both male and female Ottoman intellectuals due to the waste it was said to cause.

In yet another article with similar examples of the squandering of family wealth in order to follow the latest fashions, Nigâr Hanım promotes a principle to determine one’s lifestyle and

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210 Ibid., 4.
213 “Sırf nümayışten başka bir sebeb-i nâ’kule müstenit olmayan bu hâlin ne gibi avâkıb-i vâhime vücuda getireceği săyân-i nazardır. İşte kendini böyle girdab-ı israf ve sefâhate kaptıran kadınların aileleri âkibet-i hâlde bir sefaletle düşmeleri bâid değildir.” Ibid., 3. Seniha Vicdan, the author of the article, makes reference to a previously published article which provides examples of such family disasters: Fahrünnisa, “İki Aile Levhası,” *Hanımlara Mahsus Gazete* 3 (1895), 1–3. (This is the title that Seniha Vicdan gives to the article. Otherwise it does not have a title, but a long initial sentence that may be shortened as Seniha Vicdan does.)
choices: effort and labor. In her “Saʿy ü Amel” (“Effort and Labor”), Nigâr Hanım joins other Hamidian-era intellectuals who propose labor as the savior of humanity from all evil, which itself is primarily caused by laziness. In line with Ahmed Midhat’s arguments, Nigâr Hanım asks, “Is it possible to find anything more sacred than duty, anything better than working, [and] anything more honored [and sacred] than effort and labor?” She argues that it is absurd to think that labor is reserved for males, and she adds that although it is not really necessary to remind readers of this obvious fact, it is imperative to emphasize the importance of labor in women’s lives. Then she gives examples of how women should not waste their time with trivia, but instead use their time wisely for both housework, and if possible, reading and writing. In short, the principles of the capitalist work ethic, such as hard work and the economic management of resources, along with arguments against the waste of resources (including time), also appear in publications for women in order to educate them to be better household managers and educators of future generations.

Hamımlara Mahsus Gazete is analyzed here as a case study especially because it was written mostly by and for women. However, this does not imply that women followed only women’s periodicals or that they remained aloof from the influence of other popular authors and publications. As noted earlier, Ahmed Midhat and other modernist Ottomans also aimed at reaching out to a female audience. As an interesting example from fiction, the female protagonist of Ali Kemal’s short novel, Çölde Bir Sergüzešt (An Adventure in the Dessert, 1898), Seher, is a modern intellectual Ottoman woman. She follows popular periodicals and writers, but she is a

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215 Ibid., 2.
216 Ibid., 1.
217 Ibid., 1.
218 Ibid. 2.
particularly keen follower of Ahmed Midhat’s *Tercüman-ı Hakikat* and Müntahabat-ı Tercüman-ı Hakikat.\(^{219}\) Seher is such an enthusiast when it comes to modern sciences and philosophy that when she receives an issue of the popular philosophical journal, *Envâr-ı Zekâ* (The Lights of the Mind), she gets so excited that she cannot sleep that night and reads it from cover to cover.\(^{220}\)

Her zeal for learning, depicted by Ali Kemal with her “pale face” and “dim eyes” from sleepless nights,\(^{221}\) resembles that of the male romantic heroes of the modernist Ottoman novels of the era such as Mansur in Mehmed Murad’s *Turfanda mı? Turfa mı?* (1890).\(^{222}\)

The social question of Ottoman modernization in the Hamidian era rested on certain economic (and economic historical) postulates of the nineteenth century. Modern economics engendered a new paradigm of history (i.e., economic history) according to which societies and their histories were assessed by their modes of production. Economic history, as presented by various nineteenth-century economists, thereby suggested a hierarchy among societies according to their relevant modes of production. Looking from this perspective, the Ottoman Empire was defined as a backward country due to its predominantly agricultural socioeconomic structure in contrast to industrial—therefore “civilized”—European countries. As a result of this perspective, transforming the Ottoman economy into an industrial one through economic development became a priority for the Ottoman elite. Soon thereafter Ottoman reformists realized that the question of economic development was tightly connected to the social question. As Münif Pasha suggested, it was impossible to obtain permanent results in modernization unless it was


\(^{220}\) Ibid. 7–8. *Envâr-ı Zekâ* was a popular philosophy journal published by Mustafa Reşid.

\(^{221}\) Ibid. 7.

\(^{222}\) See Chapter 5 for Mansur’s story.
complemented by building a modern society consisting of educated, industrious, and (economically) rational male and female citizens.

Mūnif Pasha’s example of ants and Ahmed Midhat’s examples of the small-business corporation both refer to a critical problem for Ottoman economic development: the lack of the accumulated capital. In other words, the lack of adequate capital for large-scale economic enterprises and the lack of a “national bourgeoisie” to undertake such investments led the Ottoman modernists to the idea of cooperation. Ottoman reformers expected that this practical economic principle will facilitate gathering larger amounts of capital through numerous modest contributions. Thus, thanks to its direct relevance to one of the biggest obstacles to economic development, the idea of cooperation became a central pillar of late Ottoman social and economic thought. In this respect, despite significant differences, we observe an obvious pattern of evolution from Mūnif Pasha and Ahmed Midhat’s social visions (which were rather collectivistic in essence) in the 1870s and 1880s to Sabahaddin Bey’s model of private entrepreneurship and individualism in the 1900s. The same pattern in late Ottoman modernist social thought paved the way for the early twentieth-century Young Turk nation-building project which was to shape modern Turkey.
Chapter 4 – Economic Thought in the Hamidian Era II: Capitalism, Nationalism, and Economic Development

[In our country] the benefits of commerce remain theoretical, since no one pursues it. In our age, being a merchant with small capital is almost synonymous with being a peddler. Nevertheless, since we still continue [pursuing business on a small scale], our sources of wealth are completely controlled by foreigners.¹
(*Hakayık el-Vaka’i*, 1872)

Although the past glories of a once-powerful empire were still alive in the minds of the Ottomans, the Ottoman Empire was simply the “Eastern Question” in the eyes of the nineteenth-century European intellectuals and statesmen. From this perspective the Ottoman Empire was an obsolete political structure, in which a “barbaric nation” (the Turks) dominated and suppressed other nations that were “civilized”—or at least more likely to become “civilized”—by virtue of being Christian. Moreover, the same paradigm stigmatized the “Oriental” nations as a whole with economic and social backwardness, laziness, and hatred of organization and order.² Europeans were openly discussing the possible results of the imminent collapse of the Ottoman Empire. As one British merchant who lived in Istanbul put it as early as the early 1850s:

“*Nullum remedium agit in cadaver.*’ She is worse than a corpse; she is a corpse in a state of decomposition.”³ Of course, Ottoman statesmen and intellectuals were fully and painfully aware of such views.⁴

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¹ Hakayık el-Vaka’i (614), 7 Cemaziyelevvel 1289 [July 13, 1872]; quoted in Galib Haldun, “Tanzimat Devrinde Neşriyat-ı İktisadiye,” *İktisadiyat Mecmuası* 37 (1916), 4.
² Such ideas can be observed in almost every memoir or travelogue written by nineteenth-century Europeans. Senior’s accounts are a good example as they convey both his personal views and the arguments of other Europeans whom he met during his time in the Ottoman Empire. See for example, Senior, *A Journal*, 28–32, et passim.
³ Senior, *A Journal*, 87. It is important to note, however, that there were some European observers who challenged such widely accepted opinions, such as Sir Adolphus Slade (1802–77). For Slade’s alternative views about the Ottoman Empire, see Bernard Lewis, “Slade on Turkey,” in *Islam in History: Ideas, People, and Events in the Middle East*, New Edition, Revised and Expanded. (Chicago: Open Court, 1993), 67–83. Lewis argues that Slade’s accounts were largely neglected compared to those of other Western travelers, and this is due to his opinions (about
Meanwhile, the economic paradigm of the age suggested that civilization meant industrialization (or vice versa). Therefore, for the Ottoman elite, the salvation of the empire was directly connected to industrialization. The discussions of the Ottoman modernists on the question of economic development revolved around two main aspects of the problem: social-cultural and material-economic. The social-cultural aspects included the traditional economic mentality (e.g., lack of interest in entrepreneurship) and the dearth of human capital (e.g., an unskilled and uneducated population). The material-economic aspects consisted of the scarcity of financial resources and of the obstacles to controlling the potential wealth-creating resources at hand (e.g., the capitulations and foreign dominance). The previous chapter analyzed the suggestions and models of the Ottoman modernists for overcoming the obstacles in the first category, and the current chapter focuses on the latter.

This chapter analyzes the emergence of Muslim-Turkish economic nationalism in the context of the question of economic development in the late nineteenth century. In the first section, I discuss the question of economic development and the relevance of the “Eastern Question” to it in the Ottoman context, and I then provide a brief overview of pre-Hamidian economic development efforts by the Ottoman state. In the second section, I examine the roots of the nineteenth-century Ottoman Empire), which were “thoroughly out of accord with the commonly accepted opinions of nineteenth-century Europe.” (Ibid., 69). For an example of the Ottoman elite’s appreciative reception of Slade’s ideas, see Ahmed Vefik Efendi’s (1823–91) words below.

4 As an example from Senior’s accounts, during one of his meetings with Ahmed Vefik Efendi (later Pasha), Ahmed Vefik criticizes the literature on the Ottoman Empire by saying, “To know this country, you must do four things. First, you must learn the language; secondly, you must unlearn all your previous notions; thirdly, you must seek the truth, not facts in support of preformed conclusions; and lastly, you must stay among us for three or four years. Slade’s [studies] … are among the best works on Turkey, and Urquhart’s, favorable as he is to us, are among the worst; he is an advocate, not a critic. But you must trust none of them.” (Senior, A Journal, 138.) Other Ottoman intellectuals also complained about the ignorance or superficial knowledge of European intellectuals regarding the Ottoman Empire, based on exaggerated accounts on the Orient. See, for example, Namık Kemal, “Avrupa Şarkı Bilmez,” İhret 7 (1872), 2; and following Kemal, Ebüzziya [Tevfik], “Avrupa Şarkı Bilmez,” Mecmua-i Ebüzziya 49 (1886), 1551–52. Ebüzziya Tevfik also added the translation of a short essay from a French newspaper to provide an example of European ignorance of the Orient (ibid., 1552–53.).
Muslim-Turkish economic nationalism in the Ottoman Empire through an analysis of the economic writings of the Young Ottomans. The third section contextualizes the emergence of Muslim-Turkish economic nationalism against the backdrop of the Eastern Question, the economic and social rise of non-Muslims, and foreign dominance in the Ottoman economy. In the fourth section, I take a closer look at Muslim-Ottoman intellectuals’ grievances about foreign exploitation, unfair competition with European industries, and the problem of the capitulations as an obstacle to economic development; and I discuss how these issues nurtured emerging economic nationalist sentiments. Finally, I will turn to Abdülhamid II’s ideas on the question of economic development to see how discussions on this issue echoed in the highest echelon of the political sphere.

4.1 The Question of Economic Development and Early Industrialization Attempts

In 1888, Friedrich Engels wrote a preface to the English edition of a speech by Karl Marx on the issue of free trade.  Engels’s preface provides us with important insights into the economic paradigm of the late nineteenth century. After presenting an overview of the emergence of the theory of free-trade as a product of British economic interests, he especially emphasizes the “hypocrisy” of British economic theory:

England thus supplemented the protection she practiced at home, by the Free Trade she forced upon her possible customers abroad; and thanks to this happy mixture of both systems, at the end of the wars, in 1815, she found herself, with regard to all important branches of industry, in possession of the virtual monopoly of the trade of the world.

6 Ibid., 4. In the Ottoman case, the Anglo-Ottoman Commercial Convention of 1838 opened Ottoman markets to British capital and manufactures.
Then he goes on to argue that English economic interests were buttressed by intellectual and academic support through *laissez-faire* economics:

> [T]he free trade doctrines of classical political economy—of the French physiocrats and their English successors, Adam Smith and Ricardo—became popular in the land of the John Bull. Protection at home was needless to manufacturers who beat all their foreign rivals, and whose very existence was staked on the expansion of their exports.\(^7\)

As a result,

Free trade became the watchword of the day. To convert all other countries to the gospel of Free Trade, and thus create a world in which England was the great manufacturing centre, with all countries for its dependent agricultural districts, that was the next task before the English manufacturers and their mouth pieces, the political economists.\(^8\)

Nevertheless, as Engels notes, England’s European rivals, primarily France, resisted this trend by keeping their economies behind the high walls of protection until they could gain competitive power vis-à-vis British industries.

Moreover, the economic paradigm of the age suggested that only industrial countries were to be regarded as civilized. A short anecdote from Engels’ accounts reflects this undisputed assumption of the age: During a train trip in the late 1860s or early 1870s, Engels met a Glasgow merchant and the two men began to talk about the protectionist policies of the United States. The Glasgow merchant, a supporter of free trade, complained about the fact that “sharp businessmen” like the Americans allowed their government to pursue such an “obviously harmful path,” i.e., protectionism. Engels reminded him of the other side of the story:

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\(^7\) Friedrich Engels, “Preface,” 5.
\(^8\) Ibid., 6.
You know that in coal, water-power, iron and other ores, cheap food, home grown cotton and other raw materials, America has resources and advantages unequalled by any European country; and that these resources cannot be fully developed except by America becoming a manufacturing country. You will admit, too, that nowadays a great nation like the Americans cannot exist on agriculture alone; that would be tantamount to a condemnation to permanent barbarism and inferiority; no great nation can live, in our age, without manufacturers of her own.  

Engels closed his words by saying that if protectionist policies will provide the Americans with a shorter and safer path to industrialization and thus civilization, it is unquestionably more rational for them to follow this path.

As the above anecdote demonstrates, in the second half of the nineteenth century, industrialization was considered an indispensable aspect of becoming a civilized nation. The alternative, that is remaining an agricultural economy, simply meant remaining in the barbaric stage in the eyes of the civilized nations. The Ottomans had long been a part of the European intellectual world-system; thus they were fully aware of this perception. Moreover, they were thinking along the same lines in their efforts to save the empire from the primitive conditions which were paving the way for an imminent collapse of the Ottoman socioeconomic and political system.

According to some European observers, the Ottoman economy had the potential to thrive. As a friend of Nassau Senior put it, “Turkey once opened to European enterprise, industry, and capital, will be a new America, with a better climate and a better soil.”

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9 Ibid., 9.
10 Ibid.
British plan for the integration of the Ottoman economy into its global economic system was different: it was to become an agricultural producer providing the British manufacturing industry with cheap primary goods and a vast market for British industrial products.\textsuperscript{12} In other words, the interests of the global superpower of the age were at odds with the idea of Ottoman industrialization, especially if this would lead to protectionism, as in the case of the United States.

The Ottomans were not as “late” in their industrialization efforts as it has generally been assumed in scholarship. The first industrialization projects were put into practice as early as in the reign of Selim III (r. 1789–1807); these were mostly military industries.\textsuperscript{13} However, “in the 1840s Ottoman recognition of disadvantages inherent in Ottoman dependence on foreign manufactures, and of the necessity for a more ambitious form of ‘defensive modernization’—economic if not social—apparently reached a peak.”\textsuperscript{14} The state invested in many industrial projects, and encouraged private Ottoman entrepreneurs with highly profitable concessions and subsidies. Meanwhile, many councils and offices such as the \textit{Meclis-i Ziraat ve Sanayi} (Council of Agriculture and Industry, 1838; it later adopted the name \textit{Meclis-i Umûr-u Nafia}, Council of Public Works), and the Ministry of Commerce (1839), which aimed to support industrial and agricultural modernization as well as to promote commerce, were founded for the central planning of economic development.\textsuperscript{15} In 1866, the \textit{İslah-i Sanâyi Encümeni} (Industrial Reform Commission) was founded. One of its earliest decisions was that traditional guild production had

\textsuperscript{14} Clark, “The Ottoman Industrial Revolution,” 67.
long been an obsolete form of manufacture; thus a rapid transition to the modern factory system was necessary. Despite Ottoman optimism about the attainment of civilization through industrialization, the economic conditions and the results of some earlier efforts were not very encouraging:

The timing of this far-flung industrial program is peculiar. Already in 1838 the Ottoman government had abandoned most state monopolies and other import-export controls by terms of the Anglo-Turkish Commercial Convention of Balta Liman. By 1841 the European powers were able to force this convention on Muhammad Ali, the Porte’s nominal vassal in Egypt, and the ensuing foreign competition quickly brought rust and ruin to his factories on the Nile. Thus, any cause for optimism concerning additional investments in factories seemingly already had been eliminated at the beginning of the Tanzimat. Paradoxically this foreboding example did not deter Sultan Abdülmecid and his advisers. Almost simultaneously they initiated the supreme Ottoman effort to industrialize the shores of the Bosporus and the Marmara.

It is important to note that although these gloomy conditions could easily have led Ottoman statesmen to monopolistic tendencies and state capitalism, they did not incline to such policies. On the contrary, the two leading statesmen of the Tanzimat era, namely Âli Pasha (1815–71) and Keçecizade Fuad Pasha (1814–69), were ardent supporters of economic liberalism, as their political testaments presented to Sultan Abdülaziz clearly demonstrate. For example, Âli Pasha suggests that the state should not be an entrepreneur itself, and instead should encourage and support the private sector as much as possible. He maintains that his

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17 Edward C. Clark, “The Ottoman Industrial Revolution,” IJMES vol. 5, no.1 (1974), 71–72. Namık Kemal suggests another dimension of the matter by stating that the Tanzimat governments pursued *laissez faire*-style policies at a time when traditional Ottoman industries were in decline and thus incapable of coping with international competition (Kemal, [untitled article] Hürriyet 7 [1868], 2).

18 For the full texts of these documents in modern Turkish, see Engin D. Akarlı, Belgelerle Tanzimat: Osmanlı Sadrazamlarından Âli ve Fuad Paşaların Siyasi Vasiyyetnâmeleri (İstanbul: Boğaziçi Üniversitesi, 1978). For an economic analysis of the testaments, see Tevfik Çavdar, Türkiye’de Liberalizmin Doğuşu (İstanbul: Uygarlık Yayınları, 1982), 47–62.
governments avoided state monopoly in many cases, and he and his colleagues even preferred foreign investors over the Ottoman subjects for practical reasons.  

19 He explains this choice by stating that the Ottoman Empire did not have qualified engineers and skilled managers to undertake these projects efficiently.  

20 Nevertheless, he recommends a long-term economic development perspective based on domestic resources (including human capital). He argues that the state should encourage Muslims to engage in commerce, industry, and agriculture, just as the Christians do, because, he says, “The only permanent capital is labor. Salvation is only possible with toil.”  

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Âlî Pasha and his colleagues’ efforts to develop a market economy in the Ottoman Empire were not confined to government policies and investments. They were actively involved in business and even introduced some modern business methods and ideas into the Ottoman economy. For example, an important enterprise in Ottoman economic history, the Şirket-i Hayriye (the Bosporus Ferry Company), was founded in 1851 by the two comrades of Âlî Pasha, namely Ahmed Cevdet and Fuad Pashas.  

22 The Ottoman elite, including the sultan, had always invested in profitable business ventures. In that sense, this should not be considered an unprecedented event in Ottoman history. Nevertheless, what makes this enterprise a turning point in Ottoman economic history is that the Şirket-i Hayriye was founded on the basis of a new idea: the joint-stock company. Cevdet Pasha’s daughter, Fatma Âliye Hanım, notes that her father and

\[\text{\textsuperscript{19}}\text{Akarlı, Belgelerle Tanzimat, 25.}\]

\[\text{\textsuperscript{20}}\text{Ibid., 25.}\]

\[\text{\textsuperscript{21}}\text{Ibid., 31.}\]

\[\text{\textsuperscript{22} For more information on the company, see Eser Tütel, Şirket-i Hayriye (Istanbul: İletişim Yayınları, 1994).}\]
Fuad Pasha founded the Şirket-i Hayriye to serve as a model for prospective modern Ottoman companies. As Donald Quataert states:

[T]he Ottoman government hardly was ignorant of or irrational in economic matters in the nineteenth century. On the personal level, political positions were intertwined with economic interests; a grand vizier, a palace chamberlain, and state ministers invested in mining enterprises that sought to drive out the European companies while other Ottoman officials placed their trust and money in the foreign corporations. On the official level, Ottoman administrators also were economic planners with visions of the future and of the economically possible.

Nevertheless, despite all these efforts to plan and invest, and even some successful cases such as the Şirket-i Hayriye, the pre-Hamidian era Ottoman industrialization project as a whole eventually failed to meet its goals. There are many reasons for this failure, from mismanagement and inexperience to the lack of skilled labor and the impact of foreign competition, and it is beyond the scope of this work to discuss these reasons in detail. Instead, I will turn to the Ottoman intellectuals to see how they perceived the reasons for failure and what they suggested for future success. The reasons given for failure seem to fall into two obvious categories: internal and external. Internal reasons mostly consisted of local institutional factors such as the traditional economic mentality, which was discussed in the previous chapter. External ones are those relating to foreigners—a notion whose scope expanded over time, as we will see below—such as the capitulations and destructive international competition which proved fatal to Ottoman industries.

23 Fatma Aliye, Ahmed Cevdet Paşa ve Zamani (Dersaadet [İstanbul]: Kana‘at Matbaası, R. 1332 [1914]), 57–58.
25 For brief analyses of the successes and failures of this endeavor and the reasons for failure, see Clark, “The Ottoman Industrial Revolution,” 71–76; and Eldem, Osmanlı İmparatorluğu’nun İktisadi Şartları, 65–66. Also see Ömer Celâl Sarc, “Tanzimat Ve Sanayiimiz,” in Tanzimat: Yüzüncü Yıldönümü Münasebetle (İstanbul: Maarif Matbaası, 1940), 423–440.
4.2 The Roots of Ottoman-Turkish Economic Nationalism: The Young Ottomans

Criticisms of European economic and political domination began to appear well before the Hamidian era, put forward not only by Ottomans, but by some European observers as well. In Nassau Senior’s accounts (1859), for example, a certain British merchant who was living in Istanbul at the time (Senior calls him “W”) maintains that the Ottoman government was not capable of controlling all the different ethnic groups under its sovereignty; therefore the country was in a state of decomposition. When Senior asks him what he would do to save the empire from a collapse if he were the sultan, the merchant suggests a two-step solution: First, the ambassadors should be sent away, because “No country can prosper whose administration is perpetually interfered with by foreigners … even if they were honest and well-intentioned;” and the second step “would be to tear [up] the capitulations.” Ottoman statesmen could do neither until the Young Turks repealed the capitulations and most foreign ambassadors left—for a short time—during World War I.

Ottoman intellectuals and statesmen complained about the same problems, and they voiced their concerns through their widely popular, albeit illegal, periodicals. In the writings of Young Ottomans such as Ziya Pasha (1825–80), Ali Suâvi (1838–78), and Namık Kemal (1840–88), whose ideas dominated reformist social and political thought in the Hamidian era, we can easily see the roots of the critique of foreign domination in the Ottoman Empire. Young Ottoman

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26 Senior, A Journal, 87–89.
27 As an example, Ebüzziya Tevfik published the works of Namık Kemal in his Mecmuası-i Ebüzziya, including his “Sa’y” (Mecmuası-i Ebüzziya 9 [1880], 267–72) and other economic writings. Meanwhile, Ebüzziya Tevfik was also serializing a translation of Benjamin Franklin’s The Way to Wealth. At the end of Kemal’s article, “Sa’y,” Ebüzziya Tevfik inserted an addendum wherein he compared both works. He maintains that Kemal’s work is a combination of imagination, which is generally attributed to the East, and philosophy, which is attributed to the West. Yet he defines Franklin’s work as resembling Eastern thinking, i.e., dominated by imagination. (Ibid., 276.)
ideology and its symbols deeply impacted the earlier phase of Young Turk ideology.\textsuperscript{28}

Moreover, Yusuf Akçura asserted that even though Abdüllahamid II seemed to be the Young Ottomans’ archenemy, he was actually their student with regard to some of his political ideas and actions, as can be observed in his pan-Islamist policies.\textsuperscript{29} Therefore, in order to understand the emergence of economic nationalism in the late Ottoman Empire, we must begin by tracing its roots to Young Ottoman ideology. As an important example, an unsigned article in \textit{Hürriyet} provides a succinct summary of the situation of the post-1838 Ottoman economy from the Young Ottoman perspective.\textsuperscript{30} After noting the increasing European economic power resulting from the concessions given to European merchants, the anonymous author suggests reasons for economic underdevelopment and dependence:

The first reason is the external interference. … Upon [receiving] the concessions, the European merchants saw that the commerce in Turkestan [i.e., Ottoman territory] was much more profitable and easier than other places. Besides, they enjoyed the low cost of water and air [i.e., cost of living] in the country. As a result, they loaded the ships with cheap rubbish produced in the European factories and came and settled in Istanbul with their families. Since our people have an interest in such cheap and flashy things, they preferred [shoddy European cloth to that of Damascus]. … The rugs of Uşak and Gördes, and the clothes from Salonica and Bursa began to seem coarse to us; meanwhile the Europeans developed an interest in [our goods]. In return [for our rugs], we purchased their flowery French rugs and towels that are made of grass, assuming that they were both cheap and good in quality. Yet, since they were made of poor quality materials and thus wore out in a short time, we had to change them frequently. As a result, we wasted our money thinking that we were saving money. This situation was not limited to printed cloth and rugs. Due to our ignorance, we preferred the products of European factories to our own products of all sorts of clothes and upholstery. Moreover, as our government supported this trend as it increased and expanded such concessions, our industries collapsed. Our merchants went bankrupt; and manufacturers who had lived on their industries became miserable and wretched. Our money that had circulated in our country began to flow abroad, and our state finances went into crisis. The government had to print more money

\textsuperscript{28} Mardin, \textit{Jön Türkler}, 31.

\textsuperscript{29} Akçura, \textit{Üç Tarz-ı Siyaset}, 8.

\textsuperscript{30} Coşkun Çakır attributes this article to Ziya Paşa, see Çakır, \textit{Osmanlı Maliyesi}, 183.
and issue bonds with interest. Nevertheless, since the real reason for all these ills continued to exist, such measures proved to be ineffective and the situation worsened every day. Finally, we ended up with today’s much-feared situation.31

At first sight, this Young Ottoman reaction to the opening of the Ottoman market to the flood of British manufactures and the consequent collapse of traditional industries may resemble the ideas of some early modern European conservative critics of capitalism. The social consequences of industrialization (e.g., urbanization, poverty, the collapse of the guild system) were an important concern in early nineteenth-century European economic thought.32 It was a particularly urgent issue for the intellectuals and statesmen of the lagging economies of Europe, whose traditional guild structures and the social organization associated with them collapsed as a result of the flood of cheap British goods. In Germany, for example, Justus Möser (1720–94) openly defended the traditional guild manufacture system against the socially disruptive effects of capitalism. He accused peddlers of polluting peasants’ minds—with a kind of consumer culture—by providing them with goods they did not really need.33 He also blamed capitalism for destroying local cultures and social institutions which had been organized around the traditional guild structure, by altering the production structure.34 Although a similar socially conservative critique could very well be relevant to the Ottoman case, and the Young Ottomans also complained about the collapse of traditional industries, Ottoman protectionism never took on a

31 (untitled), Hürriyet 42 (April 12, 1869), 7–8. This is a long article which was serialized in Hürriyet starting from number 25 (14 December 1868). The journal presents the article as the memoirs of “a person from among the Young Ottomans” ("Yeni Osmanlılar'dan bir zât").
33 In this respect, he was one of the earliest anti-consumerist critics of capitalism. For Möser’s biography and criticism of industrialization, see Jerry Z. Muller, The Mind and the Market: Capitalism in Modern European Thought (New York: Alfred A. Knopf, 2002), 83–103.
34 Muller, The Mind and the Market, 97. For Möser’s critique of the market economy’s destructive impact on local cultures, see ibid. 95–98.
predominantly anti-industrial or anti-capitalist character. Unlike Möser and other similar conservative economists, the Young Ottomans and their followers did not favor traditional industries or the social structure that it went with them, but they supported a native path to industrialization and a parallel modernization of social life. In other words, Ottoman-Muslim modernists did not resist capitalism per se, but they strove to maintain control of the economy against the increasing power of foreign capitalists. In many respects, Ottoman economic protectionism, from its earliest stages in Young Ottoman thought to the Young Turks’ post-1908 National Economy (Millî İktisat) program, had strong parallels with Friedrich List’s national economy approach.

Since the “industrialized=civilized” equation occupied a central place in late nineteenth-century European social and economic thought, anti-capitalism was usually not an alternative for the reformists of any non-industrialized country at the time. In this regard, Namık Kemal complains that although the Ottomans were a clever and talented people, they imported even their clothes from Europe, since they did not have their own industries. As a result, he states, “some European intellectuals assume that the Ottomans are devoid of competence for industry.” He joins other Young Ottomans in arguing that, despite all unfavorable historical conditions (e.g., continuous wars), the Ottomans possessed a self-sufficient economy with its

35 We observe the emergence of anti-capitalism as an offshoot of economic nationalism in some other peripheral countries. For the Rumanian case, for example, see Michalis M. Psalidopoulos and Nicholas J. Theocarakis, “The Dissemination of Economic Thought in South-Eastern Europe in the Nineteenth Century,” in The Dissemination of Economic Ideas (Cheltenham, UK: Edward Elgar, 2011), 170–71.

36 List too complains about the British imports that ruined his country’s (Germany’s) industry. (W. O Henderson, Friedrich List, Economist and Visionary, 1789–1846 (London: F. Cass, 1983), 144.). Nonetheless, his answer was never anti-capitalist, nor does he promote a perpetually closed economic system.

37 [Namık] Kemal, (untitled article) Hüriyet 7 (1868), 1. Before Namık Kemal, Mehmed Şerif Efendi protested the same assumption in his article in Tercüman-ı Ahval, which he wrote to defend the industrialization of the Ottoman Empire; see Mehmed Şerif Efendi, “Sanayı’ ve Ziraatden Kangısının Hakkımızda Hayırlı Olduğuna Dairdir,” Tercüman-ı Ahval 68 and 69 (1861).
own industries; yet with the trade agreements that were made with the Europeans, Ottoman traditional industries collapsed in the Tanzimat era. Thus, as echoed in the writings of the later generation of Ottoman protectionists, he maintained that although the laissez-faire approach is right in theory, one should be careful in applying it to the Ottoman case because of its potential dangers. He emphasizes that he is not against free trade or free trade agreements, and he does not suggest that “the Ottomans … imprison themselves instead of joining the world [market].” Yet the government should have taken the necessary steps to benefit from these agreements instead of letting them ruin the empire’s industries. This indicates that Young Ottoman economic protectionism was not at its core mercantilist or autarkist. On the contrary, it promoted the incorporation of the Ottoman economy into the world market, but it suggested that the Ottoman Empire should join the game as a major industrial player, not merely as a peripheral agricultural supplier.

Another prominent Young Ottoman, Ali Suavi, reveals yet another dimension of the question of “foreign” dominance. Although, according to the Tanzimat-era legal reforms and the ideology of Ottomanism in general, the non-Muslims of the empire were considered Ottomans as subjects of the Ottoman Empire, their economic partnerships as well as their cultural and political ties to European countries gradually led the Muslim Ottomans to regard them as “others.” Ali Suavi’s words on the non-Muslims of the empire reflect such thinking:

They [non-Muslims] have privileges that the Muslims also demand but cannot obtain. For example, a Christian is not conscripted if he pays a fee. The Muslims have to give soldiers, but [the Christians] do not. As for the equality in terms of

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38 Kemal, (untitled article) Hürriyet 7 (1868), 2.
39 Ibid.
40 Ibid., 3.
41 Ibid.
laws and treatment, the Christians are not equal to the Muslims, rather they are superior, because the Christians have their local notables [çorbacı], their representatives in the parliament, and their own national assembly under the Patriarch. They have patrons in Europe. Whenever a Christian is harassed by a district governor, he complains to a local notable, and the Patriarchate is informed immediately. The Patriarch appeals to the Sublime Porte. Meanwhile, the embassies also adopt the case, and finally they have the district governor [who had mistreated this Christian] dismissed.42

It is imperative to note, however, that in addition to the criticism of the privileged position of the non-Muslims, there was also a strong self-critical aspect to Young Ottoman writings on the socioeconomic conditions of the Tanzimat. As I discussed in the previous chapter, Muslim indifference to entrepreneurship was a frequently debated subject among Muslim intellectuals, an idea whose roots extended to Young-Ottoman thought as well. Ali Suavi, for example, complains that Muslims “bury” their money in land-ownership whereas Christians invest it in commerce. He argues that commerce can be very profitable even with small amounts of capital but that only Christians pursue these trades. Therefore, Christians get wealthier, whereas Muslims’ capital remains idle.43 Moreover, Ali Suavi makes an interesting economy-based cultural analysis: He asserts that since Muslims mostly invest in land, they became more attached to the land, and their feelings of patriotism were more powerful than those of Christians and Jews, who mostly possess movable property.44 In another article in Namık Kemal’s periodical, İbret, the author (most probably Namık Kemal himself) argues that foreigners get rich by exploiting the empire’s resources.45 Yet, he concludes that it is the

44 Doğan, Tanzimatın İki Ucu, 296.
45 Cf. Ahmed Midhat’s arguments below.
Muslims who should be blamed for this result, since they surrendered their own natural wealth to foreigners because of their laziness and imprudence.46

In the following decades, numerous articles with similar arguments appeared on the pages of reformist publications. An interesting example from 1891 shows that sometimes even the non-Muslim reformists criticized the disadvantaged situation of Muslims in the Ottoman Empire. Demetrius Georgioades, in the journal La Turquie Contemporaine, which bore “Organe de la Jeune Turquie” under its title, stated that the Turkish peasantry was the most unfortunate in the world since it did not enjoy the backing of embassies and foreign powers like the Christians.47 After 1897, the Young Turks frequently aired similar grievances about the situation of “Turkish” peasants through their influential periodicals, such as Osmanlı (Ottoman).48 In short, the economically as well as politically disadvantageous position of the Muslim Turks and the importance of encouraging and educating them for commerce and industry were staple topics of the Ottoman reformists in the late nineteenth century.49 This became a major educational policy for the Hamidian governments of the 1880s and 1890s.50

There is an important detail in Ali Suavi’s words that gives away an underlying reason for the Muslim-Turkish proto-nationalist reaction to socioeconomic change in the empire throughout the nineteenth century. He complains that “the Christians get wealthier.” It is understandable that he should encourage the Muslims to do the same, but this expression itself

46 “Ticaret,” İhret 22 (1872), 1.
47 Mardin, Jön Türklər, 36.
48 Ibid., 149–50.
49 For echoes of these ideas in the Turkish-Cypriot press of the era, see Martin Strohmeier, “Economic Issues in the Turkish-Cypriot Press (1891–1931),” in The Economy as an Issue in the Middle Eastern Press, ed. Gisela Procházka-Eisl and Martin Strohmeier (Vienna: Lit Verlag, 2008), 171–85.
reflects the Muslims’ anxiety about the rise of non-Muslim bourgeoisie at the expense of their own position in economic life. This issue will be analyzed in the next section.

4.3 The Rise of Nations and Nationalisms

The traditional Ottoman economic policy towards non-Muslim merchants and artisans was a tried and true method for securing the economic prosperity of the empire. The non-Muslim communities were “protected” in return for their essential roles in the economic sphere and their virtual nonexistence in the central political sphere. Yet, by the nineteenth century times had changed. The modern age assigned to economic power, and therefore business skills, in which non-Muslims had a traditional superiority in the Ottoman Empire, a decisive role in social and political power relations as well. As Gellner states:

The situation changes radically and profoundly with the coming of mobile, anonymous, centralized mass society. This is particularly true for minorities specializing in financial, commercial, and generally urban specialist occupations. … Their urban style of life, habits of rational calculation, commercial probity, higher rates of literacy and possibly a scriptural religion, all fit them better than either the members of the old ruling class, or of the old peasantry, for the new life-style.”

As a result, the nineteenth century witnessed a continuous and multi-dimensional rise of the non-Muslims in the Ottoman Empire. In addition to economic factors, non-Muslims improved their social and political power in the Ottoman system with the introduction of the notion of citizenship regardless of religion and ethnicity, and other similar Tanzimat reforms. As

51 For the reversal of the relationship between economic and political power in the modern age, see Polanyi, The Great Transformation, 46, et passim. For the relevance of Polanyi’s argument in the case of the Tanzimat reforms as they “reversed the relationship between the political and economic domains of power,” see Özveren, “Economic Agents,” 13.
the well-known traveler and orientalist of the age, Arminius Vambéry (1832–1913), puts it in dramatic terms:

The Christian element, as compared with the Moslem, has increased enormously; the European quarter of the city is full of life and animation, and the Turk, always wont to walk with bowed head, now bends it quite low on his breast as he loiters among the busy crowds of the Christian populace. He is buried in thought, but whether he will be able to pull himself together and recover himself is as yet an open question.53

Meanwhile, the increasing social and political importance of economic power merged with the idea of nationalism, giving rise to a new possibility for major ethnic communities, that is, the creation of states of “their own.” As a result, independence movements, especially in the Balkans, began to challenge the traditional Ottoman central state structure based on Muslim rule. As an important side effect of these trends, the tension between the “main constituent” (i.e., the Muslims) and other constituents of the Ottoman population increased. It is worth noting that these tensions were not peculiar to the Ottoman Empire. In Europe, hostility towards minorities, especially the Jews who allegedly control led financial and economic resources, intensified throughout the nineteenth century and culminated in Eastern Europe in the pogroms and genocides of the late nineteenth and especially the early twentieth centuries.

European capital was diffusing rapidly into the Ottoman economy by taking over existing economic networks in addition to providing local merchants with new international opportunities.54 The non-Muslim commercial networks and merchants were perfect partners for the European capitalists thanks to non-Muslim businessmen’s commercial skills (including

54 For the earlier phases of this process, see Bruce Masters, *The Origins of Western Economic Dominance in the Middle East: Mercantilism and the Islamic Economy in Aleppo, 1600–1750* (New York: New York University Press, 1988).
literacy) and knowledge of local markets as well as their cultural links to European cultures through their shared religious background. This naturally developed partnership did not escape the notice of Muslims. When Muslim reformists complained about the increasing European dominance in Ottoman economy, they turned their gaze towards the local partners of the Europeans. This constituted another reason for the Muslims to regard non-Muslims as “foreign,” especially in economic matters.

Furthermore, the discourse of the “Eastern Question” led the Muslim elite to defensive modernization based on Muslim proto-nationalism, as can be observed in the Young Ottoman ideology. Later, the Young Turks formed their Muslim-Turkish nationalist modernization program on this ideological legacy of the Young Ottomans. In the writings of late nineteenth-century Muslim modernists, one can easily observe efforts to prove that the Muslims “can be modern too” and that Islam is in fact compatible with modernity. Interestingly enough, although the anti-imperialist theories of the age (like socialism) would have perfectly suited the concerns of the Young Turks, we do not see any systematic interest in such ideas. 55 Nevertheless, as Mardin puts it, “It is possible to come across the reflections of some unidentifiable versions of these theories” in their publications. 56 As an example of the impact of the Eastern Question on Ottoman economic thought, the popular Young Turk newspaper Osmanlı includes paragraphs such as the following:

The reason for touching upon an economic issue is that we know that the reprise of “Muslim fatalism” in the Eastern Question is simply a mask of the Europeans

55 Mardin, Jön Türkler, 154.
56 Ibid.
that hides their efforts to destroy the East (Ottomans, Turks, Armenians, and Greeks).  

In this particular example, the apparent Ottomanist discourse still seems to be in place (in 1898) to defend all ethnic and religious communities of the Ottoman Empire against the assault of the “European imperialists.” However, the turn of the century witnessed the emergence of “reformers who equated nationalism with modernity,” and the economic ideology of industrialization began to be complemented by the political ideology of (Turkish) nationalism in the modernization process.

It is worth noting at this point that the idea of “Turkism” and even the emphasis on the “Anatolian Turks” and the conceptualization of Anatolia as the heartland of the Turks have their roots in the early decades of the Hamidian era. By the early 1890s, the emphasis on Turkishness began to supplant Muslim-Ottoman proto-nationalism in the eyes of Muslim intellectuals and even the sultan. Şemseddin Sami (1850–1904) had planted the seeds of Turkish nationalism on a linguistic basis, suggesting that the language of the main constituent of Ottoman society was Turkish. He claimed that this name, which had been applied to the ignorant Anatolian peasants, was in fact the name of a great nation. At first, such language-based Turkish nationalism did not attract the attention of the Ottoman intelligentsia. Nevertheless the failure of the Ottomanist ideology in keeping the supposed Ottoman nation together brought about a slow transition from Ottoman-Muslim proto-nationalism to Turkish nationalism. Mardin notes that the well-known Young Turk leader Mizancı Murad Bey, for example, emphasizes the word “Turk” to voice his

57 Osmanli, Supplément Français, March 10, 1898; quoted in Mardin, Jön Türkler, 155.
58 For examples of “Ottomanist” economic patriotism in the Arab press in the late nineteenth century, see Strohmeier, “Economic Issues.”
60 Mardin, Jön Türkler, 114.
proto-nationalist ideas, but uses it without distinguishing it clearly from the notion of “Ottoman.” 61 Although this holds for most of his early political writings—just like those of other prominent intellectuals of the era—an earlier version of “Anatolian Turkish” nationalism is apparent in his novel, *Turfanda mı, Turfa mı?* (1890). 62 As another important example in fiction, Ahmed Midhat’s novel *Ahmed Metin ve Şirzad* (1891), which he calls “a novel based on historical facts,” 63 includes an account of the pre-Ottoman history of the “Turkish nation.” Ahmed Midhat presented a copy of the novel to Abdülhamid II along with a petition. In his petition, he emphasizes that his novel sings the praises of the “noble Turkish nation” (*Türk kavmi necibî*) and their services to Islam in Seljuk and Ottoman times. 64 This note clearly reflects an awareness of the sultan’s appreciation of such ideas. 65 As this example also shows, the idea of a primordial “great Turkish nation” began to supplant the emphasis on Ottoman identity in the Ottoman political and intellectual sphere as early as the 1890s.

### 4.4 Foreign Exploitation and the Capitulations

During the Hamidian era, Muslim intellectuals’ proto-nationalist critique of the Ottoman economy was built upon Young Ottoman discourse. Ahmed Midhat, for example, in his *Ekonomi Politik* (1879), asserted that as a result of liberal policies, the traditional Ottoman industries had

61 Ibid.
62 Mehmed Murad, *Turfanda mı, Turfa mı?* (İstanbul: Mahmud Bey Matbaası, H. 1308 [1890]). I will analyze the Turkish nationalism advanced in Murad Bey’s novel in the next chapter.
64 Başbakanlık Osmanlı Arşivi, Y.MTV., 28/ZA/1311 (03/06/1894), 96/98. (For a transliterated copy of the petition see Şahmurad Arık, “*Ahmed Metin ve Şirzad’* Romanının Sultan II. Abdülhamid’e Takdimi ve Bir Maruzat,” *Atatürk Üniversitesi Türküyat Araştırmaları Enstitüsü Dergisi* (35), 2007, 161–62.
65 Arminius Vambéry also testifies to the “Turkist” ideas of the sultan and to the change in the Ottoman attitude towards Turkishness during his reign. According to Vambéry, when Abdülhamid II heard about his study of the pre-Islamic Turkish monuments in the Uighur language, “the Sultan smiled, quite pleased, thinking that with these monuments he could prove the unadulterated Turkish national character of the Osmanli dynasty.” (Vambéry, *The Story of My Struggles*, 353.). Vambéry goes on to write, “This vanity surprised me greatly, as a while ago the Turks were rather ashamed of their Turkish antecedents, and now their monarch actually boasted of them.” (Ibid.)
collapsed; trade, industry, and agriculture remained in a pitiful state, with the result that the Ottomans had to import everything from their fezzes to matches; and (partly pointing to the rise of non-Muslims) Muslims were barred from the industrial and commercial sectors and confined to unskilled labor. He emphasized the foreign exploitation (as a result of Muslims’ indifference) of domestic resources as the underlying reason for these adverse conditions:

[O]ur commercial sectors have been invaded by the foreigners. They control not only external trade, but also internal trade. If we argue that one of the reasons for the collapse of our old wealth (servet-i kadime) is foreigners, would it be an exaggeration? Many people remember their initial status. They were [merely] European tramps when they first came to Istanbul; today they are millionaires. Did they bring money from abroad? No, they found it here and stole it. They have even burdened the state budget with two-hundred million. This means that in addition to pocketing the old wealth of the nation, they robbed everybody of ten lira through loans.

It is worth mentioning here that similar grievances were being heard in other intellectual centers of the Middle East in the same era. In 1892, for example, a popular periodical published in Egypt (al-Ustādh), printed a satirical piece on Egyptian economy:

[A]l-Mu’allim Hanafi (Master Hanafi) approaches Nadim and begins to complain about the worsening economic conditions, whereupon Nadim angrily responds, “What can the people do, now that all goods are imported? Cooked canned meat, dried milk, tailored garments, even cotton and woolen textiles used to make turbans and caftans are manufactured and imported from Europe. …” [Then Nadim asks Hanafi], “So, we don’t have any craftsman?” To this Hanafi sarcastically responds, “Oh, not at all. Thank God we still have plenty of garbage men, donkey drivers, porters, servants, shoe shiners, doormen [bawwābīn], falafel and bean [fül] sellers, etc.”

Against a similar economic backdrop, Ahmed Midhat complained about the fact that although the first duty of a government was the protection of its subjects and their economic

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66 Ahmed Midhat, Ekonomi Politik (İstanbul: Kirkanbar Matbaası, H. 1296 [1879]), 116.
67 Ibid., 117.
interests in the agricultural, commercial, and industrial sectors of the country, the Ottoman government did not undertake any action to fulfill this duty. European governments take this duty seriously by assigning consuls to important foreign port cities to secure the economic interests of their businessmen abroad. In the Ottoman case, by contrast, not only did the government fail to protect its commercial interests abroad, it could not even provide any protection for its own subjects within the empire. He also complained about the privileged status of foreign merchants and businessmen, the capitulations, and the interference of the embassies, arguing that Ottoman officials were incapable of protecting Ottoman interests under these conditions. Moreover, he adds, the government continued to grant concessions to foreign entrepreneurs to take advantage of the empire’s forests and mines. Ahmed Midhat admits that there were not many competent Ottoman entrepreneurs capable of undertaking large-scale economic enterprises. He nevertheless suggests that the government could at least save domestic resources until its own subjects gained the necessary skills, instead of opening them unconditionally to foreign exploitation. Despite all his arguments against foreign exploitation, Ahmed Midhat supports the idea of giving incentives to European entrepreneurs to invest in the Ottoman Empire. However he adds that there should be strict regulations and conditions on incoming foreign capital. In order to further support his theses, he mentions two famous reformers who followed such policies and whose success was recorded by history: Peter the

70 Ibid., 119.
71 Ibid. Cf. the words attributed to the sultan (1897) about the dominance of Armenian merchants in the Ottoman economy and the “projected possibilities”: “Notre commerce de gros se trouvait, il est vrai, en grande partie entre les mains d'Arméniens, et un grand nombre de ces derniers a quitté le pays à la suite des événements récents, pour aller s'établir en Angleterre ou en Amérique. Mais Constantinople se trouve-t-il appauvri de ce fait? Avec qui donc le marchand arménien faisait-il des affaires? C'est de Notre Peuple qu'il tirait sans scrupules son argent! Les sources auxquelles les Arméniens avaient puisé leurs richesses existent toujours et ne sont pas taries, d'autres à présent viendront et continueront à y puiser.” (Ali Vahbi Bey [ed.], *Avant la débâcle de la Turquie : Pensées et souvenirs de l'ex-sultan Abdul-Hamid*, recueillis par Ali Vahbi Bey, [Paris: Attinger Frères, c. 1913], 33.)
Great of Russia and Mehmed Ali of Egypt. He concludes by emphasizing that the science of economics—obviously a protectionist interpretation of it—presents these examples to the Ottomans to follow on the way to economic development.

While promoting protectionism in the Ottoman Empire, Ahmed Midhat also evaluated the dispute between protectionists and liberals—a category in which he included foreign businessmen. He openly blamed the liberal camp for putting their personal economic interests before the empire’s interests:

I know that the advocates of freedom of exchange and liberty of exports and imports, and especially those foreigners who are accustomed to enrich themselves in our country will get angry and criticize these words harshly. Because when they say, ‘the Ottoman Empire is in its natural condition [i.e., it is not an industrial country], and its mines, forests and other natural resources are sufficient to enrich this state, therefore [the state] should exploit these sources,’ they simply mean that their own companies should undertake [such projects].

As noted earlier, Ahmed Midhat repeatedly stated his belief in the virtues of free trade in theory. However, just like List, he asserted that in order for all sides to benefit from freedom of exchange, they needed to be at equivalent levels of economic development. Otherwise, the industries of the powerful party would destroy the weaker economy by driving their producers

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73 Ibid. 134–35.
74 Ibid. 135.
75 The best source for the liberal ideas that Ahmed Midhat criticizes is the Journal de la Chambre de Commerce de Constantinople. In addition to providing valuable information and statistics about the Ottoman economy of the era, the Journal reflects the position of liberal economists and businessmen regarding various economic issues. The Istanbul Chamber of Commerce (Dersaadet Ticaret Odası) was founded in 1882, and began to publish the Journal de la Chambre de Commerce de Constantinople in 1885 along with its Turkish edition, Dersaadet Ticaret Odası Gazetesi. The Journal was published regularly (with some breaks) in the subsequent decades well into the Republican era. In addition to current information on various markets, it published over the years many articles on economic institutions, ranging from private banks and insurance companies to local customs offices and other economic administrative units. Several issues also include charts and data on various sectors and geographical regions of the Ottoman economy, including the Anatolian and Arab provinces, as well as the overall trade statistics of the Ottoman economy.
76 Ibid., 119.
77 Ibid., 123–24.
out of the market. He supported his arguments with some examples from the Ottoman Empire such as a paper factory in İzmir (Smyrna). This factory, which produced high quality paper products, went bankrupt as a result of cut-throat competition with Italian companies.⁷⁸ Ahmed Midhat reminded his readers that there were factories producing wax, crystal, broadcloth, etc., in Istanbul, but that they could not last long, and no one could provide a satisfactory reason for the failure. Although some people claimed that corruption and favoritism were the main reasons for failure, Ahmed Midhat rejected such claims, stating that the primary reason was the unfair competition of European industries, against which these Ottoman enterprises simply could not survive.⁷⁹

In the context of “unfair competition,” the capitulations were another significant source of tension between the Muslim elite and the non-Muslim Ottoman bourgeoisie and Europeans who lived in the Ottoman Empire. From the perspective of the Muslim elite, the capitulations, as they restricted the state’s control over the empire’s resources,⁸⁰ were a serious obstacle to the mobilization of domestic resources for economic modernization. They also limited the state’s central planning capacity. For example, the legal immunity of foreign subjects and the power of embassies constrained the ability of local and central branches of the government to regulate the market, thereby restricting its powers to enforce economic regulations and enact measures to promote economic development. As one foreign observer stated later:

Economically, the capitulations meant much in the way of privilege. Foreigners were exempt from every tax levied by the Ottoman Government except the ad valorem export and import duties whose maxima were fixed by the capitulations.

⁷⁸ Ibid. 126.
⁷⁹ Ibid. 126–27. Cf. the example given by Abdülhamid II below.
Almost no internal tax could be levied on foreign goods. It should be stated that the powers have abused their economic privileges in many instances to the extent of preventing Turkey from developing their own industries while inferior European goods have been unloaded upon the country in great quantities. On the other hand, Turkey has been assisted through foreign countries providing markets for native raw products.  

Modernization involved an extensive and intensive transformation process which covered all aspects of life and was minutely controlled by a modern bureaucracy. By rendering such a process impossible, a “capitulated system” would simply be the opposite of a modernizing system.

The renowned press entrepreneur, intellectual, and occasional statesman, Ahmed İhsan Tokgöz (1868–1942), provides us with different dimensions of the problem as he personally experienced it in various capacities. An interesting and illuminating anecdote from his memoirs shows how the capitulations created unforeseeable problems for Muslim businessmen as well as for the state. The well-known periodical that he published, Servet-i Fünûn, was an illustrated journal; and this was rare in the Ottoman press of the time. In 1892, Ahmed İhsan invited an engraver from Paris, Mr. Napier, to improve the quality and increase the quantity of the pictures published in the journal. As soon as Napier arrived in Istanbul, he became aware of the extent of the rights and privileges conferred upon him by the capitulations, and he began to spend his time enjoying the various pleasures of Istanbul instead of working. Ahmed İhsan tried to dismiss him, but he could not, because Mr. Napier was a French citizen and therefore protected by the capitulations. After a while, Napier began to participate in politics, exploiting his

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82 Ahmed İhsan, Matbuat Hatıralarım, Vol.1: 76.
83 Ibid., 77.
privileges in the empire. Upon hearing of his political activities, Sultan Abdülhamid II intervened. Napier was “persuaded” to leave Istanbul with a decree of the sultan and the payment of a significant amount of money from the government.84

After the 1908 Young Turk Revolution, Ahmed İhsan faced the problem of the capitulations again in the capacity of a local administrator. In 1912, he was appointed as the mayor of the Beyoğlu district, which was mostly inhabited by foreigners and non-Muslims. He noted that there was then no systematic knowledge about municipal services in the Ottoman Empire, and no relevant skills, so he decided to implement improvements based upon his observations in Geneva and Vienna.85 He tried to collect statistics and developed a method for the systematic collection of taxes and the organization of municipal services (like collecting garbage and building pavements). However, serving as the mayor of a district inhabited predominantly by “levantines who claimed to be foreigners” was difficult, because it was almost impossible to make them obey the rules and regulations.86 Thanks to their legal immunity and support of their embassies, foreign residents and their business enterprises refused to pay taxes. Moreover, they also resisted municipal policies and projects regarding health issues and the spatial reorganization of the streets.87 The officials of the municipality could not enforce any rules, nor could they fine these people and businesses for breaking the laws.88 Whenever Ahmed

84 Ibid.
85 Ahmed İhsan, Matbuat Hatıralarım, vol.2: 134.
86 Ibid., 134. Levanten (originally Levantine) is the name given to the non-Muslims especially of the Ottoman port cities who were involved in international business. The term began to be used frequently during the Tanzimat era.
87 Ibid.
88 Ibid., 141.
İhsan tried to enforce such plans, he found representatives from the embassies filling his office to protect their citizens’ interests.89

He also notes, in his memoirs, that corruption was ubiquitous and that foreigners were frequently using it as an instrument to obtain whatever they demanded from municipal officials.90 One interesting example was a story involving the well-known food products manufacturer, Nestlé. The doctors of the municipality laboratory published a report on Nestlé-brand milk, concluding that this milk did not contain the necessary nutrition for infants. Upon the publication of the report, the Swiss manager of the company complained to the inspector of the municipality—who was also of Swiss nationality—that the doctors who prepared the report demanded two hundred gold coins for the “revision and correction” of their findings. Ahmed İhsan intervened and exposed the plot, but while the doctors were sent to prison, he received the “corrected” second report they had prepared before getting caught. The report reads,

We realized that the word Nestele [sic] in the report, which was published last week, was misread. There are two dots, not one, on the first letter of this word. In other words, the milk that has insufficient nutritious value does not belong to Nestele [نستله], but to Testele [تسطلة]. The Nestele-brand milks are excellent in terms of nutritional content.91

Another Young Turk bureaucrat who related similar anecdotes in his memoirs is Tahsin Uzer (1878–1939).92 Uzer was also appointed as a local administrator (mutasarrıf) in the Beyoğlu district (1913), and his accounts of the problems he faced due to the capitulations bear a strong resemblance to those of Ahmed İhsan. He states that this post “showed him what [kind of

89 Ibid.
90 Ibid., 143. See the sultan’s similar arguments below.
91 Ibid., 150 (Emphasis in the original).
a problem] the capitulations were and how the [Ottoman] has been reduced [as a result] to nothing but a specter.” He confirms Ahmed İhsan’s accounts with his own examples of foreign nationals’ resistance to official policies as well as taxes, and their de facto immunity because of the capitulations and the intervention of the embassies. “As a result,” he states, “it was impossible for us to achieve success in any of our enterprises. I almost went crazy at times. … I was the governor of Van when the capitulations were abolished [in 1914]. I cannot express the ecstasy that I felt that day.”

Yet another prominent Young Turk intellectual, Yakup Kadri Karaosmanoğlu, later depicted the everyday frustration that the capitulations created among Muslim Ottomans in Bir Sürgün (An Exile, 1937), a novel in which he tells a story of a self-exiled Young Turk in the Hamidian era.

The Shadow of God [the Caliph; Abdülhamid II] has to secure his reign with “tightrope politics.” I say “secure,” but Turkey is a commodity which belongs to the caliph of the Prophet but whose usage rights belong to others. Because Turkey is a country with capitulations. I mean—how shall I put this?—imagine a house. Its title belongs to you or me. But everybody can come and dwell in it and use its furniture as if he/she owns them. However, the owner of the house cannot even complain. He does not have this right, because … he is capitulated.

Ahmed İhsan argued that although the main reason for economic underdevelopment was the lack of interest, skills, and knowledge for economic enterprise, the capitulations destroyed any attempt to change these conditions. Was it impossible to alter the situation? According to Mizancı Murad Bey, the Ottomans were persistently told so. Murad Bey maintained that,

93 Ibid., 325.
94 Ibid., 325–29.
95 Ibid. 328–29. Also see Ahmed Cevdet Pasha’s similar complaints about the capitulations and the power of the embassies in his accounts, based on his experiences as a central as well as a provincial administrator: Ahmed Cevdet Paşa, Ma’rûzât, ed. Yusuf Halaçoğlu (İstanbul: Çağrı Yayınları, 1980), 194–96.
96 Yakup Kadri Karaosmanoğlu, Bir Sürgün (İstanbul: İletişim Yayınları, 1987), 200–201.
although everything was constantly changing in nature, society, and politics, European politicians were talking as if this universal rule did not apply to the case of the Ottoman capitulations. Murad Bey, like Ahmed Midhat, complained about the hypocritical behavior of European governments, especially with respect to economic policies.\footnote{"İmtiyazat-ı Ecnebiye" (Privileges of the Foreigners), \textit{Mizan} 48 (1888): 425.} He noted that although Europeans insisted that it was impossible to alter the Ottoman capitulations, they would change similar agreements at will—as France rejected capitulations after losing the Franco-Prussian War.\footnote{Ibid.} He also argued that other European countries would make necessary changes in their customs regulations and other economic policies according to their fiscal and economic needs, and that everybody regarded such changes as normal. Then he asked why the Ottoman case was considered differently and why the Ottomans were denied the most basic right to determine their own economic policies according to their own interests.\footnote{Ibid.} He also complained that allegedly “immature ideas” about the unalterability of the capitulations system had been “tiring the ears of the Ottomans” since the beginning of the Tanzimat;\footnote{Ibid., 424.} and he asserted that the powerful Sultan (i.e., Abdülhamid II) would eventually change this gloomy picture.\footnote{“Müdahelat-ı Ecnebiyeyi Menʻ İçün En Kısa Tarik,” \textit{Mizan} 34 (1887): 279.} Nevertheless, neither the sultan nor the post-Hamidian Young Turk governments would live up to his hopes. Even as he expected the solution from the sultan, Abdülhamid II himself was despairingly complaining about the same situation:

If we had the power, we could abolish the capitulations gradually, and we could change the customs agreements. We could use this power to temper the harmful privileges granted to the foreigners to the extent that their existence could not be felt. The reputation of the country would be improved; and they [the foreigners]
could not interfere in our internal and external affairs. The state could act more easily. However, today if a Muslim and an Armenian fight on the street, a translator [of an embassy] will interfere right away. When we ask, “These are both subjects of [this] state, what right do you have to interfere?” They respond by saying, “el-hükmü li-men gâlebe” (might is right). 102

In short, the capitulations rendered the modernization project impossible in its economic as well as political and legal aspects. From Muslim entrepreneurs to local and central statesmen, Muslim Ottomans experienced the capitulations as impeding many efforts at modernization, thereby eroding hopes for change. Although modern Ottoman economic thought was never dominated by autarkist and mercantilist views, the existence of the capitulations and other privileges for foreigners paved the way for a defensive economic nationalism, which tended towards more protectionist policies if not total isolation from the world market. It would be ideal to complement the above discussion of economic development and the protection of the “national market” with an analysis of the actual state policies of the era. But, we still lack a comprehensive study on the economic development policies of the Hamidian regime, and an attempt to fill this void would exceed the scope of the current study. We do know, however, that the Hamidian government—following the global trend resulting partly from the chronic financial and economic crises of the Long Depression (1873–96)—tended to pursue more protectionist policies starting in the 1890s. 104 Moreover, we have access to Abdülhamid II’s personal views on

102 Sultan II. Abdülhamid Han, Devlet ve Memleket Görüşlerim, ed. A. Alâaddin Çetin and Ramazan Yıldız (İstanbul: Çığır Yayınları, 1976), 297–98.
103 For an analysis of Hamidian economic policies focusing on the problem of budget deficits, see Akarlı, “Economic Policy and Budgets.” Akarlı’s Ph.D. dissertation provides us with a richer analysis in this context, see Engin Deniz Akarlı, “The Problems of External Pressures, Power Struggle and Budgetary Deficits in Ottoman Politics under Abdülhamid II (1876-1909): Origins and Solutions” (unpublished Ph.D. Dissertation, Princeton University, 1976). There is also a study on Ottoman fiscal policies during the Hamidian era, see Ö. Faruk’Böülbaş, Tezid-i Varidat ve Tenkih-i Masarifat: II. Abdülhamid Döneminde Mali İdare (İstanbul: Osmanlı Bankası Arşiv ve Araştırma Merkezi, 2005).
104 Akyiğitzade Musa Bey, in his book (1899), applauds the Ottoman policymakers for turning to protectionist measures in the 1890s (Akyiğitzade Musa, İktisad yahud İlm-i Servet, 62).
the Ottoman economy within the context of his modernization efforts. The next section provides a window onto the question of economic development from the government’s perspective in the sultan’s own words. It is essential to note that what is analyzed below does not reflect official policy, but rather the sultan’s personal concerns and his—sometimes politically-not-so-correct—statements about economic matters. In this respect, these statements provide us with a much more honest representation of the economic thought behind Hamidian modernization than actual policies do.

4.5 The Economy according to the Sultan

Abdülhamid II studied political economy with Münif Pasha and was closely following global as well as domestic economic and financial issues. The best sources for understanding his views on economic matters are his memoranda on various social, political, and economic issues. The majority of these memoranda pertain to political matters, from diplomatic relations with European countries to internal problems such as independence movements within the empire. Nevertheless, in the majority of these documents we can also see references to the economic aspects of these problems, or at the very least passing references to the economic and financial difficulties of the empire. Moreover, in addition to his memoranda on general financial and economic matters, we can also find interesting references to more specific issues, such as

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105 Sayar, Osmanlı İktisat Düşüncesi, 373.
106 The sultan’s memoranda have been transliterated into modern Turkish and published in two separate books, which have almost the same content with different editorial and language preferences (i.e., direct transliteration vs. modernizing the grammar and language): Sultan II. Abdülhamid Han, Devlet ve Memleket Görüşleri, ed. A. Alâaddin Çetin and Ramazan Yıldız (İstanbul: Çığır Yayınları, 1976); and Sultan II. Abdülhamid Han, Abdülhamit Han’ın Muhtıraları (Belgeler), ed. Mehmet Hoçaoglu (İstanbul: Oymak Yayınları: 1975). The quotations that I provide in this section are all my translations. I corrected occasional mistakes in meaning (due to typos as well as inaccurate reading) and in some European names.
improving horse and cattle breeding in the empire. A close reading of such memoranda shows that the sultan wrote (or dictated) these documents with an eye to the question of economic development. Leaving such micro-level examples aside, the following subsections will focus on the sultan’s views on economic matters at the macro level.

**4.5.1 Corruption, Bureaucracy, Morality, and Economic Development**

In a memorandum written in 1888, Abdülhamid II complains about “the difficult situation, and the material and spiritual problems of the state and country, which have been known to everybody for years.” He summarizes the economic and financial hardships that the empire had long been suffering and the consequences of the attempts to solve these problems:

As a natural result of large amounts of borrowing, and consequently, the allocation of state revenues to the capital and interest payments of these debts, the state has been going through a serious financial crisis. This situation has created the most disheartening consequences by rendering the payment of civil servants’ paychecks and the procurement of the most basic needs of the state impossible. In order to ameliorate these conditions with the means at hand and to compensate for the lost revenues [due to loss of territories] by other means, many concessions were given on the wealth resources of the country such as forests and mines, roads, and other agricultural and commercial resources. The government has repeatedly warned [those who received concessions] and reminded them of the necessity of watching over the financial interests and the prestige of the government and the Ministry of Finance when using these resources. Nevertheless, for some reason, either due to the unskillfulness and incompetence of the concession holders or the inability of these resources to guarantee the expected profits, these concessions did not provide the expected beneficial results. There have been complaints about the financial crisis, but no one could provide any satisfactory and practical solutions to the causes of these shortages and crises.

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110 Ibid., 17–18.
Abdülhamid II goes on to put forth his own explanations of economic problems with references to conditions in some former territories of the empire. He argues that although the Ottoman state had no success even in maintaining order and stability in regions such as Bulgaria, Bosnia and Herzegovina, and Crete, the same territories showed obvious signs of progress and affluence after gaining their autonomy. Not only did these regions—under the Ottoman rule—fail to contribute any taxes to the central government, they had been sucking up large sums from the central budget for security reasons as well as for local public services. In other words, these territories had become a burden on the state budget despite their rich natural resources. As newly independent governments, however, they were using these same resources not only to procure order and stability but also for economic development and military power.111

Upon seeing these achievements of diligence and progress in these aforementioned provinces and considering that we could have achieved the same progress easily with some effort and labor, it is impossible not to feel deeply sad and not to deplore the reasons for this situation.112

Although he does not openly suggest any specific reasons, his long conclusion about the behavior of Ottoman officials implies a well-known culprit: the inefficiency and corruption of the Ottoman bureaucracy.

He complains about civil servants who do not fulfill their responsibilities towards their sultan, state, and religion. He argues that this is because some of these people have lost their belief in imperial institutions and expect solutions to arrive from the foreign powers.113 He notes

111 Ibid., 18–19.
112 Ibid., 19.
113 He refers to the question of “the loss of belief in the empire” and its consequences more explicitly in another document: “Another distressing situation is that many high level Ottoman officials … have lost their belief in the eternity of the Ottoman Empire. Therefore, they do not concern themselves with the future of the empire any more, and instead waste their time with enjoyment [instead of working]. As a result of their [idleness], they become prone
that such people are particularly prevalent in the Christian communities, and that they try to tie their interests to those of the European powers. He maintains that this leads both to foreign interventions that weaken state authority and to independence movements that could eventually dissolve the empire.\[^{114}\] According to Abdülhamid II, loyal and honest citizens must follow two principles: first, to give priority to the territorial integrity of the empire; and second, to channel efforts towards the empire-wide endeavor to increase wealth and prosperity.\[^{115}\] Otherwise, he concludes, the state could lose its independence and perish under foreign domination:

\begin{quote}
Conditions in the country are pressing. Its financial affairs are complicated. State revenues are insufficient; and we cannot benefit fully from our sources of wealth. The only important source at hand is the customs dues; but when they are allocated to the repayment of debts, the state loses all of its [financial] resources. The foreign powers are seeking opportunities for intervention in our internal affairs by using all sorts of means. Besides, they might demand (God forbid) the establishment of an international commission, just as they did in Egypt, by asserting that since they have control over the resources of state revenues, they want a more efficient management of these resources. They might thereby achieve their goals by taking over the [political] administration of the country. The huge dangers and disasters that such a situation might cause are obvious to everyone.\[^{116}\]

Complaining, once again, about how the Ottomans could not take advantage of their rich natural resources, whereas “the foreigners can exploit the benefits even of dry stones,”\[^{117}\] he finally comes to the core of the matter:

\begin{quote}
Foreigners are accusing [our] civil servants of corruption. Such unpleasant remarks circulate among government officials and the [ordinary] people, and finally they reach the foreigners and are published in their newspapers and travelogues. … Recently, an anecdote has attracted attention from among many other claims and accusations in the travelogues of French travelers that were to various sorts of corruption and embezzlement. This situation destroys not only the state finances, but also the people and the country.” (Ibid., 36–37; original document: BOA YEE, 9/820/72/4)
\end{quote}

\[^{115}\] Ibid., 24.
\[^{116}\] Ibid., 25.
\[^{117}\] Ibid.
published during the term of the French Ambassador Marquis de Noailles. According to this anecdote, these travelers request the Ambassador to intervene in order to keep their luggage immune from Ottoman customs control when they are leaving the country. The response of the Ambassador is as follows: ‘You need neither any [official] permission and privilege nor any favor from me to do it. Here, things work with bribes. Just give the customs officers a little tip, and they will not touch your luggage.’\textsuperscript{118}

Abdülahmid II complains that the ubiquitous corruption of the Ottoman bureaucracy paves the way for serious threats to the security and wealth of the empire. He argues that some people can take gems and other valuables out of the empire and smuggle weapons and other sorts of dangerous items into the country. Therefore, he concludes, corruption and irresponsibility due to low morale among the Ottoman government officials cause serious material losses, thereby constituting the main obstacle to the wealth of the country.\textsuperscript{119} As a corollary, he gives the example of the schools and other public services that are provided within the Christian communities, emphasizing the wealth they create out of limited resources through strong community cooperation.\textsuperscript{120} Finally, he proposes his solution, which provides essential insights into the economic concerns behind the Hamidian education policy:

The curricula of our schools are not effective in sowing the seeds of love for religion, sultan, and motherland in the minds of our students. The evil tricks of our enemies prevent them from distinguishing good from evil. The state spends huge amounts on [existing] schools and for extending universal education throughout the country. Yet [students graduate with] inadequate and impractical knowledge and skills. Moreover, [despite all efforts and investments] the number

\begin{footnotes}
\item[118] Ibid., 26.
\item[119] Ibid., 28–29. According to the sultan’s adviser Müşir Şakir Paşa’s (1838–99) memorandum, which was submitted to the sultan, the main reason for corruption was inadequate and irregular paychecks to civil servants due to cash shortages. He adds that Ottoman officials abused their positions and powers simply to make ends meet. Şakir Paşa concludes that solving the payroll problem was an issue of vital significance in both political and economic terms. (BOA, YEE, 10/2287.)
\item[120] Şerafeddin Mağmumî makes a similar comparison regarding the villages of Bursa (c.1892). He notes that Muslim villages had some run-down buildings, which were (“allegedly”) schools bearing the name of the sultan (e.g., Feyz-i Hamidi, Avn-i Hamidi), whereas Christian villages possessed well-established modern schools wherein competent teachers taught in well-organized classrooms. (Şerafeddin Mağmumî, Seyahat Hâtralari, 95–96.)
\end{footnotes}
of honest, upright and knowledgeable graduates from our [state] schools is still lower than that of the graduates of the Christian schools.

The government needs a strong system that will secure improvements in the living standards of civil servants. By designing and building such a system, we should destroy the insolence of some civil servants—a result of immoral character and a tendency to treason—that evil-minded and malicious foreigners have observed. Such a system will bring about the efficient administration of the judicial, security, fiscal, and political establishment. It will also help us to prevent corruption and benefit from industry and the wealth of the country to the utmost extent, thereby improving the reputation, prestige, and honor of the government and regaining its financial credibility. It should also pave the way for a total reform of the bureaucracy by [following the principle of] assigning officials to specific tasks, rather than creating [futile] tasks for [redundant] personnel. We should also make sure that only qualified, patriotic, and meritorious people are employed, and that ranks and orders are bestowed upon only those who truly deserve them.121

Obviously, the sultan suggests that Muslims should be moral, educated, patriotic, and industrious,122 and he highlights Christian communities as an example of hard work and solidarity. He thinks that in order to reach this goal, Muslims should be well-educated in moral and patriotic values as well as professional skills. Therefore, as this document clearly suggests, Abdülhamid II considered the issue of morality not only as a matter of religious and spiritual values, but more importantly as a central pillar of economic development. By the promotion of (religious) morality, he aimed at eliminating corruption and inefficiency in the state administration, thereby preventing the waste of domestic resources. In other words, according to the sultan, the education of moral, faithful, educated, and skillful bureaucrats and citizens was

121 Abdülhamid, Devlet ve Memleket Görüşlerim, 29.
122 Ahmed Midhat Efendi praises the sultan’s (economic) patriotism which manifested itself in his personal life as well. He argues that “the principle reason for the decline of the national wealth was the demand for foreign goods,” and that the sultan was aware of this obvious fact. As a result, he adds, the sultan ordered his clothes to be made of locally produced cloth (at the Feshane-i Amire), and he encouraged his retinue to do the same. (Ahmed Midhat, Üss-i İnkılâb, Kism-i Sâni: Cülüs-i Hümayûndan Bir Seneye Kadar (İstanbul: Takvim-i Vakâyi Matbaası, H. 1295 [1878]), 33.) In a similar vein, Arminius Vambéry describes Abdülhamid II as “a watchful and enlightened ruler, full of national pride.” (Vambéry, The Story of My Struggles, 348.)
the prerequisite for economic development.123 This shows us that the emphasis on morality in the Hamidian education system was not merely a result of the sultan’s “Islamist ideology.”124 Morality was an essential component of the Hamidian modernization project, with its political, social, and especially economic implications.

4.5.2. Late Ottoman Economic History according to Abdülhamid II

Another important document dating from 1895 was written directly to Münif Pasha after an interesting conversation between the pasha and the sultan.125 According to the document, Münif Pasha criticizes the sultan for ignoring advice from the “doctors” (Ottoman statesmen) for curing the economic and social ills of the “patient” (the Ottoman Empire). The pasha maintains that in recent decades Russia, Germany, and Austria have made great progress and joined the great powers of Europe, despite having once been “insignificant” countries, while the Ottoman Empire has remained backward, especially in terms of industry and agriculture.

The sultan, in his written response to these arguments, analyzes the situation like an economic historian and deals with the issues in detail with their multiple dimensions. First, he criticizes the unsuccessful economic policies of the Tanzimat-era governments (including those of Âlî, Fuad, and Midhat Pashas) and the resulting financial and economic failure. He asserts that his uncle, Sultan Abdülaziz, had listened to these “doctors” without questioning their abilities

123 See the discussion of Münif Pasha’s ideas on economic development and its relationship to education in Chapter 3. Münif Pasha served three different terms as Abdülhamid II’s Minister of Education in 1877, 1878–80, and 1885–91.
124 For an analysis of the emphasis on Islamic morality in the Hamidian education system, see Benjamin Fortna, “Islamic Morality in Late Ottoman ‘Secular’ Schools.”
125 Abdülhamid, Devlet ve Memleket Görüşlerim, 289–300 (Original document: BOA YEE 1/(156/XXV)/3).
and judgments, just as Münif Pasha recommends that he now do. However, he notes, the result was nothing but bankruptcy, corruption, and the failure of economic development. The sultan adds that as a result of excessive borrowing under these statesmen, the state plunged into debt to the extent that it became handicapped and its revenues were all funneled directly to the repayment of loans and interest. Interestingly enough, having suggested that the aforementioned statesmen embezzled huge amounts of money, he criticizes them not for this malpractice itself but rather for not being able to keep their wealth—acquired through misappropriation—within their families. More specifically, he criticizes them for entrusting their money to non-Muslim bankers, thereby giving these bankers the chance to deny the existence of these sums of money upon the death of these pashas, which they did. He goes on to state that if this wealth had remained within these families, they could have used the money to establish financial institutions to give credit to local merchants and farmers. In other words, the sultan overlooks corruption, but he does not forgive the imprudence which caused the outflow of domestic resources that could have been used for economic development.

Regarding the question of industrialization, Abdülhamid II notes the imperialist strategies adopted by the European powers against Ottoman industry in order to make sure that they maintain their monopoly over the empire’s industry and trade. He mentions a domestic industrial enterprise, a glass factory, which was dragged into bankruptcy by an Austrian plot. He

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126 This reminds us of Yusuf Akçura’s note about Abdülhamid II being a student of the Young Ottoman ideology. (Akçura, Üç Tarz-ı Siyaset, 8.) Interestingly enough, in a famous Young-Ottoman periodical, the İhret of Namık Kemal, we read the same analogy used to criticize the same statesmen. Reşad Bey, in his article on the government’s debt problem, criticizes the late Fuad Pasha for his words, “this state cannot live without debt.” Reşad Bey argues that even if that prescription were correct, the sickness was caused by the very same doctor who wrote it, and the state had actually lived without debt for centuries before the coming of that doctor. (Reşad, “İstikraz,” İhret 19 (1872, [3 Cemaziyılevvel 1289]), 1.)
128 Ibid., 293.
129 Ibid., 291.
argues that although the factory managed to produce and sell glass panels at a very low price, the Austrians sold the same product at even a lower price and at a loss until the Ottoman factory fell victim to this cut-throat competition.\(^{130}\) He adds that as long as the existing obstacles to economic development (such as low customs duties and privileges for foreign companies) continue to haunt domestic producers, it is not possible to avoid continuing failure.\(^{131}\) He then summarizes his efforts at economic development, such as the construction of roads and railroad, which provide farmers with the means to put their produce on the market. He concludes that the accusations of the pasha are quite unfair, considering the change in the economic situation of the empire and in the state administration during his rule.

Before concluding the chapter, it is worth summarizing the outline of Abdülhamid II’s economic world view. First, he was fully aware of the history of the Tanzimat-era Ottoman economy and its problems in detail. Second, he adopted an anti-imperialist and Muslim-Ottoman nationalist discourse on economic matters. The tone of his arguments reflects a sense of realism in acknowledging the problems of the empire, from bureaucratic corruption to economic underdevelopment. Moreover, he suggested critical analyses and practical solutions for these issues rather than simply brushing them over. Third, he followed external developments, seeking to derive lessons from other countries’ experiences for his own country (e.g., his note on the international commission in Egypt and a similar danger for the Ottoman Empire). Fourth, having inherited burdensome financial and economic difficulties from his uncle Sultan Abdülaziz and

\(^{130}\) Ibid. The fact that the sultan gives exact figures about this case hints at his interest in the matter as well as his concern about the question of industrialization. He notes that the factory was producing “50cm x 70cm glass panels for 2 kuruş;” but the Austrians supplied the market with the same product for only 40 paras (1 kuruş = 40 paras). For similar examples and some industrial statistics from the Hamidian era, see Eldem, *Osmanlı İmparatorluğu’nun İktisadi Şartları*, 65–66.

\(^{131}\) Abdülhamid, *Devlet ve Memleket Görüşlerim*, 291.
his brother Murad, he gave priority to economic development, while assessing other (e.g., educational, political, and diplomatic) issues from this perspective. As an example, he would frequently refer to “the wealth and prosperity of the country and the people” in his memoranda, the topics of which range from diplomacy with European countries to internal security. Finally, it is also worth noting that if we compare his economic discourse with that of the Young Turks, who struggled against Hamidian rule, the two actually seem almost identical except in some details. The economic policy of the Young Turks after the 1908 Revolution also followed the general program that their “archenemy” had already started. This is perhaps not a very surprising conclusion, since economic thought of both parties was the product of the same age and the same economic conditions.

The question of economic development in the Hamidian era was tightly connected to the question of civilization. In this context, Ottoman protectionists in particular—from the Young Ottomans to the Young Turks—warned policy-makers of the danger of remaining a “barbaric” (non-industrialized) nation. This emphasis on the urgency of industrialization stood in contrast to liberals’ emphasis on accepting the role assigned to the Ottoman economy as an agricultural economy within the international division of labor. It is worth noting, however, that the protectionists defended neither autarky nor isolation. Seeking to join the “civilized” nations of the age, they too promoted integration into the global market. What made them different from the liberals was the timing and the preconditions of this process. More specifically, while they did not reject integration into the global market, they rejected the place assigned to them in it (i.e., an agricultural supplier of European industries) by British laissez-faire economics. The
solution, according to the protectionist camp, was the formation of a strong domestic industrial base with skilled personnel and competent entrepreneurs, before benefitting from the virtues of the international division of labor.

Economic protectionism went hand-in-hand with the emergence of Muslim-Turkish nationalism in the late nineteenth century. Muslim intellectuals in particular reacted negatively to the increasing dominance of European capital in the Ottoman economy. As the non-Muslim subjects of the Ottoman Empire became the local partners and representatives of European capital, Muslim-Ottoman economic nationalism began to rise at the expense of a more inclusive Ottoman identity. The dominant European discourse on the incompatibility of Islam and civilization also contributed to the dissolution of the bonds of Ottomanism, as this discourse led Muslims to develop a defensive modernization project which sought to prove the feasibility of a modern Muslim nation. In short, the intellectual pillars of Muslim-Turkish economic nationalism in the late Ottoman context were based on concerns regarding civilization, economic development and the avoidance of peripheralization.

Hamidian-era economic policies still await detailed analysis. Nevertheless, we do know that the sultan himself entertained protectionist ideas and supported the promotion of such ideas in the Ottoman public sphere. His removal of liberal economists (like Sakızlı Ohannes and Portakal Mikael Pashas) from their posts at the Mekteb-i Mülkiye, and his overt backing of Ahmed Midhat, can be considered evidence pointing to such an effort. His protectionist attitude was not merely a theoretical inference. His governments’ efforts (at both the local and central levels) for economic development were rendered fruitless by the continuous foreign intervention in economic and political matters as well as the aggressive strategies of European companies.
Nevertheless, despite his active involvement in supporting protectionist ideas, the capitulations and foreign dominance in the economic and political spheres limited his control over the economy at the policy level. As a result, he simply waited—or rather hoped—for the coming of the right time and conditions for abolishing all such external obstacles. Interestingly enough, it would be his archenemies, the Young Turks, who would find the opportunity to launch effective assaults on these obstacles through their National Economy program in the post-1908 era.
Chapter 5 – Economic Thought in the Hamidian Era III: Fiction

In poetry’s gallery of diverse ways of thinking, diverse aspirations, and diverse desires, we come to know periods and nations far more intimately than we can through the misleading and pathetic method of studying their political and military history. From this latter kind of history, we rarely learn more about a people than how it was ruled and how it was wiped out. From its poetry, we learn about its way of thinking, its desires and wants, the ways it rejoiced, and the ways it was guided either by its principles or its inclinations.¹

The novels … gave political economy something it ordinarily lacked: a sustained encounter with the states of vitality and sensation it invented but failed to explore fully. Reading political economy through … novels while also reading the novels through political economy will … defamiliarize not only those two modes of writing but also the very notion of life and feeling on which they relied.²

The Ottoman novel provides us with detailed pictures of Ottoman society and Ottoman modernists’ projections for it in the late nineteenth century.³ While “radical” ideas were hounded by the Hamidian censorship, they could slip into novels and succeed in meeting the reader at least for some time before the censor noticed them. Thus, in some cases the Ottoman novel actually provides us with many more important insights into Hamidian-era reformism (both radical and official) than the non-fictional works of the era.

The danger of getting involved in politics under the Hamidian regime directed many Ottoman modernists to less dangerous fields of social criticism. One such field was economics;⁴

³ Many scholars have pointed to this fact, see for example, Şerif Mardin, “Super Westernization in the Ottoman Empire in the Last Quarter of the Nineteenth Century,” in Turkey: Geographic and Social Perspectives, ed. Peter Benedict, Erol Tümer, and Fatma Mansur (Leiden: Brill, 1974), 403; Kemal Karpat, “Traditionalist Elite Philosophy and the Modern Mass Media,” in Political Modernization in Japan and Turkey, ed. Robert E. Ward and Dankwart A. Rustow (Princeton: Princeton University Press, 1964), 266.
another was fiction. This chapter looks examines the intersection of these two fields. It suggests close textual analyses of some of the popular literary works of the era in order to reveal and contextualize their economic content. The main aim of the chapter is to show how Ottoman modernist intellectuals aimed at changing the popular economic mentality and work ethic of their society through easy-to-digest stories, using fiction as an instrument for economic development.

The first section of the chapter discusses the connection between the novel as a literary form and the question of modernization in late Ottoman history. The second section focuses on the literary works of Ahmed Midhat Efendi in order to investigate how he used fiction to promote his ideas regarding economic development. The third section provides an analytical re-reading of a novel, *Turfanda mı, Turfa mı?*, written by another influential intellectual of the era, Mehmed Murad Bey, to reveal how the idea of modernization through bottom-up economic development is hidden behind the story of an Ottoman romantic hero. Finally, the chapter concludes with a brief historical and theoretical analysis of economic thought in the Ottoman novel.

5.1 Modernization and the Ottoman Novel

Ottoman modernists such as Şinasi (1826–71), Namık Kemal (1840–88), Şemseddin Sami (1850–1904), and Ahmed Midhat considered literature as both an indicator of the level of civilization and an essential instrument for modernization. They believed that traditional Ottoman literature was full of pre-modern styles and themes which should be jettisoned on the

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way to a sophisticated literature of a modern society. Unscientific, irrational, and unrealistic themes in folk tales (such as the love story “Kerem ile Aslı” or the heroic Battal Gâzi stories) and traditional poetry, which promoted melancholy and drunkenness (as opposed to the modern emphasis on labor), were regarded as inimical to modernization efforts. Şemseddin Sami, for example, criticized the vastly popular Middle Eastern folk tale “Leyla ve Mecnun” from a rationalist and positivist perspective. He argued that the story includes many unrealistic and irrational scenes: Leyla talks to a candle and Mecnun gathers wolves, lambs, lions, and gazelles around himself and chats with them. Şemseddin Sami labeled such stories “childish” and maintained that an educated person, even a child, could not enjoy such stories in the modern age.  

The first attempts to modernize Ottoman literature came from Young Ottomans like Şemseddin Sami and Namık Kemal, who introduced new forms (such as the novel and short story) as well as new ideas (such as liberty and motherland [vatan]). Later Ahmed Midhat took this endeavor to another level by using fiction as a school for ordinary people. In addition to his non-fiction books and articles, he wrote and adapted hundreds of short stories and novels full of encyclopedic knowledge. Young Ottomans dismissed traditional folktales as obsolete. Ahmed Midhat, however, employed many stylistic and moral elements from traditional storytelling to reach a wider audience and to popularize new forms by mixing them with more familiar ones. The quality of his writings was not high in literary terms, but this was least of his concerns.

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6 Moran, Türk Romanı, 1: 10; see a similar example from Namık Kemal in Evin, Turkish Novel, 19. Ahmed Midhat Efendi also regarded such traditional works as “lousy old stories that are full of superstitions,” although he benefitted from this genre in forming his own popular style. (Hilmi Ziya Ülken, Türkiye’de Çagdaş Düşünce Tarihi, vol. 1 [Konya: Selçuk Yayınları, 1966], 159.)

7 Except for Hovsep Vartanyan’s Akabi Hikâyesi (1851)—which was in Turkish written in the Armenian script and can be considered the first novel in Turkish language—early novels in Turkish were translations and adaptations of eighteenth-century French novels. A well-known example is the translation by Yusuf Kamil Pasha (1808–76) of Fênelon’s Les Aventures de Télêmaque (1862).
Ahmed Midhat knew that he was the Hâce-i evvel, the first teacher, a pioneer who would be followed by more knowledgeable, sophisticated, and specialized ones. Therefore, his main objective was to familiarize his fellow Ottomans with modern European forms of literature and especially with modern sciences. He professes this strategy in a foreword he wrote for the book of a young author:

My son! One should study only one thing, but one should do it perfectly. Or one should study everything, but of course only superficially! Regarding the conditions that we, the Ottomans, live in today, the latter is more preferable. And I advise you [to do] that. However, in the future the former will be more preferable. So, you will advise it to your son.\(^8\)

The novel was not only an artistic form in nineteenth-century Europe either. For many novelists, it was a means of critique of capitalist society. Starting with the French realists (e.g., Stendhal [1783–1842] and Honoré de Balzac [1799–1850]), many writers told stories of ordinary people who constantly struggled for survival under cruel working and living conditions. Through these stories such authors criticized or even presented alternatives (e.g., Émile Zola [1840–1902]) to capitalist social relations. The novels of Charles Dickens (1812–70) constitute the most notable examples of this genre. As Stefan Zweig puts it,

His novels should be the instrument for helping the poor, forsaken, and forgotten children who, like himself of old, were suffering injustice at the hands of teachers, badly conducted schools, indifferent parents; who were pining away because of the slothfulness, the lack of affection, the selfishness of their natural protectors and guardians.\(^9\)

Especially towards the end of the century, some writers, such as the American author Horatio Alger, Jr. (1832–99), went beyond social criticism and turned the novel into a survival

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manual for living in a capitalist society.\textsuperscript{10} In this genre, the main goal of the writer was not merely to criticize poverty and inequality, but to show ways to succeed under these conditions. These popular “dime novels” were rags-to-riches stories that displayed the “ways to wealth” to the poor masses. This particular use of the novel matched closely the social and political concerns of Ottoman modernists.\textsuperscript{11}

Moreover, the introduction of \textit{roman feuilletons} or serialized novels in early nineteenth-century France not only accelerated the popularization of the novel as a genre by making it more affordable for the greater masses, but also increased newspaper sales, thereby nurturing the press industry.\textsuperscript{12} Ahmed Midhat and other Ottoman press entrepreneurs did not fail to realize the importance of this powerful instrument for popularizing this new genre as well as for increasing profits. Not only novels, but also books on history and other subjects were serialized in their periodicals both to increase the circulation of the papers as well as to educate the public. Meanwhile, Hamidian educational reforms and the rise of an Ottoman middle class in the late nineteenth century created a market for the novel as well as for newspapers and other forms of intellectual production. In addition, the government provided subsidies and other forms of financial support to the developing independent Ottoman press. The growth of the literate


\textsuperscript{11} It is worth noting in passing that using the novel to teach economic ideas is not exclusively a nineteenth-century phenomenon. In the twentieth and early twenty-first centuries, fiction continued to be an instrument to teach the principles of the “dismal science.” Two well-known authors who devoted their literary works to teaching economics are Russell Roberts (a professor of economics at George Mason University) and Marshall Jevons (a fictitious writer created by two economists, William L. Breit and Kenneth G. Elzinga, and named after two well-known economists, Alfred Marshall and William Stanley Jevons).

population and the development of the press industry accelerated the “bourgeois” transformation of the Ottoman public sphere in the late nineteenth century.

In terms of its historical development and its sociopolitical roles, the Ottoman novel follows European examples. It is worth noting, however, that in this chapter I do not adopt the conventional “imitation” discourse which would assume that the Ottoman novel was merely a primitive imitation of the French novel. The problem of this discourse is not that it is completely wrong, but rather that it is tautological. Since every successor follows—and to some extent imitates—its predecessor, Ottoman novelists imitated European examples. Nevertheless, European novelists of the same age were also perpetuating the stylistic and thematic patterns of their predecessors. Since the latter are considered a part of the same national or “civilizational” (i.e., European) pedigree, inter-European influence is regarded as simply evolution or development, not imitation. In the Ottoman case, however, Muslims have historically been considered “outsiders” to European “civilization.” Thus, their efforts to adopt modern forms and institutions have often been regarded as “aping the West.” In short, this chapter, in rejecting such a simplistic view, assesses the Ottoman novel as a natural branch of a modern literary genre (i.e., the novel), instead of treating it as an unnatural and odd mutation in the “Oriental” literary and intellectual tradition.

5.2 Hâce-i Evvel and Storytelling for Economic Development

Ahmed Midhat, as a modern storyteller and a pioneer of the idea of bottom-up economic development, used fiction to alter the Ottoman economic mindset.13 Not only did he introduce a

13 Scholars of the Turkish novel have presented various analyses of Ahmed Midhat’s economic ideas as reflected in his fiction. See for example Okay, Bati Medeniyeti Karşısında, 114–121; Evin, Turkish Novel, 83–93; Ahmed
new work ethic through his writings, he also embodied this ethic in his working habits and business enterprises. A recurring theme in his fictional works—short stories, novellas, and novels—is a dialectical story of an ideal Ottoman hero, who achieves economic and social success through diligence, and a “super-Westernized” antihero, whose laziness and mannerisms result in failure and impoverishment. These two characters obviously stand as metaphorical equivalents of industriousness and entrepreneurship on the one hand, and laziness and fonctionnarisme on the other.

Before analyzing Ahmed Midhat’s “way-to-wealth” stories, it is worth noting that the outstanding example of an ideal Ottoman entrepreneur in his fiction was Seyyid Mehmed Numan, the main character in his novel Müşahedât (Observations, 1891). Mehmed Numan is an old Egyptian who had come to Istanbul as a young and sharp clerk. He builds a very successful international trade network stretching from Egypt and the Aegean islands to Marseilles and London. Ahmed Midhat presents this old businessman to his readers as a model to emulate and makes an open call for future generations of Ottoman writers to create similar characters in order to promote entrepreneurship in Ottoman society.

Although Mehmed Numan exemplifies the ideal Muslim-Ottoman entrepreneur, I have preferred not to deal with this story in this chapter for two main reasons: First, in the novel, Ahmed Midhat summarizes his reflections about economic development and the roles of the elite in this process through the words and actions of

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Hamdi Tanpınar, XIX. Asır Türk Edebiyatı Tarihi, ed. Ahmet Kuyuş (İstanbul: Yapı Kredi Yayınları, 2006), 411–12. However, all of these studies, except for Okay’s, focus only on his most popular novel, Felatun Bey ve Rakım Efendi (1876).


15 I borrow the term super-Westernization from Mardin, “Super Westernization.”

16 For debates on these notions in the Hamidian-era Ottoman intellectual sphere, see Chapter 3.

17 Ahmed Midhat, Müşahedat (İstanbul, 1890), 127–29.

18 Ibid., 129.
Mehmed Numan. However, Mehmed Numan does not say anything original but simply reiterates Ahmed Midhat’s main theses in his *Sevda-yı Sa’y ü Amel* and *Teşrik-i Mesâi, Taksim-i Mesai*.  

Secondly, and more importantly, Ahmed Midhat does not share the details about how Mehmed Numan achieved success. In other words, Ahmed Midhat simply gives the example of a businessman who is already rich, thanks to his earlier successful business ventures and hard work, but does not turn Mehmed Numan’s story into a practical manual for achieving success. The stories that I will discuss in the next part, however, provide young and enthusiastic readers in particular with a detailed step-by-step approach to economic and social success. It is obvious that Ahmed Midhat outlined these stories not only as enjoyable tales, but also as ready-to-apply patterns. In one of his earliest stories of this type—in which some young and idealistic characters establish a small firm—he states his motivation very clearly: “Although this association is nothing but fiction, I want to describe it in such a way that if someone would like to put it into practice, it should be possible.”

5.2.1 *Alafranga* and the Leisure Class in Ahmed Midhat’s Stories

The *alafranga* (*alla Franca*) character is probably the most well-known in the Ottoman-Turkish novel. Ahmed Midhat’s Felatun Bey in his novella, *Felatun Bey ve Rakım Efendi* (1876) has been considered the prototype of this character. He symbolizes the inappropriate Westernization of aping French manners and consumption patterns and living an ostentatious life.

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19 Interestingly enough, Ahmed Midhat notes, as he appears as the protagonist of the novel as himself, that Seyyid Mehmed Numan inspired him to write these books (ibid., 137).
20 Evin presents a concise analysis of Mehmed Numan’s character and the economic ideas he represents for the interested reader (Evin, *Turkish Novel*, 108–13).
in Beyoğlu (Pera), the Europeanized district of Istanbul. This type usually hates everything Ottoman and Oriental and associates being European with being sophisticated and civilized. However, despite his rather extreme interest in European civilization, he has only superficial knowledge of it, and his knowledge of his own culture is even narrower. He does not speak French well, but he uses French words and expressions in his everyday language. In short, he is usually presented as an ignoramus with the crude veneer of a European gentleman. According to scholars of the Ottoman novel, this character represents the contempt of Ottoman intellectuals towards the super-Westernized Tanzimat generation of the Ottoman elite. As a reaction to this tendency, Ottoman modernists, like Ahmed Midhat, make a distinction between appropriate and inappropriate forms of Westernization by condemning the uncritical adoption of European styles and manners at the expense of one’s own cultural values. These intellectuals, instead, promote a synthesis of Western material and intellectual culture with Muslim-Ottoman religious and cultural values to construct a native “modern Ottoman” lifestyle. More importantly, however, the late-Ottoman modernist vision of such a lifestyle was inspired by obvious economic concerns in addition to cultural ones. For example, several of Ahmed Midhat’s stories not only show the “right path” to Westernization, but also reflect the author’s bottom-up economic development strategy for the salvation of the empire. In this context, I will analyze Ahmed Midhat’s three

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23 For an analysis of the political and cultural roots of the late Ottoman suspicion of the alafranga type and his “conspicuous consumption,” see Mardin, “Super Westernization.”
24 The best-known example of this type is Bihruz Bey in Recaiçade Mahmud Ekrem, Araba Sevdası (İstanbul: Âlem Matbaası, Ahmed İhsan ve Şürekâsı, 1896).
25 This behavior was not peculiar to the alafranga character. Using French words and expressions in everyday language was typical upper-class behavior in the late nineteenth century, not only in the Ottoman Empire but in many other countries as well. Vambéry notes about Abdülhamid II that “without knowing French he would often interlard his Turkish conversation with French words and sayings, to impress ambassadors and other exalted guests.” (Arminius Vambéry, The Story of My Struggles: The Memoirs of Arminius Vambéry, Third Impression. [London: T. Fisher Unwin, 1905], 371.) For many examples of such behavior among the Russian elite of the age, see Leo Tolstoy’s classic novel Anna Karenina (1877).
26 Moran, Türk Romanı, 1:38–39; Evin, Turkish Novel, 80–81.
novellas, *Felatun Bey ve Rakım Efendi* (1876), *Bahtiyarlık* (Bliss, 1885), and *Para!* (Money!, 1887).

As Felatun Bey was the prototype of the *alafranga* character in later Ottoman fiction, his story also became the prototype of a genre in the Ottoman-Turkish literature of the late nineteenth and early twentieth centuries.\(^27\) Felatun Bey is a Westernized fop, a cocky, extravagant, and lazy ignoramus who comes from a wealthy family. On paper, he works as a civil servant; however, instead of going to the office, he prefers frequenting the chic cafes and hotels of Beyoğlu with his mistress, Polini. The hero of the story, Rakım Efendi, on the other hand, is a modest, well-educated, moral, thrifty, and industrious gentleman. He is morally and culturally more traditional and conservative, but he is also Westernized in his manners and with a vast knowledge of modern European sciences and philosophy. In this respect, he represents the ideal modern Ottoman citizen who benefits from advanced European knowledge while preserving Muslim-Ottoman values in the private sphere.\(^28\)

In terms of economic behavior and work ethic, these characters remind us of two key concepts in economic thought: Thorstein Veblen’s (1857–1929) “conspicuous consumption”\(^29\)

\(^{27}\) For an analysis of this genre in the Turkish novel, see Moran, *Türk Romanı*, 1:219–26.


\(^{29}\) “Conspicuous consumption means the use of consumer goods in such a way as to create a display for the purpose of impressing others rather than for the satisfaction of normal consumer demand. It is consumption intended chiefly as an ostentatious display of wealth. The concept of conspicuous consumption was introduced into economic theory by Thorstein Veblen (1899) in the context of his analysis of the latent functions of ‘conspicuous consumption’ and ‘conspicuous waste’ as symbols of upper-class status and as competitive methods of enhancing individual prestige.” (F. Stanković, “Conspicuous consumption,” *The New Palgrave Dictionary of Economics*, vol. 2, 118.)
(Felatun) and Max Weber’s (1864–1920) “capitalist spirit and Protestant ethic” (Rakim).  

Interestingly enough, Ahmed Midhat wrote these stories long before both concepts were introduced into economic literature. Moreover, not only does Ahmed Midhat introduce these two notions, he also juxtaposes them in the same stories and treats them as two opposite poles of economic behavior that lead to either success or failure.  

Felatun Bey does not represent only inappropriate Westernization and consequent cultural alienation. He is also the embodiment of the conspicuous and wasteful consumption of the Tanzimat-era Ottoman leisure class (in the Veblenian sense). In addition to the conspicuous consumption of the elite, wasteful governmental spending on the visual aspects of modernization—such as new palaces—was also an important characteristic of the pre-Hamidian era. As a result, the lack of adequate resources for economic development, huge amounts of wasteful consumption, and failed economic enterprises became serious concerns for Hamidian modernists. It is obvious that the fiction of the Hamidian period reflected such concerns.  

Felatun Bey, as a member of the Ottoman leisure class, is a wasteful character. Although his father works hard to provide him with a good education, he is not interested in knowledge and learning, but nevertheless presents himself as a wise gentleman. In order to put more

30 According to Weber, a particular work ethic (or a capitalist spirit) is more responsible for the capitalist development than material reasons. He traces the source of this spirit to “the ‘worldly asceticism’ of reformed Christianity, with its twin imperatives to methodical work as the chief duty of life and to the limited enjoyment of its product. The unintended consequence of this ethic … was the accumulation of capital for investment.” (David Beetham, “Max Weber,” The New Palgrave Dictionary of Economics, vol. 8, 716.) As Ahmed Midhat suggests in his stories, the work ethic of a capitalist entrepreneur is diametrically opposed to leisure-class behavior.  


32 Veblen defines the upper classes as “the leisure class” which is marked by conspicuous consumption and leisure as its main characteristics and status symbols. See Thorstein Veblen, The Theory of the Leisure Class: An Economic Study in the Evolution of Institutions (New York: The Macmillan Company, 1899).
emphasis on this paradox of the *alafranga* elite, Ahmed Midhat chose a special name for him: Felatun, the Ottomanized version of the name of the ancient Greek philosopher Plato. Felatun’s family moves from Üsküdar (a conservative Muslim district) to Beyoğlu (the Westernized district of Istanbul) as they climb up the ladder of economic and social status. This spatial symbolization of the tension between the “traditional” and the “Europeanized” precedes Peyami Safa’s well-known novel *Fatih-Harbiye* (1931).\(^{33}\)

Felatun lives an extravagant life with his French mistress Polini in an expensive hotel in Beyoğlu.\(^{34}\) Their appetite for ostentation is endless. One night, Felatun loses a huge amount at poker as a result of her forcing him to continue playing despite his poor record. Polini’s motivation, according to Ahmed Midhat, is to show that she is with a rich gentleman who can afford such losses. In other words, Felatun’s great loss in monetary terms has a direct positive correlation with Polini’s social standing in Beyoğlu.\(^{35}\) The next day, Felatun, seriously depressed over his loss, organizes an ostentatious excursion to the countryside with two luxury horse carriages and two large music bands. Although he spends a lot of money to cure a depression resulting from a large monetary loss, the reaction of observers proves that it is worth the cost in terms of the social status this excursion provides: “Bravo! He spends a lot of money, but he is enjoying himself like a Prince.”\(^{36}\)

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33 Safa’s *Fatih-Harbiye* is a narrative of the East-West (traditional-modern) tension in Turkish society juxtaposing two districts of Istanbul as symbols of the two poles of this tension, Fatih representing Eastern (i.e., traditional) values and Harbiye being the venue of Westernized lifestyles.


35 This scene reflects the ubiquitous misogyny of the era in addition to a criticism of ostentation. Ali Bey, in his satirical dictionary, defines profligacy (*sefahat*) as “a valuable defect in the eyes of women” (Ali Bey, *Lehçet ʾül-Hakaik* [Mısır: Matbaa-ı Osmaniye, 1897], 21). In the same dictionary, the devil (*seytan*) is defined as “the friend of women” (*sadık-i nisvân*) (Ibid., 23).

Ahmed Midhat associates such irrational behavior with the basic human instinct for ostentation:

It is due to human nature that a person is not satisfied with his happiness, but also wants to show it to everybody. Even if he is not happy, he lies to others to make them believe that he is happy. This behavior is so common that it does not usually attract our attention. However some exaggerated behaviors like using a twenty-five lira cord, or even more expensively, using a cord with diamonds, for a five-lira watch are examples of this attitude. Obviously, a watch is a necessary device for us. But why do we need a watch chain? If it is needed for the protection of the watch, a cotton cord could also be used. But no, that is not the case. Every human being wants others see that he has such a large fortune that he uses a cord worth twenty-five golden pieces just to protect his watch.37

For Ahmed Midhat, this is not merely an innocuous instinct.38 On the contrary, it can have destructive consequences for both individuals and society. Thus, Felatun wastes all his family wealth and takes on a considerable amount of debt to perpetuate his lifestyle. In the end, he finds a job in Alexandria and moves there as a poor junior civil servant. However his last words to his friend Rakım show that he has not learned anything from his mistakes: “If I can live long enough to save some money after repaying my debts, I can still have some time for self-indulgence in my nineties.”39

Senâi in Bahtiyarlık (Bliss) is another alafranga character and shares many features with Felatun. The son of the landlord of an estate called “Berrak Pınar” (Clear Spring), Senâi emulates the French nobility and signs his letters “Senâi de Berrak Pınar.”40 He also knows that the children of French aristocrats get loans in their youth to be paid off when they inherit the

38 Ahmed Midhat’s analysis in terms of natural instincts that cause certain economic behavior seems to reflect his earlier interest in the Darwinian theory of evolution and nineteenth-century biological determinism, as well as Smithian economics.
39 Ahmed Midhat, Felatun Bey ve Rakım Efendi, 200. This also hints Ahmed Midhat’s giving priority to instincts over experience.
40 Ahmed Midhat, Letaif-i Rivayat On Birinci Cüz’ü, (Bahtiyarlık) İsmiyle Bir Hikayeyi Havîdir (İstanbul, 1885), 37.
family fortune; he does the same. His wasteful and expensive lifestyle leads him into a spiral of debt that squanders all the family fortune. As a last resort, he borrows some more money to present himself as a good and wealthy marriage prospect for the daughters of rich families.

Ahmed Midhat notes, “He began to live so gently with the rest of his money that he proved his suitability for this marriage. Everybody congratulated Abdülcabbar Bey [the head of a rich family and Senâi’s father-in-law] for having such a generous son-in-law.” Thus conspicuous consumption proves to be useful for Senâi to indicate high social standing, just as Veblen defined it, and to hoodwink a wealthy family. However, this does not solve Senâi’s problem for good, but rather leads to the bankruptcy of his wife’s family. In the end, Senâi escapes to Switzerland with the money he borrowed in the name of his father-in-law, leaving behind a huge amount of debt in both his own and his father-in-law’s names.

Sulhi of Para! (Money!) is another offshoot of the Felatun prototype. Sulhi believes that the most important thing in life is money, and that money is the only source of high social status. He says, “Money is a general measure. When one asks about a person, one does not ask whether the person is a physician or a surgeon, but asks how much money that person possesses.” Sulhi attends the medical school, but he is dismissed due to his laziness and lack of interest. Yet, this does not cause him any sorrow since he thinks that wealth, and not a profession, is the source of reputation and happiness. He says, “Thanks to my aunt’s fortune, I do not have to work at all. If I want to be richer someday, I can engage in trade.” At some point, he understands that his aunt’s wealth will not last long if he continues to lead his ostentatious life. He therefore marries

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41 Ibid., 175.
42 Ibid., 190–93.
44 Ibid.
the daughter of a very rich man, just as Senâi did. When he meets the girl, Sulhi proves his social status by emphasizing his leisure class identity: “My name is Mehmed Sulhi. I live in Aksaray! I have lots of real estate. I do not work at all, and I live on the returns of these properties.” The classic moral ending of Ahmed Midhat’s stories awaits Sulhi at the end of the story: He wastes his aunt’s and then his father-in-law’s wealth, which had once been considered “endless.” The successful character of the story, Vahdeti, who becomes rich through hard work despite his modest background, offers a small loan to Sulhi to be used as initial capital for a business. Sulhi’s answer reflects Ahmed Midhat’s belief in the hopelessness of the alafranga character: “I am confident that I would spend that money in a very short period, but I doubt that I can make money by using it as capital.”

In short, Ahmed Midhat’s embodiments of failure start rich, but are lazy, extravagant, immoral, and careless by nature. They usually attend the best schools of the empire, but they are either expelled or they can barely finish their schooling. They never work, and they are not interested in any sort of productive activity, including using their wealth for investment. Alafranga types waste all their family wealth—and in some cases the wealth of other families—in conspicuous and wasteful consumption. Hence, a financial tragedy always awaits them and their families at the end of the story. By including their families in the story, Ahmed Midhat emphasizes that a lazy and unproductive individual is harmful not only to himself but to his society too. This is why, in his Ekonomi Politik, he says, “This lazy and harmful man should be

45 Ibid., 51. These words remind us of Ali Suavi’s complaints (1867) about Muslims’ investing in land rather than commerce and industry, and thus losing economic and social status while non-Muslims rise in Ottoman society (See Chapter 4).
46 Ibid., 151.
kicked out of modern society.47 Now that we have seen the reasons for failure as presented in Ahmed Midhat’s fiction, it is essential to take a look at the opposite side of the story so that we can understand his views on the road to wealth.

5.2.2 Ahmed Midhat’s Ideal Entrepreneurs

Rakım Efendi of Felatun Bey ve Rakım Efendi, Şinasi in Bahtiyarlık, and Vahdeti in Para! are examples of ideal Ottomans in Ahmed Midhat’s stories. As indicated above for Rakım, they are all modest, well-educated, thrifty, moral, and industrious. They start with modest means, as the sons of middle class families, but thanks to the modern education they receive in imperial colleges and their hard work, thrift, and rational thinking, they succeed in accumulating significant amounts of wealth in the end. Besides, they marry ideal Ottoman women, who are also moral, modest, and educated; they thereby achieve happiness in private life in addition to material comfort. While Rakım and Vahdeti are also good examples of ideal Ottomans in terms of their work ethic and “rational” behavior, Şinasi in Bahtiyarlık stands out as an ideal Muslim-Ottoman “capitalist entrepreneur.”48

Şinasi’s story begins when he is a student at the Mekteb-i Sultâni (The Imperial High School), an elite educational institution of the era. Although the graduates of this school are expected to become high-ranking officials and diplomats of the empire, Şinasi plans to follow a completely different career path. While at school, he is interested in modern agricultural

47 Ahmed Midhat, Ekonomi Politik (İstanbul: Kırkanbar Matbaası, 1879), 44.
48 Due to the popularity of Felatun Bey ve Rakım Efendi, Rakım has been analyzed by many scholars of the Ottoman novel. For analyses of Rakım character as the first Ottoman Homo economicus, see Tanpınar, Türk Edebiyatı Tarihi, 411–12; Robert P. Finn, Türk Romanı, İlk Dönem: 1872–1900 (Ankara: Bilgi Yayınevi, 1984), 31–32; Evin, Turkish Novel, 87–92. However, Şinasi’s story has been ignored despite its importance as being one of the quasi-utopian narratives of late Ottoman literature.
techniques and rural life, and he plans to become a “peasant.”  Contrary to Orhan Okay’s claim, the reason for Şinasi’s interest in the village is not the pastoral romanticism of the nineteenth century. The real reason is his decision to live a productive life, instead of a non-productive but comfortable life in Istanbul thanks to his diploma. After graduation, he decides to settle in a village in Anatolia to live his dreams, and his initial capital is the pocket money that his father gives him. In a letter to his father, he explains his plan:

Please keep sending me the money for two more years. Let me go to Anatolia and experience peasant life …. Even if I waste all of it, we lose nothing, because I would have probably wasted that money in Istanbul anyway. Whatever I can save from that money will be my initial capital, and with the help of God, I will expand my capital.  

It is worth noting that Şinasi, with such “ naïve” ideas, was not unrealistic as a character for a novel. On the contrary, he reflects a growing interest among Ottoman reformists in the possibilities for an agrarian-based socioeconomic transformation. For instance, the renowned Young Turk leader, Ahmed Rıza Bey (1859–1930), was a real-life example of the Şinasi character, at least in his intentions. After observing conditions in Anatolia in his youth, Ahmed Rıza decided to study agriculture. Having completed his studies at the École d’agriculture de Grignon in France (1884) and returned to Istanbul, he looked for Ottoman financiers who would invest in his project for a modern farm, where he could apply modern agricultural techniques. Much to his dismay, he could neither realize this project, nor find a suitable job for his education (even in the Ministry of Agriculture) due to capital shortages, insecure conditions in rural

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49 Ahmed Midhat, Bahtiyarlık, 5–6.  
50 Cf. Okay, Batı Medeniyeti Karşısında, 39. Okay argues that post-Tanzimat literature is dominated by an overt preference of rural life over city life; and he maintains that this might be due to Rousseau’s influence, mentioning Bahtiyarlık as an example (ibid.).  
51 Ahmed Midhat, Bahtiyarlık, 55.  
52 Mardin, Jön Türkler, 174–75.
Anatolia, and general indifference to modern farming in the Ottoman Empire. Finally, he gave up his dreams to follow the classic path to reviving the country: education.53

Unlike Ahmed Rıza Bey, Şinasi is able to secure some capital (from his father), and after buying a small piece of land and settling in a village, he starts work immediately. Although his father sends him a sufficient amount of money for a comfortable life, he has a hand-to-mouth existence. The reason for this is his dedication to his enterprise. He uses all his money to buy land, animals, and “modern” tools, such as the pickaxe, shovel, and wheelbarrow.54 Weber’s definition of an ideal capitalist entrepreneur provides us with insights into Şinasi’s obsession with his business at the expense of his personal comfort and his indifference to the question of social status:

[The capitalist entrepreneur] has no relation to such more or less refined climbers. He avoids ostentation and unnecessary expenditure, as well as conscious enjoyment of his power, and is embarrassed by the outward signs of the social recognition which he receives… He gets nothing out of his wealth for himself, except the irrational sense of having done his job well.55

I noted above that Şinasi’s decision to settle in a village cannot be explained by pastoral romanticism. Pastoral romanticism was a reaction to rapid industrialization and the consequent social problems of urbanization in the nineteenth century. On the contrary, Şinasi aims at transforming rural life into a modern capitalistic form. He introduces modern production methods gleaned from books and even builds primitive machines such as a simple incubator.56 Another autobiographical detail manifests itself here: Ahmed Midhat himself built a model farm.

54 These simple metal tools were considered products of “advanced technology” compared to the wooden implements that the villagers were using at the time.
56 Ahmed Midhat, Bahtiyarlık, 75.
in Beykoz, on which he applied modern agricultural techniques. He shared his experiences with his readers in the pages of *Tercüman-ı Hakikat*.57

In Şinasi’s village, new tools, machines, and techniques at first seem strange to the peasants; they therefore watch him with suspicion. However, in the end they cannot resist the protagonist’s modernizing and therefore “rationalizing” (in the Weberian sense) capitalistic venture. They began to work with Şinasi and learn new techniques from him.58

We find yet another real-life example that helps us contextualize Ahmed Midhat’s stories in Şerafeddin Mağmûmî’s (1869–1927) accounts of his travels in Anatolia (c. 1894–95). He tells the story of a certain Hüsnü Bey who established a modern farm in Ahvat, a village of Bursa. Hüsnü Bey had been interested in machines and modern agricultural technologies since his childhood. To establish his modern farm, he brought tools from Istanbul. At first, just as in Şinasi’s case, his neighbors derided him saying, “farming cannot be done *alafranga*-style!” 59 Yet he never gave up his project and eventually became successful. One of the factors behind his

57 See for example his article, “Bereket Yerde midir, Gökde midir? Yahud Bir Cahl Çiftçinin Mütâlaât-ı Fenntyesi,” *Müntahabât-ı Tercüman-ı Hakikat*, Vol. 2 (1884), 289, in which he relates his discussions with the gardener of his farm. Ahmed Midhat’s article also reminds us of the modernist Ottoman elite character in the novel of one of his followers, Hüseyin Rahmi Gürpınar (1864–1944). Dehri Efendi in Hüseyin Rahmi’s novel *Mürebbiye* (1899) is a farcical character sketch of an Ottoman vanguard of modernism. Even his name, which literally means “materialist,” reflects the dominant worldview of the people he represents. Dehri tries to teach lessons from political economy and the science of midwifery (and others) to his illiterate gardener and housekeeping woman whenever he catches them off guard. As usual, Hüseyin Rahmi’s scenes reflect highly ironic and mostly ludicrous encounters between the traditional and the modern, as these “simple” people try to get away from Dehri’s highly didactic discourses. (Hüseyin Rahmi Gürpınar, *Mürebbiye* (Dersaadet [İstanbul]: İkdam Matbaası, 1897), 65.) Nevertheless, Hüseyin Rahmi also notes how these forced lessons sharpen the gardener’s intellect as he builds an effective scarecrow, which was then imitated by the gardeners of neighboring farms. (Gürpınar, *Mürebbiye*, 75–76.)

58 Ahmed Midhat, *Bahtiyarlık*, 47–48. Cf. “When the people of a country get used to civilization, the human disposition and their personal interests would make them capable and willing to improve their living conditions” (Sakızlı Ohannes, *Mebadi-i İlm-i Servet-i Milel*, 4–5). Ohannes adds that it is the science of political economy that would show the path for improving people’s living standards. (Ibid.)

59 “*Alafranga çiftçilik olma!”* (Şerafeddin Mağmûmî, *Seyahat Hâtıraları* [Cairo, 1909], 91).
success was his perseverance in getting his fellow villagers accustomed to modern farming.\(^{60}\)

Thus, Ahmed Midhat’s stories were not only inspiring quasi-utopian narratives, but they were also reflections of a capitalist spirit that had already captivated modern-minded entrepreneurs like himself and Hüsnü Bey.

Şinasi, in another letter to his father, presents a brief report about his investments. His meticulous calculations and detailed input-output analyses testify to his rational and systematic thinking. According to the letter, the total amount of money received from his father is twenty-four thousand kurşun over a six-year period. Yet, the value of his lands already exceeds twenty thousand kurşun, and he owns thirty-seven thousand kurşun worth of animals and tools. More importantly, at the end of these six years, he starts to employ workers and begins production for the market.\(^{61}\) This letter stands as proof of Şinasi’s success thanks to his diligence, industriousness, entrepreneurial mentality, dedication to work, thrift, and systematic thinking, or in short his “capitalist spirit.” Max Weber later theorized the very idea that Ahmed Midhat wanted to convey to his readers:

The question of motive forces in the expansion of modern capitalism is not in the first instance a question of the capital sums which were available for capitalistic uses, but above all, of the development of the spirit of capitalism. Where it appears and is able to work itself out, it produces its own capital and monetary supplies as the means to its ends, but the reverse is not true.\(^{62}\)

\(^{60}\) Ibid.


5.2.3 An Analysis of Economic Thought in Ahmed Midhat’s Fiction

The ideas of a native Ottoman modernity and modernization through economic development constitute the subtext of Ahmed Midhat’s *romans à thèse*. His modernizing heroes are culturally and morally conservative Ottoman Muslims who never compromise their traditional identities for any economic and social gain. Yet, they also equip themselves with the latest ideas, techniques, and skills from Europe. In this sense, Ahmed Midhat’s modern Ottomans are Ottoman in their cultural and religious values, and modern (i.e., European) in their work ethic and rationalist approach to problems. As a result, for Ahmed Midhat’s heroes there is no clash between modern European and traditional Muslim-Ottoman values. The problem arises whenever Ottomans try to ape Europeans at the expense of their own culture. The question of “what to take and what not to take from the West” was the main question of Ottoman modernization. For Ahmed Midhat’s characters, however, it was not an issue.

Another obvious characteristic of Ahmed Midhat’s heroes is that they prefer private entrepreneurship to state employment. Even if they work as civil servants, they regard it as a service to their country, not a source of income. This is not simply an anti-bureaucratic stance. This is rather a reflection of Ahmed Midhat’s bottom-up (yet designed from above) approach to economic development. The Smithian idea of a nexus between private and public interests marked the Hamidian-era bottom-up approach to economic development. This open challenge to the traditional (militaristic-bureaucratic) Ottoman economic mentality reveals itself clearly in

63 “[A] *roman à thèse* is a novel written in the realistic mode (that is, based on an aesthetic of verisimilitude and representation), which signals itself to the reader as primarily didactic in intent, seeking to demonstrate the validity of a political, philosophical, or religious doctrine.” (Susan Rubin Suleiman, *Authoritarian Fictions: The Ideological Novel as a Literary Genre* (New York: Columbia University Press, 1983), 7.)

64 Namik Kemal, “İbret,” 2.
Ahmed Midhat’s advice to his readers. However, he does not totally discourage his audience from the civil service. He believes that if it is done properly, civil service too can contribute to the country’s wealth.\textsuperscript{65} It is also worth noting that the character of the young and lazy Tanzimat bureaucrat, who is generally depicted as a spoiled son of a high-ranking official, is another subject that frequently appears in Hamidian-era fiction.\textsuperscript{66} Ahmed Midhat’s stories include these types as they represent his criticism of the wasteful and unproductive lifestyles of the Tanzimat-era Ottoman leisure class.

A chronological analysis of Ahmed Midhat’s stories about economic success shows us that his emphasis shifted from hard work to capitalist entrepreneurship between the early 1870s and the late 1880s. Yet the traditional militaristic-bureaucratic economic mentality, and especially laziness and fatalism, remained the focus of his criticisms. As early as 1870, for example, he voiced his criticism of the bureaucratic economic mentality through an Aesop’s fable about a diligent donkey and some lazy dogs.\textsuperscript{67} The story begins with the dogs complaining that no one feeds them even with leftovers. Hearing this, the donkey criticizes the dogs for doing nothing but jumping up and down to entertain and flatter their owners. In contrast, the donkey works all day and earns its living by carrying water and wood; the farmers, in return, feed it hay every night. The donkey says it is unwise to complain about one’s fate if one is not making any effort to change it. In the end, the donkey concludes that the way to earn one’s living should be service, not fawning. It important to note once more that the moral of this story is to earn one’s

\textsuperscript{65} Ahmed Midhat, \textit{Sevda-yı Sa’yü Amel} (İstanbul: Kırkanbar Matbaası, 1879), 56–57.
\textsuperscript{66} See Evin, \textit{Turkish Novel}, 86.
\textsuperscript{67} Ahmed Midhat, “Teselli-i Miskinan,” in \textit{Kıssadan Hisse}, 31–34 (İstanbul, H. 1287 [1870]). \textit{Kıssadan Hisse} consists of fables translated from Aesop (c. 620–564 BC) and François Fénelon (1651–1715), in addition to a few others such as the one mentioned here, composed by Ahmed Midhat himself. After each story, he summarizes its critical message.
living through effort and service, although Ahmed Midhat’s later stories emphasize entrepreneurship in addition to effort.

As the donkey’s story also shows, the classical labor theory of value not only shapes Ahmed Midhat’s economic thought, it also makes its way into the essence of his stories. Ahmed Midhat’s successful characters show how value—and consequently wealth—is created by labor alone. It is neither the initial capital nor any form of rent, but labor (directed by a capitalist work ethic) that constitutes the way to wealth. His anti-heroes, on the other hand, prove a belief frequently repeated in the economic literature of the era: The wealth at hand, however large, is doomed to perish unless it is turned into capital and processed and augmented through labor.68

Ahmed Midhat’s way-to-wealth stories remind us of the genre of rags-to-riches stories, which was immensely popular in Europe and especially in the United States during the same era. However, it is essential to note that Ahmed Midhat’s characters do not start from “rags.”69 His successful characters generally hail from the newly rising middle classes, just like himself. Thus his target audience is not the desperately poor, but middle-class youth. Moreover, it is also possible to read his stories as a metaphorical development strategy—through hard work and education—for a country of modest means. In this sense, his stories imply that the non-industrialized and underdeveloped Ottoman Empire could achieve industrialization and development if its citizens received a good education, worked hard, and created wealth through

68 Likewise Ahmed Cevdet Pasha argues that the only source of prosperity is the sustained labor of the people, and that without it even the richest treasuries would eventually be exhausted. (Ahmed Cevdet, Tarih-i Cevdet, second edition vol. 3 [Dersaadet (Istanbul): Matbaa-ýi Osmaniye, 1893], 100; cited in Sabri Ülgener, “Ahmed Cevdet Paşa’nın Devlet ve Iktisada Dair Düşünceleri,” İş 76 ([1947], 20.).

69 For an Ottoman rags-to-riches story, see Mehmed Tahir, Netice-i Sa’y (Dersaadet [Istanbul]: Mahmud Bey Matbaası, H. 1311 [1893]), in which the protagonist comes to Istanbul as a poor boy and struggles to survive simply through his hard work and intellectual and entrepreneurial skills. However, although we see that the boy keeps his head above the water with his persistence and hard work, we do not see him attaining riches in the end.
entrepreneurship despite the country’s relative lack of wealth. In short, Ahmed Midhat’s stories provide a dramatic presentation of the Hamidian economic development approach at both the individual and the state levels.

In addition to Ahmed Midhat’s inspiration from economic theory, economic ideas found in French novels of the age were also influenced his fiction. Ahmed Midhat admitted that he was influenced by Émile Zola, despite his criticism of Zola’s pessimistic naturalism. One of Zola’s most popular works of the same era provides us with important insights into Ahmed Midhat’s possible sources of inspiration for his own stories:

[In *Au Bonheur des Dames* (1883)] Vallagnosc has no ambition, despite a brilliant school career …; life, he feels, is pointless. Octave starts from the bottom of the ladder and works his way up, by charm, drive and effort, to become director of his mighty emporium, while Vallagnosc is stuck in a tedious, if respectable, bureaucratic post. Where Vallagnosc represents decaying upper class, so exhausted that it has lost faith even in itself, Mouret is the force of the new age, open to every kind of change and driven by an irresistible lust for life and power.

Similarly, as we have seen above, Ahmed Midhat tells stories of lonely idealist characters who represent a new work ethic in a society still dominated by the laziness and lack of entrepreneurial spirit of the old elite. In a sense, he tells us stories of a Weberian clash of “rationalization versus tradition” in a burgeoning capitalism.

Despite his emphasis on “cooperation and division of labor” in his economic writings, we do not see these principles in action in Ahmed Midhat’s fiction. He puts the emphasis on the loneliness of his ideal characters. The only exception to this is the sexual division of labor among

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70 Ahmed Midhat, “Hikâye Tasvir ve Tahriri,” in Mehmet Kaplan et al., eds., *Yeni Türk Edebiyatı Antolojisi*, vol. 3 (İstanbul: İ.Ü. Edebiyat Fakültesi Yayınları, 1979), 57.
male and female protagonists. He created ideal wives for his heroes based on the same criteria (e.g., diligence and resourcefulness). These ideal wives appear as the chief assistants of their husbands by virtue of being competent managers of the household economy. The wives of Rakım and Şinasi, for example, work hard and use limited resources economically, thus contributing significantly to their husbands’ efforts. It is important to note, however, that Ahmed Midhat’s ideal family operates within the rules of the traditional patriarchal system, and that his female characters do not actively participate in the labor force.

Ahmed Midhat’s heroes are obvious reflections of his own life story, lifestyle, and worldview. He came from a modest family and achieved success simply by educating himself and working harder than others. He earned his living through his labor (mostly by writing and publishing) and his business enterprises. His family worked together at his printing press, exemplifying a household type of cooperation and division of labor. In short, Ahmed Midhat himself exemplified “the ideal modern Ottoman” in his own life as a hard-working writer, editor, and press entrepreneur.

5.3 An Early Young Turk Manifesto-Novel: *Turfanda mı, Turfa mı?*

After Ahmed Midhat’s stories, other writers also depicted the *alafranga* character in similar stories. Hüseyin Rahmi wrote *Şık* (Chic), published by Ahmed Midhat in his *Tercüman-ı Hakikat*

72 By contrast, his anti-heroes have affairs with immoral, uneducated, and unskilled French or culturally alienated Ottoman women.
73 For an analysis of the connections between Ahmed Midhat’s biography and his fiction, see Uğurcan, “Ahmed Midhat.”
74 Tanpınar, *Türk Edebiyatı Tarihi*, 411.
75 For his influence on the following generation of press entrepreneurs, see Ahmet İşhan Tokgöz, *Matbuat Hatıralarım, 1888–1923*, vol. 1 (İstanbul: Ahmet İşhan Matbaası, 1930), 52–53, et passim.
in 1884. In 1896, Recaizade Mahmud Ekrem wrote *Araba Sevdası* (The Carriage Affair), which has been considered one of the most important and influential novels of late Ottoman literature in terms of its characters, plot, and style. The main theme of both stories is the ludicrous situations that superficial Europeanization gives rise to. Bihruz Bey in *Araba Sevdası* wastes his money on ostentation, just like Ahmed Midhat’s antiheroes. Although all of these novels can be considered *romans à thèse*, Mizancı Murad Bey’s *Turfanda mı, Turfa mı?* (Is it an Early Fruit, or is it Strange?, 1890) stands out with its added suggestion of a comprehensive reform project.

(Mizancı) Mehmed Murad (1854–1917) was an important figure in late Ottoman intellectual and political life. After some years of service as a junior civil servant, he became professor of history at the Mekteb-i Mülkiye (The Imperial School of Administration) in 1876 and assumed other high posts in the state in the first two decades of the Hamidian regime. In 1886, he began to publish his popular newspaper *Mizan*, which earned him the moniker Mizancı Murad (Murad of Mizan). In his early career, he appeared to be a successful but sometimes refractory bureaucrat, intellectual, and educator in the Hamidian regime. In the early 1890s, however, he began to be more critical of the regime and joined the secret organization of the Committee of Union and Progress (CUP), rising to the position of committee leader by 1896.

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77 For summaries and analyses of the novel, see Finn, *Türk Romani*, 87–99; and Evin, *Turkish Novel*, 158–72.
78 For detailed summaries and political and literary analyses of the novel, see Finn, *Türk Romani*, 70–86; and Evin, *Turkish Novel*, 113–28.
79 For a short biography of Murad Bey, see Abdullah Uçman, “Mizancı Murad,” in *T.D.V. İslam Ansiklopedisi*, vol. 30 (İstanbul: Türkiye Diyanet Vakfı, 2005), 214–16. For a more detailed analysis of his political and intellectual life, see Mardin, *Jön Türkler*, 77–135.
81 For the organization and activities of the Committee of Union and Progress under the direction of Murad Bey, see M. Şükrü Hanioğlu, *The Young Turks in Opposition* (New York: Oxford University Press, 1995), 90–109.
In 1891, he was appointed to the Duyûn-ı Umûmiye (The Ottoman Public Debt Authority) as an inspector, and he retained this position until his self-exile in 1895. As an intellectual, teacher, and also as a Young Turk leader, he was very influential, particularly for the Hamidian-era youth.

Murad Bey wrote *Turfanda mı, Turfa mı?* while he was still following the basic line of Hamidian reformism but slowly drifting towards Young Turk radicalism. The novel includes very significant details about the social, economic, and political problems of the Hamidian era, and it provides us with important insights into the reformist thinking of the era. Moreover, it depicts interesting examples of ideal modern Ottomans and a blueprint for a comprehensive socioeconomic development project. Murad Bey’s messages and lessons for his readers start with the title of the book. In his introduction, he states that he presents some characters that are “products of recent times,” and then asks his readers: “are they avant-gardes (early fruits) of a new society or are they simply strange outcasts?” The question is rhetorical; it is obvious that he is suggesting his protagonists as ideal models for Ottoman male and female citizens, and expects his readers to emulate these models. The novel also directs harsh criticisms at the Ottoman political and financial system, and proposes a new social and political order. In this respect, the novel goes beyond being a *roman à thèse* and takes the form of a “manifesto-novel.”

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83 In his memoirs, he notes that some students from the Mekteb-i Mülkiye asked him to join and lead the Committee of Union and Progress, but he responded that he still believed in the sultan and legitimate ways of reform. (Emil, *Mizancı Murad*, 93–94.)

84 Mehmed Murad, *Turfanda mı, Turfa mı?: Millî Roman* (İstanbul: Mahmud Bey Matbaası, 1890), 3.

85 Ibid., 3–4.
The protagonist of the story, Mansur is a typical romantic hero of the nineteenth-century novel.\textsuperscript{86} He is an ideal Ottoman in terms of his moral and intellectual attributes as well as his work ethic. Just as in the case of Ahmed Midhat’s heroes, Mansur represents his author’s own worldview transposed into fiction. Mansur’s biography has a strong resemblance to that of Murad Bey, and many details in the story have strong parallels in Murad Bey’s memoirs that he published later.\textsuperscript{87} In the following sections, I present an analytical reading of the novel—with occasional comparisons to other literary and non-literary works of the age—in order to reveal the economic ideas conveyed between the lines.

5.3.1 Mansur as the Idealist Civil Servant

Murad Bey’s Mansur is an Ottoman youth from an elite Algerian family. His belief in Islamism and Ottomanism leads him to move to Istanbul instead of Europe, contrary to what many young people of like mind did at the time.\textsuperscript{88} However, from the moment he arrives, he finds the European impact on the “capital of the Caliphate” to be the cause of great disappointment.\textsuperscript{89} In addition to its obvious anti-imperialist tone, the novel carries the seeds of Turkish nationalism, which was to dominate the early twentieth-century Ottoman-Turkish political sphere. Although Mansur is mostly referring to “Ottomans” when he says “Turk,” at several places in the novel he and his friend Doctor Mehmed praise the virtues of the “pure Turks” of Ankara, Konya,

\textsuperscript{86} For an analysis of the romantic hero in the early Turkish novel, see Finn, \textit{Türk Romanı}, 40–65.
\textsuperscript{87} Mehmed Murad, \textit{Meskenet}.
\textsuperscript{88} Murad Bey himself was not from Algeria, but from Dagestan, yet he had a very similar life story. See Uçman, “Mizancı Murad,” 214.
\textsuperscript{89} For example, he sees that French francs are preferred to Ottoman \textit{kuruş} (p. 19) and that the Beyoğlu district is dominated by signs and advertisements in French rather than Turkish (p. 23).
Kastamonu, Çankırı, and Yozgat.\textsuperscript{90} This is one of the earliest traces of an “Anatolianist” Turkish nationalist discourse.\textsuperscript{91}

At several junctures in the novel, we read long tirades of Mansur that provide us with detailed blueprints of Murad Bey’s own reform program.\textsuperscript{92} His program operates at two separate but internally connected levels: governmental and individual. According to Murad Bey’s narrative, at the governmental level the problems of the Ottoman Empire could be analyzed under two main categories: first, the ineffective organization of the Ottoman bureaucracy and the problematic work ethic of Ottoman civil servants; and second, the chaotic and inefficient financial and economic administration of the country. At the individual level, lack of education, laziness, and an anti-entrepreneurial economic mentality constitute the main obstacles to economic development.

Mansur begins to observe the ineffective and wasteful administration of the Ottoman bureaucratic system on his first day at the office. As a young physician, he decides to pursue two parallel career paths: He earns his living through practicing his profession—working as a teacher as well as a medical doctor at the Imperial School of Medicine—and he joins the civil service in

\textsuperscript{90} Mehmed Murad, \textit{Turfanda mı, Turfa mı?}, 117. For Murad Bey’s cultural Turkism, see Mardin, \textit{Jön Türkler}, 114–16.

\textsuperscript{91} Murad Bey calls his novel a \textit{millî roman} (national novel), but he notes that this term is also used of some other novels to indicate that the novel in question is not a translation but it is written by an Ottoman author. He questions the alleged national character of such novels and emphasizes that his novel is national in terms of its identity and spirit (Mehmed Murad, \textit{Turfanda mı, Turfa mı?}, 2).

\textsuperscript{92} Some examples are as follows: Ottoman bureaucracy, 117–32; the importance of hard work and the problem of laziness and indifference, 187–91; an empire-wide educational organization, 214–15; the difference between Europe and the Ottomans, 294–98; financial policies, 299–307; problems of the Ottoman tax system, 395–99. These are direct reflections, or fictionalized versions, of Murad’s ideas on these topics that he presented in his articles in \textit{Mizan} and other publications. Cf. Emil, \textit{Mizancı Murad}, 288–91 (on bureaucracy); 275–78 (on economics and public finance); 278–86 (on education).
order to serve his country out of patriotic feeling. He decides to work at the Ministry of Foreign Affairs, and like many educated young people who knew foreign languages in the era, he is appointed to the Translation Bureau. However, on his very first day on the job, he realizes that there is actually no work to do at the office. He witnesses many senior officials spending their days doing nothing but “sitting on their chairs and eating rice pudding (sütlaç) …, having their meals, drinking fruit juice (şerbet) or coffee, smoking, and yawning, and sometimes leaving the office for a promenade [arm-in-arm with other fellows] in the corridor.” He understands that all this eating and drinking is not because of hunger or appetite, but only to pass the time.

[Mansur] was terribly dismayed. He understood that it is impossible to improve one’s intellectual capacity under these conditions. On the contrary, he thought, one can lose everything that one knows. Mansur investigated the reasons for this situation. … [and] he realized that the office did not need so many people. Just a redactor, a translator, and a recording clerk would suffice. The rest [of the staff] was simply redundant.

Later, he also learns that these redundant personnel are not even educated, and lack the skills and talents for any sort of civil service. Most of them hold these posts because of their personal connections with senior officials, reflecting the institutionalized favoritism of Ottoman bureaucratic mechanisms. While observing undeserved appointments and promotions, he learns that he and another junior official are also being considered for promotion. This becomes the last straw for Mansur. He rejects this promotion saying that he had not done anything to earn it, and that in fact he hardly worked at all since there was no work for him to do at the office. This open

93 Cf. Ahmed Midhat’s arguments on civil service employment above.
95 Ibid. 118. The same scene appears in his memoirs as a real event. Cf. Mehmed Murad, Meskenet, 64.
96 Mehmed Murad, Turfanda mı, Turfa mı?, 118.
97 Ibid. 121–24.
rebellious attitude to the established system annoys his superiors. However, his protests against wrongdoing in the office continue with increasing intensity, culminating in his refusal to go to work.

One day, he is introduced to the Minister of Public Works, Emin Pasha. During his conversation with the pasha, Mansur’s idealism and ideas for reform erupt into a manifesto—in the form of a dialogue between the “old” and the “new”—for a comprehensive reform of the Ottoman Empire:

Mansur told the pasha that he had studied in Europe and wanted to see everything [in the Ottoman Empire] as orderly and organized as it is in Europe, and that he could not bear the situation at the office. He even mentioned the promotion incident. Upon hearing this, Emin Pasha said:

- My dear son, not everything can be [as] orderly and perfect [as we like]. One should let it be. The order that you saw in Europe is unattainable in our country.

Mansur immediately rejects this idea and suggests that if every Ottoman official took his job seriously and worked hard and faithfully, everything would be as perfect as in Europe. He adds that the Ottoman Empire has more faithful and moral subjects than Europe does. However, in his view, there are two great obstacles: a general ignorance in society and the irresponsibility of civil servants. He maintains that the sultan is aware of all these problems and has even issued

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99 In fact, Mansur does not resign officially, nor does he inform anyone of his decision. He simply stops going to the office. More interestingly, no one asks about his whereabouts. This is another detail that testifies to the loose administration at the office.
100 Mehmed Murad, Turfanda mı, Turfa mı?, 294–307. Evin argues that Murad Bey was influenced by Turgenev’s Fathers and Sons (1861), which has similar scenes of heated arguments between different generations on social and political issues (Evin, The Turkish Novel, 125). It is important to note, however, that Turgenev successfully blends such scenes into his literary work and gives a realistic and complex picture of the tensions in a changing society, whereas Mansur’s abrupt tirades and Murad Bey’s black-and-white picture give away the author’s purely political aims in writing this novel.
101 Mehmed Murad, Turfanda mı, Turfa mı?, 293–94.
102 Ibid. 261.
a decree to fight them. Emin Pasha, in response, reminds Mansur of the fact that reform is always easier said than done, and he adds that people who try to fight these issues always give up eventually. Therefore, Emin Pasha confidently concludes, Mansur will sooner or later understand this reality and simply surrender to the status quo. Mansur rejects these pessimistic and conformist ideas by arguing that although it is true that fighting is hard for junior officials, it should not be so for the senior ones who hold political power. He thinks that the power one holds should also go with certain responsibilities.

In response, the pasha complains about the many obstacles, such as inadequate financial sources, the lack of educated personnel, and especially the youth whom the state sends to Europe:

“We send many young people to Paris to study. However, none of them returns as we expect. They lose their good manners and morals and become useless [for the state]. All they learn is to dress elegantly, to waste money on self-indulgence, and to become French by losing their moral and religious values.”

Mansur agrees with the pasha on this matter, but as a solution he suggests sending talented and meritorious youth instead of the spoiled sons of the Ottoman elite. The pasha responds to this by saying that the state by itself cannot afford to provide a comfortable life to those who go to Europe; therefore, sending the sons of the rich is the only practical solution. At this point the discussion concentrates around three main problems: the uneducated and unskilled bureaucracy, the lack of an educational system that could solve the human capital problem, and the inadequacy of financial resources that lies at the heart of everything. Mansur tells the pasha that government offices are overstaffed with useless personnel, and that this puts a

103 Ibid.
104 Ibid.
105 Ibid. 263.
106 Ibid. 296–97
107 Ibid. 297.
108 Ibid.
huge burden on the government’s budget.\footnote{Ibid. 297–98} He then suggests a comprehensive educational reform, including opening up new schools to train officials. The pasha, once again, puts forward the obstacle of inadequate financial resources and complains that only a small fraction of the state’s budget is allocated for education; he then adds that the Ministry of Finance is unable to pay even this small amount.\footnote{Ibid. 299.} This time, Mansur’s response comes in the form of a long tirade about an overall economic development project for the whole country:

Sir, you are the one who will make them pay! Make them pay it! …

You say that there are financial difficulties. If we take a look at the [amount of] waste, it is not possible to believe in the existence of such difficulties. Let’s assume that they exist; we still do not see any attempts to solve this problem. Isn’t it your responsibility? The reform in fiscal affairs and the expansion of state revenues are both tied to public works. In Anatolia, surplus production goes bad due to the lack of roads for freight and transportation. As a result, people cannot benefit from this surplus.

Other nations make all kinds of sacrifices to build railways in order to increase their revenues and augment their power and [productive] capacity. Attracting foreign investors to our country—even it takes going to them to beg—is a necessity for the sacred interests of the state. However, [in our country] even the ones [the foreign investors] who come voluntarily lose all hope and return [to their countries] because of never-ending negotiations and meetings with irresponsible, unskilled, and uneducated bureaucrats.\footnote{Ibid. 299–300.}

Mansur goes on to say that the Ministry of Public Works should make a plan and give concessions to deserving investors. He complains that neither does such a plan exist, nor does the Ministry send engineers to Anatolia.\footnote{Ibid. 300.} After his harsh criticisms against the Ministry of Public Works, he openly blames the pasha for not taking any action for the construction of land routes,
and he asks: “Now, if there is financial difficulty, who is to blame?” The pasha tries to defend himself and the system by telling Mansur a secret that proves the impossibility of the situation:

The government budget constantly runs a deficit. In order for you to comprehend our financial situation, I will tell you a secret that should stay between us: In the last few years, we have had to turn to external borrowing even to pay off the interest on our existing foreign loans.

Upon being informed of this “scandalous” secret, Mansur shows how this method is economically irrational and has potentially disastrous consequences by making a simple but educated economic analysis:

Mansur – So, sir, the Treasury is hoping to receive a large sum of revenue in the near future?

Emin Pasha – What does this mean?

Mansur – Sir, this means that last year and the year before the Treasury had recourse to foreign loans to achieve budgetary balance and to pay off the interest on the foreign loans. As your excellency has also stated, [when the borrowed money is used to pay interest] the money obtained under very heavy conditions of foreign borrowing goes directly [into the coffers of the financiers] abroad, instead of being used for works that could augment the state’s revenues. Under these conditions, borrowing will not give any results other than further expanding the amount of interest payments in the following year’s budget.

Emin Pasha understands Mansur’s point and responds to his initial question by saying that there is no such “miraculous revenue” that could solve the problem. Upon Mansur’s insistence on getting an explanation for such a dangerous policy, the pasha finally admits that he has been ordered to find solutions simply to stave off bankruptcy. Mansur understands that the pasha implies an order from the top, that is, from the sultan. However, he dismisses any

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113 Ibid.
114 Ibid.
115 Ibid. 301.
116 Ibid. 302.
possibility that the sultan would force his men to ruin his own country, and accuses the pasha of treason; but the pasha responds in cold blood: “[The state’s] master demands this. We cannot do anything.”

Mansur, filled with feelings of patriotism and loyalty to the sultan, puts an abrupt end to the discussion as he storms off repeating his accusation of treason. Meanwhile, the pasha understands that Mansur belongs to “the harmful group” and blacklists him in order that he be taken care of later. This brief note hints at both what will happen to Mansur at the end of the story and what happens to anyone who questions the status quo in the Hamidian regime. In writing this, Murad Bey seems to be pondering the possibilities for his own future.

5.3.2 Mansur as the Vanguard of the Rationalization Process

After resigning from his post, Mansur dedicates himself to his patients, his studies, and more importantly to his bottom-up reform project for the empire. He presents a reform proposal to the Ministry of Education. However, having seen that the state is incapable of a comprehensive educational reform such as he has envisioned, he decides to start his own project. Meanwhile, he observes that foreign powers, through the interference of the embassies, have their proposals for new missionary schools passed through the same commissions. Mansur thereby witnesses once again the power and influence of the embassies over the Ottoman government. Upon the uprising in Herzegovina against Ottoman rule, Mansur writes articles for a newspaper criticizing...
the interference of the European powers. In response, the embassies force the Ministry of
Foreign Affairs and the Directorate General of the Press to take action against him. Eventually,
the same newspaper is left no choice but to publish another article rejecting Mansur’s claims,
labeling him a traitor, and calling him non-Ottoman and non-Turkish.122 Mansur appeals directly
to the Sublime Porte to protest these claims, but to no avail.

At this point, Mansur loses all his faith in a top-down change in the Ottoman Empire and
decides to move to Anatolia in order to start a bottom-up transformation: “They say that reforms
should begin at the bottom. This is obviously true. In Europe, efforts at development appeared in
the provinces earlier than the capitals.”123

He goes to Anatolia and settles on a farm in Western Anatolia (in Mağnisa [Manisa]) that
he had inherited from his late uncle. He uses his estate to launch a small-scale modernization
project, yet a much more comprehensive one than that of Şinasi in Ahmed Midhat’s Bahtiyarlık.
In addition to running his farm, Mansur himself becomes the main agent of modernization with
his various roles: a physician who treats poor peasants for free, a warm-hearted creditor who
provides interest-free loans to the peasants, an altruistic employer, and the founder of modern
schools.124

At the end of the book, we find Mansur’s letters written to his friends about the hardships
and successes of his project. In one of these letters, we can clearly see Murad Bey’s criticisms of

122 Ibid. 371–72.
123 Ibid. 373.
124 Mehmed Murad, Turfanda mı, Turfa mı?, 372–73. Evin argues that Mansur’s rural life resembles that of Levin of
Anna Karenina (1877). Evin notes, “Murat, in fact, had derived his ideas on rural reform from the debates of
Russian intelligentsia on the issues related to serfdom, and Turfanda is the first Turkish novel to pay attention to the
village” (Evin, The Turkish Novel, 125).
the Ottoman tax system as one of the biggest obstacles to development.\textsuperscript{125} Mansur appoints a literate person as the headman of his village and centralizes the tax collection system under the headman’s management. Under this new system, the collection process, which had caused resentment and even fights before Mansur, is handled easily. Tax begins to be paid even before the deadline.\textsuperscript{126} However, one day a revenue officer comes to the village and demands money from the peasants, even though the peasants have paid their taxes already. Upon hearing this, Mansur intervenes in the situation and then realizes that this is not a simple misunderstanding, but an unpleasant remnant of the old inefficient system. The revenue officer requests that Mansur abolish the new system and says that the livelihood of his family depends on it. He then explains the situation:

\begin{quote}
We make money every time we come to the village. It is not our salary, but these [small] payments allow us to make ends meet. The less we collect [on each visit] and the more we come to collect the remaining parts, the more profitable it is for us. Especially the late payments are our [source of] main income. We come here at the worst time for the peasant. We harass him and threaten him with selling his ox in return for his debt. Finally, we make a deal and get some money for ourselves in return for postponing the collection for three months. We do not come three months later, because then he would have the money. We wait until he is poor again, and we come at such a time so that we can get twice as much as we got the last time.\textsuperscript{127}

Upon hearing this scheme that “even the Devil could not think of,”\textsuperscript{128} Mansur dismisses him from the village and informs the district governor of the situation. However, the district governor responds to him resentfully, saying that it is not right to bother those “poor revenue

\begin{footnotesize}
\begin{enumerate}
\item Murad Bey was closely interested in the Ottoman fiscal system and wrote articles about its problems in his \textit{Mizan} before the publication of his novel. (See Emil, \textit{Mizancı Murad}, 275–78) He later became an inspector of the \textit{Duyûn-i Umûmiye} (Ottoman Public Debt Administration), shortly after the publication of this novel.
\item Mehmed Murad, \textit{Turfanda mı, Turfa mı?}, 395–96.
\item Ibid., 397.
\item Ibid.
\end{enumerate}
\end{footnotesize}
officers.” Moreover, Mansur observes that the provincial administration is in a worse situation than the central administration in Istanbul. Irresponsibility and corruption are both more overt and more widespread. In addition, all channels for the people to voice their problems and communicate with the central government are closed because of the oppression of the provincial officials. Once more, Mansur realizes the hopeless situation of the Ottoman bureaucratic system at both the central and provincial levels. This last incident also shows him the roots of the financial crisis of the state that Emin Pasha was complaining about: “Now I begin to understand the mystery of our revenues not being in proportion to our natural resources and territorial expansion.” In other words, Mansur realizes that although the Ottoman Empire has vast and rich territories, the revenue is lost during the collection and transmission process. This causes chronic fiscal shortages, which in turn impedes economic development.

As mentioned earlier, Mansur acts as the vanguard of a modernization process in the village. Not only does he bring modern education, he also introduces new economic institutions that would constitute the backbone of a capitalist system. For example, his provision of interest-free credit to the peasants is by no means a simple act of philanthropy, but rather a deliberate economic development scheme in a capitalist sense. In other words, Mansur advances these loans not to help the poor, but to encourage peasants to invest in their property to expand their productive capacities. More importantly, he puts the idea of cooperation into action, just as Ahmed Midhat suggests, to establish a yarn factory by gathering small contributions from the

\[\text{\footnotesize \text{\cite{129}}\text{\footnotesize , \cite{130}}\text{\footnotesize , \cite{131}}\text{\footnotesize , \cite{132}}}\]
peasants. For him, this enterprise is important not only for its imminent economic results, but also for the change in mentality that it would lead to:

At first, I considered founding it at my own expense and profit. But later I decided to familiarize our rural uncles [peasants], who cannot think beyond the limits of tradition, with the idea of profit-seeking. First, I had ten kuruş of donation collected from each household of the nearby villages by using their trust in me. Then, their neighbors also wanted to contribute. … Finally, I added the same amount as the sum collected from the peasants, and I founded a company based on fifty-fifty shares. Things have gone well so far. The cost of our product is one hundred paras, whereas the same quality European yarn costs five kuruşes. I am trying to bring it down to sixty paras.

In short, Mansur, just as Ahmed Midhat suggested, establishes a successful factory that can compete with European producers simply by gathering modest amounts of capital. He thereby solves the ubiquitous problem of financial capital. By dragging the peasants into shareholding, he aims to transform the mentality in the village into a capitalistic one. In this respect, Mansur’s “rationalization” process (in Weberian terms) includes both short- and long-term projections for economic development. However, Mansur does not live to see the final results of his project, since, like many other nineteenth-century romantic heroes, he dies prematurely as a result of an unfortunate accident.

Mansur’s story gives us important insights into the emergence of the Hamidian-era idea of the salvation of the empire through bottom-up economic modernization instead of a political power struggle at the top. Mansur is a patriotic Ottoman who believes in the sacredness of the

133 Cf. Ahmed Midhat’s example of a paper factory in Teşrik-i Mesa’i, Taksim-i Mesa’i, 131.
134 Cf. Sabahaddin, “Terbiye-i Milliye ve İslahat-i Şahsiye,” Terakki 19-20 (June 1908), 8. Sabahaddin Bey, in this article that he wrote twenty years after the publication of Turfanda, complains about the lack of entrepreneurial spirit among the Anatolian peasants. He states that the “moral purity” of the Anatolian peasantry is a result of the simplicity of rural life. This life also leads people “to observe tradition instead of adopting entrepreneurship and to cling to the past instead of [planning] the future.” Therefore, he concludes, “the productive power of the nation does not improve.”
135 Mehmed Murad, Turfanda mı, Turfa mı?, 399–400. 1 kuruş = 40 paras.
Ottoman state and of its sultan, who is also the caliph of the Muslims. However, he witnesses the incapacity of the bureaucracy to govern the country effectively. Institutionalized corruption, favoritism, ignorance, irresponsibility, and indifference in the Ottoman central and provincial bureaucracy kill all hopes for a better future. Furthermore, the same political and administrative system chokes any idealistic attempt to carry out reforms and punishes the idealists. Upon understanding both the inability of the central government to solve the problems of the empire and the danger facing the reformists, Mansur has to turn to a bottom-up approach to economic development. In this respect, his story provides us insights into why both Murad Bey and Ahmed Midhat adopted “social reformism” upon their return from exile.

As another connection of the story to real life, it is worth noting that cooperatives did not appear only in such quasi-utopian literary works of the Hamidian era. On the contrary, some reformist Ottoman statesmen actually established such institutions to encourage economic development at the local level. The best-known example is the Memleket Sandıkları (Homeland Funds) founded by Midhat Pasha in the Danube province in the early 1860s. The main objective of these funds was to provide the peasantry with cheap credit. In another example, Kâmil Pasha (1832–1913) initiated the köy bakkalları (village grocers) project in the province of Aydın in 1900 to replace exploitative local merchants with a kind of consumer cooperative. With this project, Kâmil Pasha aimed at relieving the peasants of the heavy exploitation of local merchants and usurers, thereby improving economic conditions in rural

136 In the post-1908 (i.e., the Young Turk) era, the idea of cooperation was to dominate nationalist economic thought as well as the government’s economic policies, see Zafer Toprak, Türkiye’de Ekonomi ve Toplum (1908–1950), Millî İktisat, Millî Burjuvazi (Istanbul: Tarih Vakfı Yurt Yayınları, 1995), 125–44.

137 The Memleket Sandıkları later evolved into the Ziraat Bankası (Agricultural Bank) in 1888.

areas.\(^{139}\) Turning back to the realm of fiction, Kâmil Pasha’s project provided the well-known Ottoman satirist Şair Eşref (c.1847–1912) with inspiration for his poem, Köy Bakkallari (village grocers, c.1900).\(^{140}\) In this poem, Eşref advises Ottoman Muslim peasantry to put some capital together in order to establish a grocery shop in the village to take over the business of the Greek merchant (whom he calls “Yani”). According to him, exploiters such as Yani—thanks to their limited literacy which Muslims lack—establish businesses and get rich simply by cheating poor peasants. Eşref accuses Muslim peasants of laziness, ignorance, and traditionalism, which provide these shrewd shopkeepers with the opportunity to exploit them.\(^{141}\) In short, Eşref’s poem is the equivalent of Ahmed Midhat’s and Murad Bey’s novels in poetry, as it promotes a new capitalistic economic mentality for the Muslim peasantry. Moreover, it also reflects the Muslim-Turkish economic nationalist discourse of the era.

5.4 Economic Development, the New Society, and the Ottoman Novel

As Pertev Naili Boratav states, Murad Bey’s novel follows in the path of Namık Kemal’s idealistic and critical works, and it marks the end of the idealist era of the Ottoman novel.\(^{142}\) Turfanda mı, Turfa mı? is the most radical example of the Ottoman roman à thèse because of its bold social and political criticisms.\(^{143}\) After the publication of Turfanda mı, Turfa mı?, Ottoman

\(^{139}\) For more information on Kâmil Pasha’s köy bakkallari (village grocers) project and favorable reactions to the project in the local press, see Zeki Arıkan, “İzmir’de İlk Kooperatifleşme Çalışmaları,” Tarih İncelemeleri Dergisi 4 (1989): 31–42.

\(^{140}\) Kâmil Pasha (1832–1913) served several times as grand vizier from 1885 to 1913. When he started the köy bakkallari project, he was governor of the province of Aydın. He was also the life-long patron of Şair Eşref.

\(^{141}\) Eşref and Alpay Kabacalı, Çeşitli Yönleriyle Şair Eşref: Hayatı, Sanatı, Yergileri (İstanbul: Özgür Yayın Dağıtım, 1988), 387–89.


\(^{143}\) It is important to note that although Murad Bey was able to publish his novel, it was later banned and existing copies were confiscated by the government.
novelists had to change their course due to the increasing pressure of the Hamidian censors.\textsuperscript{144} The novels of the 1890s and 1900s were left to focus on social and cultural problems such as slavery, the education of girls, and marriage, instead of issues with direct political implications.\textsuperscript{145} Hüseyin Cahid Yalçın (1875–1957) used the metaphor of “tightrope walking” to describe the dangers and hardships of being a writer under the paranoia of the Hamidian regime.\textsuperscript{146} However, it is also important to note also that although many books and periodicals were banned in those years, the government was never able to prevent their illegal circulation completely.\textsuperscript{147} As a result, the idealist examples of early-Hamidian-era fiction made a deep impact on the Young Turks in their formative years.

The idealist novels and stories of Ahmed Midhat and Murad Bey provide us with insights into the mindset of Hamidian-era reformers. The socioeconomic development strategies delineated in these quasi-utopian works reflect the modernist nature of the economic thought of the era. In this respect, idealist Ottoman fiction served as a “practical user’s guide” for modernist ideas. The ideas of cooperation and division of labor, a capitalist work ethic, and the importance of science, technology, and education were presented to readers in easy-to-digest stories about success and failure. The authors show the ways to wealth and social reputation through hard work, thrift, diligence, moderation, and rational thinking. They also warn against the destructive consequences of ignorance, laziness, indifference, irresponsibility, and irrational behavior. Although all of Ahmed Midhat’s heroes achieve wealth and social status through their puritan

\textsuperscript{144} For more information on censorship in the Hamidian era, see Cevdet Kudret, \textit{Abdülhamid Devrinde Sansür} (İstanbul: Milliyet Yayınları, 1977).

\textsuperscript{145} For examples of such stories and novels, see Boratav, “ İlk Romanlarımız,” 313–15.

\textsuperscript{146} Hüseyin Cahid Yalçın, \textit{Edebi Hatıralar} (İstanbul: Akşam Kitaphanesi, 1935), 102.

\textsuperscript{147} For an example of the illegal printing and distribution of Namık Kemal’s works such as \textit{Rüya}, see Cevdet Kudret, \textit{Abdülhamid Devrinde Sansür}: 29.
qualities, only Şinasi of Bahtiyarlık hints at capitalistic development. In a more important example, Murad Bey’s Mansur succeeds in becoming a successful capitalist by benefitting from the revolutionary capitalist ideas of the nineteenth century, that is, cooperation, and more specifically, the joint stock company.

Both authors criticize the parasitic alafranga-type Ottoman elite and promote an alternative upper-class behavior reminiscent of a Weberian-type entrepreneurial bourgeoisie. In other words, Ahmed Midhat and Murad Bey, through their novels, sowed the seeds of the idea of “national bourgeoisie” which would supplant the Ottoman leisure class of the Tanzimat. As the following decades witnessed, this idea was to shape the official economic project of Young Turk governments starting from 1908 well into the first decades of the Republican Era.

Another possible impact of these stories on Young Turk ideology is the significant spatial element in both Ahmed Midhat’s and Murad Bey’s stories: Anatolia. This is not merely a choice of scenery, but an expression of what Michael Walzer defines as “exodus politics.” Both Şinasi and Mansur reject and exit the corrupt and obsolete system (in Istanbul) to build a completely new one (in Anatolia). As Walzer argues, “The Exodus is not a lucky escape from misfortune. Rather, the misfortune has a moral character, and the escape has a world-historical

148 Michael Walzer, Exodus and Revolution (New York: Basic Books, 1985). In this inspiring study, Waltzer discusses the importance of the story of Exodus in the Judeo-Christian tradition, and thus in the history of Western political thought, and establishes striking connections between Marxist and other revolutionary politics and the idea of Exodus. For a summary of his thesis see 133–49. Nevertheless, we can generalize this thesis by simply arguing that exodus politics is not peculiar to the Judeo-Christian tradition. The most obvious example in the Islamic tradition is the Hijra of Muhammad and his followers to the city of Yathrib (Medina) in 622 A.D. The Hijra story had a similar impact on Islamic political thought. The most prominent manifestation of this impact is perhaps the radical Islamist movement known as al-Takfir wal-Hijra, which is based on the idea of a complete break from society to form an alternative and “pure” Muslim community. However, instead of tracing such an idea to biblical stories, we can also reverse the causality relationship, thereby rejecting any specific cultural roots. It seems more likely that the idea of exodus as a natural human reaction to oppression and corruption is older than the Bible, and thus the religious stories may possibly be a result of this reaction which is as old as human history. Further discussion of this topic, however, well exceeds the scope of this study.
meaning. Egypt is not just left behind; it is rejected; it is judged and condemned.”¹⁴⁹ This summary of the political meaning of the Exodus story provides insights into the idea of leaving Istanbul behind to build a new socioeconomic system elsewhere. However, although exodus politics remained theoretical in the Hamidian era, the Young Turks won the opportunity to realize it in the early Republican era. In the 1920s and especially 1930s, “the new regime is defined by contrast with the old,”¹⁵⁰ and the Republican leaders judged and condemned the Ottoman past (along with its capital, Istanbul) while building a new capital (Ankara) for their nation-building project in the heart of Anatolia. In short, the parallels between the Young Turks’ Anatolia-based nation-building project and the idealist stories of their teachers, Ahmed Midhat Efendi and Murad Bey, hint at continuity in reformist thinking from the empire to the Republic.¹⁵¹

Another important point about the notion of economic development in the Ottoman-Turkish novel is that it was considered to be a comprehensive reform project encompassing all social, political, economic, and even cultural institutions in the country. Murad Bey’s work in

¹⁴⁹ Ibid., 21 (original emphasis).
¹⁵⁰ Ibid., 24.
¹⁵¹ The anti-Ottoman discourse manifested itself even in elementary-school readers. For example, in one such example written by the renowned historian and politician, M. Fuad Köprülü, we read, “Until recent times the Turks were the slaves of the sultans. These Sultans, living in ornate, august palaces, following their pleasure from morning to night, and feeding thousands of retainers in their palaces, supposed themselves to be the personal owners of the country.” (Quoted in Benjamin C. Fortna, Learning to Read in the Late Ottoman Empire and the Early Turkish Republic [New York: Palgrave Macmillan, 2011], 28.) This socialisant discourse bears marks of the ideas of earlier Turkists, such as Yusuf Akçura, who were influenced by narodnik movements and socialist ideas in Russia. See, for example, Akçuraoğlu Yusuf, “Türk Milliyetçiliğinin İktisadi Menşe’i lerine Dair”, in Siyaset ve Iktisad Hakkında Birkaç Hitabe ve Makale, 141–68 (İstanbul: Kitabhane-i Hilmi, 1924). It is also very likely that narodnism planted the seeds of Murad Bey’s political thought, especially during his youth in Russia during the 1860s, which is evident in his novel. As an example, Mansur Bey’s belief in the virtues of the Turkish peasantry and his project in the village remind us of the narodnik intelligentsia’s leaving the cities in the early 1870s to go to the people and to educate the peasantry to build a new (socialist) Russia. For the history and main principles of Russian populism (narodnism) before the 1880s, see Derek Offord, The Russian Revolutionary Movement in the 1880s (Cambridge: Cambridge University Press, 1986), 1–35. For a brief assessment of the Young Turks’ relationship with narodnism, see Hanioğlu, Young Turks, 22–23.
particular suggests that economic development necessitates modern infrastructure, countrywide basic education, order and security, and a change in mentality. Financial resources are required for extensive investments in public works. This naturally depends on an efficient fiscal system, from bottom to top, to manage the revenues and the expenditures of the state effectively. And for an efficient fiscal administration, an educated and skilled bureaucracy is needed, and this in turn requires an effective and modern education system. In addition to its European sources, this comprehensive and circular way of thinking reminds us of a traditional Ottoman theme: the “circle of justice.” In other words, the mind of a nineteenth-century Ottoman statesman and intellectual was not simply a tabula rasa to be covered with economic ideas originating in Europe. There already existed historically proven institutions and ideas for the effective governance of a complex imperial structure. What Ottoman reformists tried to achieve at the end of the nineteenth century was the revision of these institutions with the help of modern techniques of administration, including those provided by economics.

Regarding the role of the novel as an instrument of a bourgeois socioeconomic transformation, it is important to note that Murad Bey and Ahmed Midhat propagated the social, economic, and political values of a rising Ottoman bourgeoisie, such as hard work, thrift, meritocracy, moral integrity, and domestic stability. Since we observe the same patterns in the nineteenth-century French literature, we can conclude that Ottoman modernist novelists understood the novel’s role and power very well. Moreover, the realist novel of the age—from

152 Linda Darling summarizes the formula behind the “circle as justice” as follows: “There can be no government without men, no men without money, no money without prosperity, and no prosperity without justice and good administration.” In other words, “On the ruler’s justice and good administration depended the peasants’ and merchants’ ability to generate prosperity; from this wealth taxes flowed to pay the military, which supported the king and protected the realm.” (Linda T. Darling, “Islamic Empires, the Ottoman Empire and the Circle of Justice,” in Constitutional Politics in the Middle East: With special reference to Turkey, Iraq, Iran and Afghanistan, ed. Said Amir Arjomand (Oxford: Hart, 2008), 11.)
153 For example, the works of Émile Augier (1820–89), see Green, “The Nineteenth Century,” 134.
Honoré de Balzac and Émile Zola in France to Charles Dickens and Elizabeth Gaskell (1810–65) in England—painted critical pictures of capitalist societies in change, thereby revealing the tragedies caused by the rapid socioeconomic transformation prompted by nineteenth-century capitalism. While avoiding an extreme economic determinism, I should also note that the themes, patterns, and structures of the novels in these different national literary traditions echo the issues pervading their respective societies. In France and England, novels reflect the social and moral implications of a constant capitalist transformation, while in the Ottoman novel, we read stories about some idealistic prototypes of a national bourgeoisie who are expected to plant the seeds of a bottom-up bourgeois transformation on a dry and long-ignored land.
Conclusion

The bourgeoisie, by the rapid improvement of all instruments of production, by the immensely facilitated means of communication, draws all, even the most barbarian, nations into civilisation. The cheap prices of its commodities are the heavy artillery with which it batters down all Chinese walls, with which it forces the barbarians’ intensely obstinate hatred of foreigners to capitulate. It compels all nations, on pain of extinction, to adopt the bourgeois mode of production; it compels them to introduce what it calls civilisation into their midst, i.e., to become bourgeois themselves. In one word, it creates a world after its own image.¹ (Karl Marx and Friedrich Engels, 1848)

The above quotation, from the most radical internationalist intellectuals of the mid-nineteenth century, provides us with a succinct summary of the paradigm which shaped the economic and social thought as well as the historiography of the age. Even these anti-capitalist and anti-bourgeois thinkers celebrated the “civilizing mission” of capitalism and the bourgeoisie through the expansion of the capitalist mode of production. Late nineteenth-century Ottoman economic thought and thus the socioeconomic aspects of the Ottoman modernization project were informed by the same paradigm. According to it, the assumed place of the Ottoman Empire among the “backward nations” due to its pre-capitalist socioeconomic structure provided the major impetus behind Ottoman industrialization efforts to catch up with the “civilized” (industrialized) nations. In this respect, in the late nineteenth century, economic development was as much a question of identity for the Muslim Ottoman elite as it was a question of the empire’s material well-being.

Alongside some calls from society to reject such reforms, the dominant Hamidian era Muslim-Ottoman response to the challenge of European capitalist modernity was to build a native modernity with Islamic social and cultural features. As a result, the question of “what to

take and what not to take from the West” continued to haunt the minds of modernist Muslims. The same question led Muslim intellectuals to formulate various syntheses of Western and traditional ideas in all fields of intellectual inquiry. This dissertation suggests a new account of the building of an “Ottoman modernity” in the Hamidian era by focusing on such syntheses in Ottoman economic thought. More specifically, it examines the modernist economic mentality of the Hamidian era as it manifested itself at the political, intellectual, and popular levels.

**The Question of Identity and the Notion of Economic Society**

The question of identity had never been a problem for the Muslim elite of the Ottoman Empire before the nineteenth century, as they had been the ruling class of a quite successful empire. The situation began to change, however, when in the nineteenth century, the Eurocentrist, Orientalist, and industrialist paradigm in European social and political thought began to diffuse worldwide. The world of the nineteenth century was divided into the industrialized—thus culturally as well as economically advanced, or simply “civilized”—European nations and the backward (even “barbarian”) nations. Although the Ottoman ruling elite pragmatically embraced modernity with its political and economic features as early as in the late eighteenth century, such exclusionary Eurocentric and especially Christendom-based modernist discourses of the age constantly discouraged Muslim reformists in their efforts to join the ranks of the “civilized nations.” Against all odds, however, the resulting strategy for modernization in the late Ottoman Empire was crystallized as a nation-building project which was defined by the same epistemological (i.e., industrialist, Orientalist, and Eurocentrist) parameters that constituted the ideological challenge to Muslim-Ottoman modernity.
Ottoman modernization was a full-fledged struggle waged at the cultural, social, economic, and political levels both externally and internally. A significant internal challenge for the Ottoman political elite was the emergence of the notion of society as a self-regulating system, something set against the desire for transforming it within the context of modernization. From the perspective of the pre-nineteenth century Ottoman ruling elite, the notion of “Ottoman subjects” was an almost virtual entity (i.e., reaya, flock) which gave life to the state. The traditional “circle of justice” mentality was based on the assumption that if the ruler secured order and justice, his subjects would supply the state with the necessary financial means to govern through taxation. The modernization process, however, demanded extraordinary measures at the societal level. Ottoman modernists realized that being a civilized country necessitated an economic society with its advanced forms of production mechanisms, along with industrious and skillful citizens. Accordingly, the issue of the salvation of the empire, which haunted the nineteenth- and early twentieth-century Ottoman mind, was tightly linked to the question of economic development in capitalistic terms.

The notion of economic development as a collective and comprehensive imperial project paved the way for the denunciation of individualism in favor of collectivist approaches to society in the Hamidian era. Notwithstanding Sakızlı Ohannes and Mehmed Cavid Bey’s influential economic liberalism and Sabahaddin Bey’s “decentralization and private initiative,” collectivist approaches to the social question dominated Hamidian-era social thought. From the perspective of Hamidian collectivists, such as Münif Pasha and Ahmed Midhat, economic development necessitated mobilizing masses for the common goal of building a new country. Despite the conspicuously liberal theoretical roots of their social projections, altruism and patriotism were put before private interests. In other words, Hamidian modernists promoted private enterprise
and a free (domestic) market, and they expected modern Ottoman citizens to become wealthy through entrepreneurship. Nevertheless, according to them, the main motivation behind getting wealthy at the individual level was to make the country more affluent. This notion was simply an adaptation of Adam Smith’s understanding of private interest to Ottoman modernization. Smith states, “By pursuing his own interest he [an individual] frequently promotes that of the society more effectually than when he really intends to promote it.” Such ideal patriotic and solidarist entrepreneurial behavior marked the Ottoman modernist vision of society in the late nineteenth and early twentieth centuries. It is also important to note that similar collectivist approaches to the question of economic development shaped many other national modernization projects of the era, Japan being the most prominent example.

The biggest obstacle to economic development in the Ottoman Empire was the lack of adequate capital. As a result, concern about the inadequacy of human, physical, and financial capital shaped the contours of the Hamidian modernization project. Hamidian modernism sought the salvation of the empire through education (to produce human capital) and economic development (to enhance physical and financial capital). Even the education policies of the state were shaped in accordance with such economic concerns, as they emphasized preventing the waste of domestic resources through corruption, immorality, and indolence. These policies have so far been analyzed by scholars of the Hamidian era in relation to the sultan’s “Islamist” ideology. In this dissertation, however, I argue that economic concerns regarding the formation of human capital and the preservation of national wealth constituted one of the main factors that

shaped the ostensibly Islamic discourse of Hamidian ideology. In short, the question of capital (and especially the lack thereof) marked Hamidian ideology, and it manifested itself in the government’s moral-educational as well as socioeconomic policies. I also argue that Hamidian era *encyclopedists*’ efforts for formation of moral, industrious, punctual, and educated citizens should be understood within the same political-intellectual context.

Limited resources for economic development led the Ottoman modernists to embrace two basic organizational principles of Adam Smith’s economics: cooperation and division of labor. There was no powerful and patriotic Ottoman entrepreneurial class with sufficient accumulated capital for large-scale investments. Moreover, Ottoman statesmen did not consider state-led capitalism an option, favoring the free-market system (at least in theory) in the Ottoman Empire. Therefore, cooperation among small producers and investors to gather large amounts for large-scale investments emerged as a potential solution to the problem of capital accumulation. In addition to theorizing about this idea, popular intellectuals such as Ahmed Midhat gave practical suggestions and hypothetical examples (e.g., establishing a paper factory through cooperation) to his readers to put these economic principles into practice. The existence of many (mostly unsuccessful) real-life examples of such enterprises shows us that these ideas did not remain within the boundaries of intellectual speculation.4 Cooperation and division of labor thus constituted a main axis of Ottoman modernization in the late nineteenth and early twentieth centuries, and gained an even more important position with the elaboration of the National Economy (*Millî İktisat*) program of the Young Turks. In this context, this dissertation reveals the

4 Witness, for example, an attempt to establish a factory by the merchants at the Uzunçarşı Bazaar of Istanbul in the early 1860s. See [Refik], “Esbâb-i Servet,” *Mir‘at* 1 (1863), 11.
material and intellectual roots of the solidarist and corporatist economic ideology of the Young Turks, which shaped modern Turkey of the twentieth century.

**Economic Nationalism, Protectionism, and Mercantilism**

As the social question of the late Ottoman modernization project evolved, the notion of “foreigner” began to change its meaning for the Muslim elite. The increasing European economic and financial control of the Ottoman economy and the emergence of a “comprador” non-Muslim bourgeoisie paved the way for the emergence among the Muslim elite of an anxiety over losing social and political power. Especially after the establishment of the Ottoman Public Debt Administration in 1881, and along with an increasing sense of grievance towards the capitulations, Muslim-Turkish proto-nationalism began to supplant the Ottomanism of earlier decades. In the early twentieth century, economic and political Muslim-Turkish proto-nationalism began to crystalize as Turkism and later as Turkification in the nation-building project of the Young Turks in the late imperial and early republican eras.

Having discussed the issue of economic nationalism, this dissertation also questions the deeply rooted assumption of the dominance of mercantilist and neo-mercantilist tendencies in late Ottoman economic thought. Following Listian theses, Ottoman protectionists suggested limiting international competition in the short run to protect nascent domestic industries. However, Hamidian-era protectionism did not lay any emphasis on a positive trade balance, and Ottoman protectionists did not suggest a closed economic system or a command economy. In accordance with the Listian approach, they simply suggested that in order to join the international market on equal terms, the Ottoman economy should attain a level of economic development and industrial infrastructure similar to that of European economies. Otherwise, they
concluded, Ottoman producers could not stand the cut-throat competition with European industries, and the Ottoman production system would be destroyed, something that had already been experienced in the pre-Hamidian era. In short, Hamidian era Ottoman protectionists proposed “moderate protectionism” (himâye-i ma’kûle) as Akyiğitzade Musa Bey put it, with an eye on the complete opening up of the Ottoman market in the long-run in order to benefit from global markets to the fullest possible extent. It is also important to note in passing that, before 1908, the Ottoman protectionist reaction against British liberalism was never dominated by any autarkic, anti-market, pro-central planning, or anti-European discourses.

**Story-telling for Economic Development: Economic Thought in Fiction**

Hamidian-era Ottoman modernists considered economics an essential instrument for social transformation. In other words, they believed that building a modern Ottoman industrial society necessitated a change in popular economic mentality and work ethics. In order for modern economic ideas to have such a popular impact, some modernist intellectuals used the novel, especially the roman feuilleton, as a tool. In my analyses of the Ottoman novel as a source for the history of economic thought, I was inspired by the New Historicist approach to literary theory: “Taking their cue from [Clifford] Geertz’s method of ‘thick description’ they [the New Historicists] seize upon an event or anecdote … and re-read it in such a way as to reveal through the analysis of tiny particulars the behavioral codes, logics, and motive forces controlling a whole society.”^5^ However, thanks to Ottoman modernists’ not-so-subtle use of the novel as a means of modernization, I did not even have to rely on “tiny particulars.” In the novels of

Ahmed Midhat Efendi and Mizancı Murad Bey, for example, I found fictionalized versions of the bottom-up economic development strategy and social engineering project of Hamidian modernization. In this context Ahmed Midhat Efendi has a special place as the most prolific and influential Ottoman novelist of the era. The rational, industrious, and entrepreneurial protagonists of several of Ahmed Midhat’s works represent the ideal modern Ottoman citizen in the minds of Ottoman modernists. Mizancı Mehmed Murad Bey was another immensely influential intellectual of the era, and, like Ahmed Midhat, his concern for popular impact led him to present his social reform project in the form of a novel. His Turfanda mı, Turfa mı? appeared in 1890 as a “manifesto novel,” which delineated a bottom-up modernization project for the Ottoman Empire. In both Ahmed Midhat and Murad Bey’s works, the emphasis is on the importance of changing popular economic mentality into a more capitalistic form, thereby generating an Ottoman capitalist spirit as a first step towards the salvation of the empire through economic development.

**Ottoman “Islamic” Economics**

Ottoman economists of the late nineteenth century presented earlier examples of “Islamic economics” in the course of their modest attempts to reconcile principles of modern economics with the traditional sources of Islamic knowledge. First, Ottoman economists legitimized capitalist economic principles and notions (such as the capitalist work ethic or the free market) with references to relevant citations from the Qur’an and the hadith literature. Second, Ottoman economists responded to the European claim of ownership of the modern sciences by attempting to dig out (or rather to invent) a long tradition of Islamic economic thought, using examples from the “Rightly Guided Caliphs” as well as Muslim scholars such as Ibn Khaldun. Islamic
economics of the twentieth century is a product of the ideas of Adam Smith and his followers as well as (and probably more than) those of the Prophet Muhammad and his tradition, and Ottoman economists were the first Muslim intellectuals who supplied the discipline with its Islamic content.

**Ottoman Modernist Pragmatism**

Just as the strategy of bottom-up economic development marked the Hamidian modernization project, so also intellectual and political pragmatism shaped Ottoman economic thought. My critique of the “aping the West approach” to Ottoman modernization, outlined in the introduction, does not entail attributing any originality to Ottoman economic thought. On the contrary, I acknowledge that Ottoman economists hardly contributed to economic theory. Yet, instead of a normative interpretation of this phenomenon, I have explained it through the most conspicuous aspect of the late Ottoman intellectual sphere: pragmatism. The main concern for popular Ottoman modernist intellectuals was the education of the Ottoman public. Ottoman *encycopedists* were writing for an audience largely unaware of modern sciences and philosophies. Thus, the primary role of the Ottoman intellectuals of the era was to serve as society’s “first teachers,” as in the case of Ahmed Midhat. This led the intellectuals to translate, adapt, or simply cite the simplest and plainest sources available. In short, I argue, no Ottoman economist ever aimed to become the next Adam Smith; instead the objective was to adapt “useful” economic knowledge to Ottoman economic conditions. In other words, Ottoman economists considered economics as an essential instrument for modernization, but not as a field of pure intellectual inquiry.
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