DEVELOPMENT OF RAILWAYS
IN THE OTTOMAN EMPIRE AND TURKEY

BY
SENA BAYRAKTAROĞLU

SUBMITTED TO THE INSTITUTE FOR ATATÜRK'S PRINCIPLES AND THE HISTORY OF TURKISH RENOVATION IN PARTIAL FULFILLMENT FOR THE REQUIREMENTS OF THE DEGREE OF M.A. IN ATATÜRK'S PRINCIPLES

BOĞAZİÇİ UNIVERSITY

1995

T.C. YÜKSEKÖĞRETİM KURULU
DEVELOPMENT OF RAILWAYS

IN THE OTTOMAN EMPIRE AND TURKEY

APPROVED BY:

Dr. Nevin Coşar
(Thesis Supervisor)

Dr. Lütfullah Karaman

Dr. Şebnem Gülfidan

Date of Approval
ACKNOWLEDGMENTS

To my father and mother

I would like to express my sincere gratefulness to Dr. Nevin Coşar who supervised this study with an invaluable guidance and assistance.

I also grant my thankfulness to Dr. Lütfullah Karaman and Dr. Şebnem Gülfidan.
ÖZET


PREFACE

The railroad was probably one of the most important inventions of the 19th century which caused many impressive changes in the world. It was such an important invention that it developed rapidly and thousands of kilometers of railroads were constructed in a few years. Regarding the means of transportation of the era, the economic superiority of the railroads was unquestionable. After that mass transportation became possible throughout the world, especially inland where the possibilities of sea or canal transportation did not exist.

Soon, western countries saw the other benefits of railroads. They understood that they could use this invention as an instrument of politics especially in their relations with non-western countries. These non-western countries were at that time far behind the technological and economic developments of the era. Western countries exercised a colonial policy throughout the world and before the end of the century most of the non-western countries became political colonies. Railroads were used in this process and western countries undertook the construction of many railroad projects in the underdeveloped countries. However some of these countries managed to escape from these colonial policies.

The Ottoman Empire was one of these countries which managed to sustain its political independence. Although the Empire was far behind the military and economic developments of the world, it was too big and strong for any western power to colonize singlehanded. So they divided the Empire into influence zones amongs themselves. In this process, first Britain then France and Germany constructed many
railroads in the regions under their influence in the Ottoman lands. These developments continued with the global changes in the world.

Ottoman administrators, on the other hand, saw many economic, social and military benefits in constructing railways in their country. However, they did not have the necessary capital and technology to build these railroads, thus, they were obliged to grant many privileges to the western countries such as kilometric and interest guarantees. These privileges gradually became a burden on the state budget and caused the financial bankruptcy and the economic colonization of the Empire. The economically weak state could not prevent the acceleration of the nationalism movements and the process of political disintegration. The efforts of the Ottoman administrators were not sufficient to rescue the Empire. They understood that a strong national economy was needed and the Empire had to get rid of the economic colonization of the west. But they were unable to succeed and the Empire collapsed at the end of the World War I.

With the establishment of the Turkish Republic the new government's policy regarding railroads also changed. The ideas of establishing a national economy and forming an independent nation state dominated the country. Economic development was seen as inevitable for realizing this goal. Railroads and the idea of having an efficient transportation system were evaluated in this context and were given utmost importance. An large part of the economic resources were spent on the railroads as had been done in the Ottoman Empire. However, the principles and goals about railroads changed. The new administrators of the Republic saw the railroads as an instrument for rescuing the country from imperialism. They constructed thousands of kilometer of new railroads without giving any concessions to other countries and these railroads were kept under the control of the state. They also nationalized all the lines, under the privilege of foreign companies and repaired and developed the old ones.
These were the general characteristics of the developments of the railroads in the Ottoman Empire and Turkish Republic. There are considerable differences in the reasons for constructing railroads regarding these two periods, hence, the main goal of this study is to examine this process in a comparative way. So that, the different aims and principles in the construction of railroads can be determined.

In the first chapter, the historical development of railroads and their importance in the process of capitalism will be evaluated from an economic and political perspective. In the second chapter, the development of the railroad in the Ottoman Empire will be studied both as a part of Ottoman modernization and also the western colonization process. By examining closely certain railroad projects, it will put forward how this method of transport became an instrument of political influence aiming to realize economic and political colonization policies. In the third chapter, the republican era will be examined from the point of changing policies and principles. Again by being specific about certain republican railroad projects, the aims of establishing an independent national economy will be evaluated. Finally, in the conclusion, the difference in attitude between the Ottoman Empire and Republican Turkey will be defined.

In the 1990's the transportation problem of Turkey has not yet been solved. The deficiency of efficient transportation plans is an important factor in this problem. The political factors still play an important role on the transportation systems, hence studies about the political aspects of railroads or other methods of transportation could help to generate new solutions.
TABLE OF CONTENTS

ACKNOWLEDGMENTS ................................................................................................. iii

ÖZET............................................................................................................................... iv

PREFACE....................................................................................................................... v

CHAPTER I INTRODUCTION (HISTORICAL REVIEW OF RAILWAY DEVELOPMENT IN THE PROCESS OF CAPITALISM) ............................................................................ 1

CHAPTER II DEVELOPMENT OF RAILROADS IN THE MODERNIZATION PROCESS OF THE OTTOMAN EMPIRE ............................................................................. 10

A- THE MODERNIZATION OF THE OTTOMAN EMPIRE AND THE ENTRY OF RAILROADS: 11

B- RAILROAD PROJECTS REALIZED ON OTTOMAN LANDS UNTIL THE ESTABLISHMENT OF THE REPUBLIC .................................................................................. 21

1) THE BRITISH INFLUENCE AND THE RAILROADS BUILT BY BRITISH CAPITAL ........... 23

2) STATE ATTEMPTS AT BUILDING RAILROADS - THE RUMELI PROJECT .................. 27

3) THE DEVELOPMENT OF IMPERIALISM AND THE INCREASING GERMAN INFLUENCE . 30

4) THE RAILROADS CONSTRUCTED BY THE GERMANS .................................................. 32

5) THE FRENCH RELATION WITH THE OTTOMAN EMPIRE IN CONSTRUCTING RAILWAYS 40

6) THE PERIOD OF THE SECOND CONSTITUTION ......................................................... 42

7) ATTEMPTS OF THE AMERICANS: THE CHESTER PROJECT ....................................... 43

CHAPTER III 1) THE DEVELOPMENT OF RAILWAYS IN REPUBLICAN TURKEY .. 48

1- THE GENERAL POLITICAL AND ECONOMIC ENVIRONMENT BETWEEN
1923 AND 1940 .............................................................................................................. 49

1- THE PERIOD BETWEEN 1923 AND 1930 .................................................................. 54

2- THE PERIOD BETWEEN 1931 AND 1940 .................................................................. 57

2- THE AIMS FOR RAILROAD CONSTRUCTION POLICIES ......................................... 59
TABLE OF FIGURES

FIGURE 1: THE SECTORAL DISTRIBUTION OF THE FOREIGN CAPITAL EXCLUDING THE FOREIGN DEBTS (%)................................................................. 17

FIGURE 2: THE FIRMS WHICH WERE ESTABLISHED........................................... 21

FIGURE 3: THE KILOMETERIC GUARANTEE PAYMENTS OF THE OTTOMAN GOVERNMENT TO THE FOREIGN RAILROAD COMPANIES.......................... 47

FIGURE 4: THE LINES PERCEIVED BY THE STATE............................................... 72

FIGURE 5: THE RAILROADS IN THE OTTOMAN EMPIRE AND THE TURKISH REPUBLIC....................................................................................... 76

FIGURE 6: THE LINES WHICH WERE BUILT AND OPENED BETWEEN 1924 AND 1941 (LENGTHS AND COSTS).............................................................................. 77

FIGURE 7: THE BUDGET SHARES, EXPENDITURES AND REALIZED REVENUES OF THE STATE RAILROADS BETWEEN 1924-1945 ........................................ 77

FIGURE 8: THE BUDGET SHARES AND EXPENDITURES OF THE MINISTRY OF COMMUNICATION BETWEEN 1924-1945 ............................................. 78
CHAPTER I
INTRODUCTION (HISTORICAL REVIEW OF RAILWAY DEVELOPMENT IN THE PROCESS OF CAPITALISM)

The enlightenment period which began with renaissance and reformation movements brought about a situation which created an opportunity for new inventions and new discoveries. In this environment, new sea routes were discovered in the 16th century. With these discoveries reaching the furthest regions became easier and communication among the countries developed. Europe especially was influenced by this. Since many countries could be easily reached from Europe, European trade developed and opened up the world. Thus a new social and economic order began to dominate the world. This was capitalism. Capitalism is the economic system, dominant in the western world since the break up of feudalism. In this system the means of production are privately owned and income is distributed largely through the operation of markets. Contrary to feudalism, in the capitalist system there is an open economy which produces for the market. So the first stage of capitalism called the commercial stage began. In this first stage the world economy developed rapidly with increasing volume of trade.¹

The 19th century witnessed impressive structural changes in the development of capitalism in the western world. With the invention of the steam machine, important developments occurred and the mode of production changed. Machines took the place of substituted manual labor which in turn caused an explosion in the amount of production; producing large amounts of goods became cheaper and easier. Each day more and more capital was used to integrate machines into the production system. This was a new stage in the capitalism called industrial capitalism. From then on Britain and other western countries became the center of production.²

Pamuk explains the situation as follows:

"The industrial revolution transformed the economies first of Britain and later of western Europe into mass producers of inexpensive manufactures. By the second quarter of the 19th century, the leading European countries were trying to establish markets for their manufactures on the one hand, and to secure cheap and abandoned sources of food stuffs and raw materials on the other. Hence, chronologically speaking, the first impact of the industrial revolution on the present-day third world involved an unprecedented expansion in the volume of trade and a shift in its composition. The technological revolution in overseas transportation, coming later in the century, helped accelerate this trend."³

As a consequence these western countries wanted to supply their increasing needs from the non-capitalist or pre-capitalist countries. They tried to transform these countries

³ Pamuk, op.cit., pp. 2-3.
into the producers of raw materials or in other words to the periphery of world economy.  

In this context the importance of transportation was recognized, as it was very important for realizing the above mentioned world order organized in the form of center and periphery. Transportation was very important for the reason that goods and raw materials must be transported from the centers of production to the markets. Especially in the 19th century the relative importance of the transportation was even greater. The transportation carried out by horse carriages and camel caravans was very expensive. The cheaper alternative of sea transportation and transportation on the canals and rivers was very limited as it was impossible to reach inland. XXXXXX Thus, railroads, after it was first established in 1830 in England, were rapidly developed and

---


5 The railway as we know it originated from England. But the use of wheeled vehicles on rail lines came many years before the advent of mechanical traction. There is a reference to a railway in Europe as early as 1550. Before the end of the 16th century, mining railways were introduced in Britain, particularly in the northeastern coal-mining area. In the 18th century horse-drawn railways of this kind were to be found not only in England but also in Wales and Scotland. Their application was increased with the introduction of cast-iron for wheels and for the plateways over which the wagons ran. The earliest steam engines however, were too bulky and heavy for traction purposes. See, Vahdettin Engin, Rumeli Demiryolları (Istanbul: Eren, 1993), p.16. See also, Musa Çadırcı, Tanzimat Döneminde Anadolu Kentlerinin Sosyal ve Ekonomik Yapıları (Istanbul: Türk Tarih Kurumu Publications, 1991), p. 300. Although wagons carrying steam engines which would travel on ordinary roads by means of their own power had been built by Oliver Evans of Philadelphia in 1801 and by Robert Trevithick, a cornish engineer, in 1804, the first locomotive constructed to run on rails was built by William Hedley and Timothy Hackworth in 1813. George Stephenson who is commonly considered as the originator of the locomotive, finished a similar contrivance the next year and continued to improve his invention until it actually became a commercial success. In 1822 he had several in use at the Hatton Colliery, where he was chief engineer, and had converted the tramway into a steam road. The opening of this tramway a steam railroad on November 18, 1822, was attended by a very large crowd, who came to see the novel mode of hauling coal. In 1815 Stephenson invented the steam blast, which doubled the power of the locomotive, and in 1816 invented a direct and simple communication of power from the cylinders to the driving wheels. See, C. Clement Williams, The Design of Railway Location (Newyork: John Wiley & Sons, Inc., 1924), pp. 2-3.
in a short time successfully filled this gap in the transportation system. They were nearly perfect systems regarding their relative superiority to the previous ones.\textsuperscript{6} 

Thus railroads became one of the most influential elements of the western capitalization process. This was due to the remarkable efficiency it brought to the transportation system compared to the previous one. According to Noviçev, a camel could carry 230-250 kg. load two or three kilometers and could walk 20-30 km. in a day. The commercial viability of camel transportation varied according to the road conditions and traditions, in those days, a one tone load was fixed between six kuruş and twenty kuruş. However railway transport was cheaper than camel, because, a one tone load was fixed at less than four kuruş.\textsuperscript{7} 

In 1846, about 192 million tonexkm were carried by carriages through customs. However, in 1868, (22 years later) the load which was carried on the railway was 5042 million tonexkm which was an impressive amount in comparison with the old methods. The railroad was such an important invention that thousands of kilometers of railroads were constructed in a very short time both in Europe and in the USA.\textsuperscript{8}

The impressive and rapid development of the railways not only affected the transportation system. But also affected the whole economic structure of the world, and consequently, helped in the development of the capitalist production system. These effects can be listed as; a) The direct effect on the transportation system which was mainly a remarkable decrease in the costs. b) Its direct influence on some industrial


\textsuperscript{8} According to the investigations, if today the load which was carried on the railway in Germany was intended to be carried by carriages, all the population had to be carriage driver. See, Ergün, op.cit., p. 22.
sectors such as the steel and coal industries which were developed because of the demand created by the railway projects. c) Indirect effects on the other economic sectors which appeared after the development of the railways. d) The indirect effects on the structure of the world markets. The way in which the railways affected industry will now be examined.9

A) Railroads compared with the existing systems in the 19th century severely lowered the transportation costs as it encompassed mass transportation with a considerably high speed. This decrease in the costs increased the demand for the industrial products and raw materials which were previously not economic to purchase. Thus, it increased the volume of foreign and domestic trade compared with the period before the railways. As a result, the amount of production increased considerably due to the developments in the railways10. For example, between 1850 and 1910 the production of coal increased about 14 times, the production of iron-steel increased 12 times and production of gold increased 13 times. The increases in the production of other consumer goods were (1881-1914) the production of wheat which increased 1.6 times, (1884-1915) the production of cotton which increased 2.2 times and (1880-1915) the production of sugar which increased 3.5 times. The statistics show that the development of railways increased production and helped in the industrialization of the world economy.11

B) Regarding the above benefits many railway projects came onto the agenda and thousands of kilometers of railroads were built in a very short time. As an outcome, the

9 Ibid., pp. 22-24.
10 Kurmuş, op.cit., p. 22.
demand for iron, coal and machines increased and these sectors also showed considerable development.\textsuperscript{12}

C) The developments in the iron, coal and machine industries caused developments in the other sectors. The most important of these was the finance. As railroad projects needed huge amounts of capital investments new banks and financial organizations were needed to support these projects. So this sector was also developed. In the bond markets of the European countries constructing railroads, the share of the bonds and stocks of railroads increased. For example: In 1870, on the Berlin stock exchange 175 of the 359 shares were railroad shares.\textsuperscript{13}

D) The most important effect of the railroads was the transformation in the structure of the world markets. Railroads joined the European production centers to the new markets. As a consequence, those regions having rather closed economies integrated into the world economic system. Before the railroads it was impossible to balance the lack of some products in some regions with the surplus of production in the other parts. Secondly, the price of the same product could differ to a high degree in various parts of a country. For example: In France, in 1801 the price of wheat could differ 260 per cent. Thus, the railroads transformed the local closed or semi-closed economic systems to ones which were integrated the world economy. So, exchange of goods and products became easier.\textsuperscript{14}

\textsuperscript{12} Engin, op.cit., p. 18.

\textsuperscript{13} Ergün, op.cit., p. 25.

The influence of railroads in underdeveloped countries was very remarkable. It caused a lot of economic and cultural developments in these regions. This resulted in a collapse in the traditional production methods used in these areas.\textsuperscript{15}

As a result, railroads had numerous effects on the economy as defined above. Besides this, it also had social and cultural effects. For example, new cities were established near the railroads. Also the exchange of cultural values increased as railroads facilitated travel. Thus, the railroad was a very important invention and deeply affected human life.

However the western countries, after realizing the above benefits of the railroads, tried to use it as an instrument against pre-capitalist countries according to their expansionist economic and political policies. The aim of selling more goods and buying cheaper resources directed western countries to the markets of pre-capitalist or non-capitalist countries. Hence world trade increased in volume. Western countries also loaned considerable funds to these countries and invested vast sums of money in infrastructure projects such as railroads. All these were aimed at expanding trade and integrating these countries into the world economy.\textsuperscript{16}

In the process of capitalism, the railroad was one of the main tools of western countries for reorganizing the world economy in the order of center and periphery. By this system western countries would become the center of industrial production whereas the non-western or non-capitalist countries would become the periphery or in other words they would be the producers of agricultural goods and raw materials. Thus in

\textsuperscript{15} Pamuk, op.cit., p. 53.

the period of free trade and rivalry in capitalism they realized the first railroad projects in the non capitalist or pre-capitalist countries. The main aim of these projects was to integrate those parts of the world to the European production centers so that European goods could reach those markets easily and also they could import raw materials from those countries.17

When we come to the 1870's another stage of capitalism, called industrial capitalism, began in the world. The main determining event of this period was the establishment of German Union and her entry into imperialistic competition. This then turned into a race for sharing the world. The aims of capitalist forces were to establish colonial empires and share the semi-colonial countries. This aim directed much of the capital in the metropol countries to areas where the capital need was less and the proportions of profit were high.18

European countries which were the owners of capital turned towards the countries which were weak in technology and which had very limited capital. They started to apply their plans, but expensive transportation was a disadvantage for them19. An efficient transportation system depending on railroads was the best solution. Thus, the investment of capital was mainly concentrated on railroad projects and all western countries tried to construct railroads to the countries which they wanted to colonize. If they managed the political colonization of a country they could easily got the benefit of these markets. In 1913 before World War I, we see that there was almost no country in the world which was not shared by the monopolies and imperialist forces.20 In the


18 Çavdar, op.cit., pp. 8-19. See also, Kurmuş, op.cit., p.10.

19 Earle, op.cit., p.3.

places where they could not manage the full colonization of a country, as in the case of the Ottoman Empire, China or Iran, they tried to divide them among themselves into subordinate regions and to build up strong economic and political ties to control their regions. Again railroads were one of the most important investment instruments. In the Ottoman Empire, for example, each of the imperial countries tried to construct railroads in the regions which they thought they could control in the future. Of course this is a simplification of the situation and there are other economic and political factors affecting these developments.\footnote{Pamuk, op.cit., pp. 2-3. See also, Engin, op.cit., pp. 18-19. And, Lothar Rathmann, Berlin-Beşte Atman Emperyalizminin Türkiyeye Giriş (Istanbul: Belge, 1982), pp.35-36.}

These projects were applied through different economic and political methods according to the country in which they were established. The degree of western interest in these regions was also another important criteria in the development of these projects.

When the subject is seen from the point of view of the non-capitalist countries the situation is different. These countries themselves wanted to adopt the developments in the western world. However, the countries, which wanted to change their system in order to keep up with the West, reached a common point: they were dependent on the superiority of the technology and economy which western countries had developed. Thus, they decided to import this technology and to look at this situation in a positive manner. The railroad was one of these technological superiorities and they thought they could both build up their transportation systems and develope their economies. Capitalist countries, too, saw this as a chance and started to construct railways. As a result the railroad developed rapidly as it was useful for both sides. \footnote{Engin, op.cit., pp. 18-19.}
CHAPTER II
DEVELOPMENT OF RAILROADS IN THE MODERNIZATION PROCESS OF THE OTTOMAN EMPIRE

In this chapter, the introduction and the development of railroads in the Ottoman Empire will be examined. This will be done within the frame of the Ottoman modernization process which was under western economic and political influence aiming to integrate it into the capitalist world economy. In other words within the boundaries of its process of transformation to being an economic colony. Western powers, mainly Britain, France and Germany had important advantages in different parts of the empire. Thus, during various decades of the 19th century until the collapse of the Empire, these countries put the Ottoman administrators under strong political and economic pressures. Railroads, being one of the most important tools of these foreign pressures, always occupied an important place in the political and economic developments.

For the Ottoman administrators the railroads held the same importance as for the western powers, because railways ensure economic, military and political benefits. Hence, many economic and political concessions were given to the western companies working on the railroad projects in the empire. Although the benefits of railroads to the Ottoman Empire were unquestionable, the entrance of railroads into the Empire developed in such a manner that in the end it helped to transform the Empire into a semi-colony and a peripheral country of European industry.
At this point it must be said that, it is not possible to explain the Ottoman modernization process and the development of railroads only with the internal dynamics of the Empire but rather it must be explained with the complex interaction between the internal and external dynamics such as the forces which wanted to integrate the Empire into the world economy.\textsuperscript{23}

In order to understand how and why or under what conditions the railroads came to the Empire and became an instrument of imperialism in the 19th century, the dynamics of economic and political developments will examined together, as it is not possible to explain the development of the railroad from economic or political points of view alone.

A- THE MODERNIZATION OF THE OTTOMAN EMPIRE AND THE ENTRY OF RAILROADS:

At the beginning of the 19th century the traditional social system and the administrative structure of the Ottoman Empire was beginning to collapse. The Ottoman treasury and fiscal system was in a very bad condition. The traditional land order and the strength of the central government came to an end. The attitudes of semi-feudalism were seen among the local administratives. The Ottoman army was behind the developments taking place in the western armies. Thus, they began to lose more and more lands through wars. Every land lost worsened the Ottoman fiscal system. In addition, western economic influence was affecting the Ottoman production system in a negative

manner. The nationalistic movements and the demands of ethnic groups living in the Empire increased after the French revolution. Briefly, the Ottoman system could no longer keep up with the developments in the world.²⁴

In these severe conditions, the need for reforms was inevitable. The first reforms came into action in the military field. Selim III tried to establish a new army. He was confronted with severe reactions and rebellions and in the end he was executed. But the reforms did not stop and continued during the period of Mahmut II. His main aim was to reestablish the central authority. Thus, although he had signed the "Deed of Alliance" (Sened-i İttifak)²⁵ with the local leaders (Ayans) he began to fight against them in order to lessen their powers. He also sent many people to Europe and opened schools in the Empire in order to introduce western education to the people. These people learned about the new western culture and formed a new bureaucratic administrative class when they returned.²⁶ This class, from then on played the most important role in Ottoman modernization. A strong bureaucracy also helped in a renewed centralization of power.²⁷ The point of centralization of the political power was important as it would influence the reasoning of Ottoman administratives when they decided to bring railroads to the country.

Ottoman reforms, on the other hand, were too limited to keep up with the West. Hence, the Ottoman state became weaker each day. With the rebellion in Egypt the


²⁵ Emre Kongar, Imparatorluktan Günümüz Türkiye'nin Toplumsal Yapısı (Istanbul: Remzi, 1992), p. 67. See also, Metin Heper, "Center and Periphery in The Ottoman Empire with Special Reference to the 19th Century", Readings in Turkish Politics, pp. 57-58.


²⁷ Karpat,op.cit., pp.81-88. See also, Halil İnalcık, "The Nature of Traditional Society: Turkey", in ed., Metin Heper, Readings in Turkish Politics, pp. 10-16.
Ottomans were obliged to demand the help of England, in order to keep its integrity. But these aids made the Ottomans more dependent on the West and in 1838 they had to sign a free trade agreement with England. This agreement was not the only one. In a very short time the Ottomans signed similar agreements with other western countries. These agreements caused the loss of Ottoman control on foreign trade. It opened the Ottoman markets to western goods and most of the traditional Ottoman artisans lost their jobs as they could not compete with cheap western goods produced by higher technology. This was the first stage, which was the free rivalry period, in the integration process of the Ottoman empire into the world economy.

On the other hand the reforms in the social and political fields continued. In 1839, Abdülmecit announced the decree of Tanzimat. (Imperial Rescript of Gülhane-Gülhane Hatt-ı Hümayunu) This decree, although it was not exercised thoroughly, sustained the right of private property and life guarantee. This was a major turning point in the Ottoman social system which would be a base for the later economic political developments. Reforms continued in the legal and educational fields. All these reforms, increased the number of civil servants and military expenses which further weakened the Ottoman treasury. The Ottomans needed money to meet these expenses. This led

---


31 Noviçev divides this purposes into two periods. The first one is the period of free rivalry capitalism and second one the period of imperialism. See, Noviçev, op.cit., p. 13.
to the establishment of a new phase in Ottoman history. This phase could be defined as the entrance of foreign capital to the Empire.\textsuperscript{32}

Pamuk defines this point as follows:

"Large amounts of capital from the industrialized countries were invested in the periphery during the 19th century. These investments can be grouped under two headings: (a) direct investments in enterprises and (b) lending to governments. During the period before World War I, most of the direct investment was placed in infrastructure such as railroads and ports rather than in production activities such as agriculture or industry. A limited amount of investment in mining was the most important exception to this generalization. Moreover, that part of lending to the government which was used for investment rather than for meeting current expenditures also went primarily to infrastructure such as railroads. As a result, most of the foreign investment in the periphery did not directly alter the patterns of production. Rather, it facilitated the expansion of center-periphery trade through the development of infrastructure."\textsuperscript{33}

The first aspect which was obtaining loans from the western powers was a very important turning point because the increasing amount of loans made the Ottoman state more and more dependent on the western powers. They took the Empire under their political and economic influence and used it as an instrument of colonization.


\textsuperscript{33} Pamuk, op.cit.,p. 55.
They even competed with each other in order to give more loans.34 However, getting loans was not an easy process. The difficulty did not come from the west but rather it was the Ottoman administrators who were unwilling to borrow. The economic conditions were severe and most of the resources of the public budget were lost; The Sultan and the administrators refused the proposals of the west; in 1846 the economic depression peaked, but Abdülmeclit still did not want to borrow. The British ambassador Stratford Canning submitted a report to the Sultan which talked mainly about the reforms which must be realized but also offered attractive conditions for a loan. Although Abdülmeclit initially refused this loan within a short time he was obliged to take it up. This point is important as it shows the good intentions of Ottoman administrators to rescue the state.35 However, the process of borrowing developed and Ottoman state rapidly got into debt. These loans were used for current and military expenses and towards to end of the century these developments resulted in the establishment of the Düyun-u Umumiye.36 This was an institution which was established by the western states for controlling repayment of the loans. The most important sources of income of the state such as tax on salt, tobacco, tithes, silk were transferred to this institution. So the Ottoman state lost her fiscal authority which was one of the determining factors in the Empire becoming an economic colony.37

It is not wrong to say that the main goal of Ottoman administrators was to save the Empire from dissolution.38 This aim continued until the establishment of the Republic

34 Owen, op.cit., pp. 100-110.
36 Ibid., pp. 44-48.
and the demise of the Ottoman Empire. As a consequence, the Ottoman administrators realized each reform and renovation for this purpose, hence it is not wrong to say that the railroads were also brought with this aim in mind.39

In this process of modernization the first railroad project came on the agenda in 1850. This was the main point of the second aspect of the foreign capital in the Empire which was making direct investments. These direct investments of the west to the Empire was mainly concentrated in infrastructure. Although other type of investments such as investments in trade, banking and mining sectors were also important, only the investments of in the infrastructure, which mainly covers the railroads, will be examined according to the purpose of the thesis.

39 Pamuk, op.cit., p. 56.
Figure 1: THE SECTORAL DISTRIBUTION OF THE FOREIGN CAPITAL EXCLUDING THE FOREIGN DEBTS (%)  

<table>
<thead>
<tr>
<th>SECTORS</th>
<th>1890</th>
<th>1914</th>
</tr>
</thead>
<tbody>
<tr>
<td>RAILWAYS</td>
<td>41.1</td>
<td>63.1</td>
</tr>
<tr>
<td>HARBOURS</td>
<td>2.3</td>
<td>4.3</td>
</tr>
<tr>
<td>MUNICIPAL SERVICES</td>
<td>11.5</td>
<td>5.1</td>
</tr>
<tr>
<td>BANKING</td>
<td>23.5</td>
<td>12.0</td>
</tr>
<tr>
<td>INSURANCE</td>
<td>......</td>
<td>0.7</td>
</tr>
<tr>
<td>COMMERCE</td>
<td>6.0</td>
<td>5.8</td>
</tr>
<tr>
<td>INDUSTRY</td>
<td>10.0</td>
<td>5.3</td>
</tr>
<tr>
<td>MINNING</td>
<td>5.6</td>
<td>3.7</td>
</tr>
<tr>
<td>TOTAL</td>
<td>100.0</td>
<td>100.0</td>
</tr>
</tbody>
</table>


As can be seen in Figure 1, the amount of foreign capital stock directly invested on railroads was close to two-thirds of the whole direct investments. In 1914, railroads were the most important pattern of foreign investment in the western countries. This was the outcome of the general trend in the world economy. At the end of 1913, of the 3,700 million pounds of British capital abroad, around 42 per cent was invested in railroads. French and German investments abroad also showed a similar pattern. Of the 1,800 million pounds of French capital abroad in 1914, close on two-thirds was invested in foreign state debts; the railroads share was over 15 per cent. Of the 750 million pounds of German capital invested abroad during 1880-1914, 64 per cent went to foreign government bonds while the railroads absorbed approximately 25 percent.40

This point highlights the importance of railroads in the colonization programs of the

---

40 Ibid., p. 68.
West and outlines the general frame of development which was to link the periphery to the center.\textsuperscript{41}

As mentioned above, the reasons why the west made these investments in the Ottoman Empire is very much the same as to why they built railroads in the other parts of the world. There is however one more detail which was not mentioned in the introduction. Constructing railroads in the Empire was profitable because they also got kilometric guarantee payments from the Ottoman government. Also, as was done in the other parts of the world, after the construction of railroads the investing country not only brought financial and commercial capital to the Empire, but controlled the export of agricultural commodity productions and the import of European manufactured products. In short, it can be said that the country which realized the railroad project was able to established or at least tried to establish economic control in that region.\textsuperscript{42}

These points explain the first part (free rivalry capitalism) of the railroad investment in the Empire. In order to explain the European goals in the second phase which was the imperialistic period, it must be said that these aims were mainly gathered around colonizing the Empire. However as it was mentioned before the Ottoman Empire was too big to be colonized by only one European power, so they tried to share the Ottoman lands among themselves. In this period the Ottoman Empire was seen as the "sick man" or her situation was defined as the "Eastern question" which aim was to dissolve and share out the Empire. Hence, during this phase European countries undertook railway projects with due regard to this fact. Thus they constructed railroads in the Ottoman regions which they expected to colonize after the death of the sick man, and gave up short term economic anxieties in order to realize long term political

\textsuperscript{41} Ibid., p. 67.

\textsuperscript{42} Earle, op.cit., pp.13-17. See also, Pamuk, op.cit., pp. 68-69.
and economic goals. These projects therefore had strong political aspects as well as economic ones.\textsuperscript{43}

From the point of view of the Ottomans, the main goal of the administrators was to save the Empire as previously mentioned. The whole of the 19th century was taken up with the process of modernization whose main concept was taking western technology and adapting it to the Ottoman system. Another main point was strengthening the economic structure, which was accepted as inevitable for any kind of reform. The Ottoman ambassadors in Europe witnessed the rapid development of the railroads and its benefits to the development of western economy, and clearly realized the importance of such transportation for the development of the Ottoman economy. However, the Ottoman Empire did not have an efficient transportation system. The transportation of goods and passengers was carried out by camels, mules, horses and donkeys or carriages pulled by these animals. Also there were no suitable water ways, reaching inland. The existing rivers were short, swift or unsuitable when considering their capacity for transportation.\textsuperscript{44}

The Ottoman administrators saw the railroads as a solution to all the transportation problems. They thought they could increase the production and thus they could open up uncultivated lands into agricultural production and get more tithes (aşar which is a tax taken from agricultural production). Also they thought that railroads would increase the trade in the region and it would increase the custom taxes. These were the economic aspects of the Ottoman administrators approaches to the railroads and they were right to think in that manner. Özyüksel gives the following example; during the

\textsuperscript{43} Noviçev, op.cit., p. 13. See also, Rathmann, op.cit., pp.8-9.

\textsuperscript{44} Yaqub N. Karkar, \textit{Railway Development in the Ottoman Empire 1856-1914} (Newyork:Vantage Press, 1972), pp.59-61.
years 1873-1877 the average income of the İzmir customs office reached 230,000 sterlins. Also the agricultural taxes collected in the region where the İzmir-Aydın railroad passed increased 13 times during the years 1856-1909.45

The second aspect of building railroads was political and military.46 As is known, during the whole of the 19th century Ottoman lands witnessed internal disorder and rebellions. It was a problem to maintain order in the vast Ottoman lands from one center point as it took too much time to send enough military power to these regions. By being a much quicker method of transport, the railroads satisfied this important need. It was also seen as advantageous to sustain the internal security and to reach strategic points easily.47 At this point the Ottoman administrators decided to build railroads across the Empire but at that time it was impossible to do so purely from Ottoman sources. The Ottomans did not have enough capital and technology to realize a railroad project. This fact brought them to the decision of giving privileges to the western companies to realize these projects, and all the railroad projects were dealt with in this manner.48 Figure II below shows the foreign companies established on the Ottoman territory to realize railroad projects. Also a copy of the first decree of privilege given to the foreigners, to build railroads in the Ottoman Empire can be seen in appendix I.

45 Özyüksel, op.cit., p. 11. See also, Kurmuş, op.cit., pp. 73-75.

46 Donald Quataert, "Ulaştırma ve Haberleşme", Tanzimat'tan Cumhuriye'te Türkiye Tarih Ansiklopedisi (İstanbul: İletişim, 1985), vol. 6, p. 1630.

47 Pamuk, op.cit., p. 70.

Figure 2: THE FIRMS WHICH WERE ESTABLISHED
BY THE FOREIGN CAPITAL RELATED WITH RAILROADS
BETWEEN 1856-1914

<table>
<thead>
<tr>
<th>COMPANY NAME</th>
<th>PLACE OF ESTABLISHMENT</th>
<th>YEAR OF ESTABLISHMENT</th>
<th>CAPITAL (OTTOMAN LIRA)</th>
</tr>
</thead>
<tbody>
<tr>
<td>İzmir-Aydın Demiryolları Şirketi-I</td>
<td>Londra</td>
<td>1856</td>
<td>981,000</td>
</tr>
<tr>
<td>Tunca ve Karadeniz Demiryolu ve</td>
<td>?</td>
<td>1857</td>
<td>?</td>
</tr>
<tr>
<td>Kostence Liman Şirketi</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Rusçuk ve Varna Demiryolu Şirketi</td>
<td>?</td>
<td>1863</td>
<td>?</td>
</tr>
<tr>
<td>İzmir-Kasaba Demiryoluyla Temędzi</td>
<td>İstanbul</td>
<td>1863</td>
<td>704,000</td>
</tr>
<tr>
<td>Osmanlı Şirketi</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Şark Demiryolları Şirketi</td>
<td>Viyana</td>
<td>1869</td>
<td>2,200,000</td>
</tr>
<tr>
<td>Mersin-Tarsus-Adana Demiryolları</td>
<td>İstanbul</td>
<td>1885</td>
<td>181,500</td>
</tr>
<tr>
<td>Şirketi-I Osmanlı Şirketi</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Anadolu Demiryolu Şirketi-I Osmanlı</td>
<td>İstanbul</td>
<td>1889</td>
<td>2,640,000</td>
</tr>
<tr>
<td>Yafa Kudüs-Çerif Demiryolu Osmanlı</td>
<td>Yafa</td>
<td>1889</td>
<td>176,000</td>
</tr>
<tr>
<td>Anonim Şirketi</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Şam-Hama ve Temędzi Osmanlı Demiryolu</td>
<td>İstanbul</td>
<td>1890</td>
<td>660,000</td>
</tr>
<tr>
<td>Şirketi</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mudanya-Bursa Demiryolları Osmanlı</td>
<td>İstanbul</td>
<td>1891</td>
<td>22,000</td>
</tr>
<tr>
<td>Anonim Şirketi</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Selanik-Manastır Osmanlı Demiryolu</td>
<td>İstanbul</td>
<td>1891</td>
<td>880,000</td>
</tr>
<tr>
<td>Şirketi</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Derbent-Selanik İltisak Hatti Demiryolu Şirketi</td>
<td>İstanbul</td>
<td>1892</td>
<td>660,000</td>
</tr>
<tr>
<td>Bağdat Demiryolu Şirketi-I Şahane-I Osmanlı Şirketi</td>
<td>İstanbul</td>
<td>1903</td>
<td>660,000</td>
</tr>
<tr>
<td>Huşetde-Sana ve Şuabati Şimendiper Kümpanyası</td>
<td>İstanbul</td>
<td>1910</td>
<td>220,000</td>
</tr>
</tbody>
</table>


This was the general context under which the Ottoman railroad projects were realized during the 19th century. Now, these projects will be examined one by one in order to find out whether the political and economic basis of these projects coincide with the general perspective of colonization purposes of the Empire.

B- RAILROAD PROJECTS REALIZED ON OTTOMAN LANDS UNTIL THE ESTABLISHMENT OF THE REPUBLIC

With the exception of a few attempts by the Ottomans all the railroads in the Ottoman lands were constructed by giving privileges to European firms. These European firms were politically and economically supported by their countries and accomplished all the
projects under the auspices of their governments according to the national interest of these countries. In this context the railroads in the Ottoman lands could be divided into three groups which were funded by three major countries. The first group of railroads were the ones constructed by British companies and British capital. These railroads were mainly the İskenderiye-Kahire, İzmir-Aydın, İzmir-Kasaba, Köstence-Çernovoda, Varna-Ruşçuk lines. All these projects were built in the industrial period of capitalism as defined above.

British influence continued until the 1880's when Germany interest in the Ottoman lands began to increase. But before the Germans were effective in the Ottoman railroad policies, there was another group of railways constructed on the Balkan lands of the Empire by the Ottoman state. These projects were known as "Rumeli Railways".49 Dedeağac-Edirne, Banaluka-Novyi, İstanbul-Edirne, Edirne-Sarumby, Selanik-Mitroviçe, Tırnova-Yanbolu railroads were built under this Rumeli railroads project. This project was put forward by the Ottoman administrators but mainly realized by an Austrian capitalist named as Baron Hirsch. The Balkan countries at that period were in anarchy and each day Ottoman control was decreasing. Thus, it was not possible to say that only one country was controlling these railroads.

The third group of railroads constructed on Anatolian lands was known as the Anatolian-Baghdad railroad project which was mainly constructed and financed by German capital. This third group of railways included Haydarpaşa-Izmit-Eskişehir-Ankara, Eskişehir-Konya railroads. The main goal in constructing the Anatolian railroads was to connect Baghdad to Istanbul and other European cities.

1) THE BRITISH INFLUENCE AND THE RAILROADS BUILT BY BRITISH CAPITAL

The railroads constructed with British capital were in the industrial period of capitalism. In this period the developing trade was very important and the aims of Britain and British capital proceeded in this direction. Thus, one of the aims of Britain was to build a railway which would shorten the way to India, her biggest colony. The İskenderiye-Kahire railway was an example of this goal. The British also aimed to develop trade by reaching new markets by joining harbors to their hinterlands. İzmir-Aydın, İzmir-Kasaba, Köstence-Çernovoda, Varna-Ruşçuk were the examples of this second goal.50

a) İskenderiye-Kahire Railroad: The British government wanted to shorten the way to India with this railway project. They wanted to join the Mediterranean to the Red Sea, because at that time they saw this as a better alternative to opening a canal. They did not want to create another problem such as the question the of Straits (Boğazlar Meselesi). The railroad was 211 km. long and was completed in 1856 after a five years construction process. At the date of construction, the railroad was of wide strategic and economic importance, but lost this importance after the opening of the Suez canal in 1869. The importance of this railroad was because it was the first railroad constructed on Ottoman territory. The British government achieved this project without getting any privileges from the Ottoman government. This is important because it shows that the main goal was economic.51


b) İzmir-Aydın and İzmir-Kasaba railroads: The İzmir-Aydın railroad was the first railroad privilege on the Anatolian lands was given to a British company in 1856. It was 130 km long and also had branches in 1863. A short time after the İzmir-Aydın line, the British received the privilege of the İzmir-Kasaba line. This line was completed in 1866.52

The British companies received many privileges for constructing these railroads which compensated for all the expenses of the project. But before expanding on these privileges we have to mention that the main goal was to join the west Anatolian agricultural production centers and markets to İzmir harbor. In this way, they could establish economic control over these regions, so the British government used its political influence on the Ottoman government in order to get these privileges.53

Lord Stratford de Red Cliffe spoke at the opening ceremony of the Alsancak railway station as follows:

"We hope that this railway is a useful capital investment which will help the entrance of our industrial products to the Ottoman Empire. As you all know Europe has benefited in the revival of the Ottoman Empire more than ever. Western civilization has come to the gates of the levant. If these gates, which we could not manage to pass until now, would not open we have enough and even more power to open and make our demands accepted. To support the productive investments


53 Issawi, op.cit., p. 187. See also, Çadır, op.cit., p. 370. The line between Bursa and Mudanya was constructed in order to combine the production centers of Bursa-Ertuğrul and Kütahya to the Mudanya harbour. See Karkar, op.cit., p.69.
like this railroad, which could help the Ottomans, is one of the major
duties of our government".\textsuperscript{54}

It was clear that the British government was supporting the British companies. They
also considered other economic reasons, before they started to build railways in
western Anatolia. There were 1,061 British merchants who were doing export and
import business in Izmir. These merchants knew that when Izmir and its surrounding
areas had transportation opportunities this would help the commercial development of
the region. In fact, Robert Wilkins who had the special privilege from the Izmir-Aydın
railway in 1856 with the support of British ambassador, was also a British merchant.\textsuperscript{55}

Merchant Wilkins and his colleagues sold this project to a British group. This group
established the institution of Izmir-Aydın railway company in 1857.\textsuperscript{56}

The special privileges for this railway were as follows: The 3.3 percent of firm capital
which would be established was going to be given to the Ottoman government as a
guarantee and the first part of the railway 70 km. long was to be finished in September
in 1860. After the opening of the first part of the railway the Ottoman Empire
guaranteed a profit which was six per cent of the firm capital every year for 50 years.
The Ottoman Government agreed to make up the remaining part if profits fell below
this percentage. The materials which were necessary for building the railway and
managing it, could be imported without paying custom taxes. While the railway was
being built, the firm could use the lands, mines and forests which belonged to the

\textsuperscript{54} Kurmuş, op.cit., p. 7. See also, Kurmuş, \textit{The role of British Capital in the Economic
Development of Western Anatolia 1850-1913} (London: Chambridge University Press, 1974), pp. 48-
50. And, Armaoğlu, op.cit., p. 81.

\textsuperscript{55} Kurmuş, \textit{Emperealism'in Türkiye'ye Girişi}, pp. 51-52.

\textsuperscript{56} Ibid., pp. 57-59.
government. After opening the railway, the firm had the right of managing the mines 45 km. around the railway, by paying a small tax.\textsuperscript{57}

Under these kinds of concessions, this railway was finished in eleven years on the 1st July in 1866. It cost 47,5 million francs. England which was the strongest of the foreign capitalist powers, started to succeed in the plan of transforming west Anatolian lands into markets for England.

While this railway was being built, another British company which had 20 million pounds of capital was given the concession of the İzmir-Kasaba railway with a six percent interest guarantee. The concession was signed on the 4th of July in 1863 and the construction of the railway started in 1864. In 1866 it had reached Turgutlu (Kasaba) which was 93 km. away.\textsuperscript{58}

c) Köstence-Çernovada and Varna-Ruşçuk Railroads: The 66 km. long Köstence-Çernovada line was the first railroad on the European lands of the Ottoman Empire. Çernovada was on the river Tuna and Köstence was on the Black Sea coast. This line which aimed to combine these two cities was finished in 1860. The Varna-Ruşçuk line was 224 km. long and was finished in 1866. Rusçuk is a city on the river Danube and Varna is on the Black Sea coast. Again the aim was to join the two so that agricultural lands could be connected to the harbors. The privileges of these two lines were given to British companies. As in the projects in the Aegean regions, the goal of the British in building these lines was to get the benefit of the agricultural products of these regions, because the transportation of these products became cheaper thanks to these

\textsuperscript{57} Ibid., p. 52.

railroads. After the 1877-1878 Ottoman-Russian War these two lines were outside Ottoman territory.\textsuperscript{59}

As a conclusion, first of all it can be stated that all the lines built by the British companies had economic goals. Secondly, they used their political influence in order to get these privileges at a period when competition between the European states was not very strong. Thirdly, it could be said that they would have not built these railroads if these projects were not profitable.

2) STATE ATTEMPTS AT BUILDING RAILROADS - THE RUMELI PROJECT

After the Crimean war Ottoman administrators wanted to build railroads in the Balkans which could reach Europe. The Tanzimat administrators Sultan Abdülmecit, Mustafa Reşit, Ali and Fuat Pashas thought that the Ottomans must have more political relations with Europe, so they must increase communications with Europe and a railroad joining İstanbul to the European cities would be very helpful.\textsuperscript{60}

But in 1866 there was only 514 km. of railroad in all. These were Köstence-Tuna (66km), İzmir-Kasaba (98km), Varna-Ruşçuk (220km), İzmir-Aydın (130km). This was insufficient for the vast Ottoman lands.\textsuperscript{61}

At this period rebellions in the Balkan provinces were increasing and the Ottoman state was not powerful enough to suppress these rebellions, as it was difficult to send the

\textsuperscript{59} Kütükoğlu, op.cit., p.124. See also, Karkar, op.cit., pp.67-68.

\textsuperscript{60} Engin, op.cit., p. 43. See also, Karkar, op.cit., pp.67-68.

\textsuperscript{61} Mukbil Sezginer, "Şark Demiryolları Tarihi" , appendix of Demiryollar Dergisi, 12 (Şubat, 1937), pp. 4 -5. See also, Engin, op.cit., p. 43.
army in time. A railroad could help the transportation of the troops. Also Ottoman administrators thought that they could benefit more from the rich Balkan lands if the trade of Eflak and Boğdan could be done by rail. This would also bring income to the state. For all these purposes Ottomans wanted to build the "Rumeli Railroads."  

As in the other projects, the Ottomans did not have enough money and technology for this project so they wanted to give privileges to some European companies.

In 23 January 1857, Bab-ı ali signed the first contract with a British parliamentarian named Labro. But Labro could not even succeed in establishing a company and could not find the necessary deposit guarantees. So this contract was canceled. In 1860 another contract was signed with another British entrepreneur. This was also cancelled and another privilege was given to the Belgium Vander Elst Brothers in 1868. But the Vander Elst brothers also could not realize the project. Finally on 19th December, 1868, the Minister of Transportation Davut Pasha was sent to Europe, and he signed a contact with Baron Maurice de Hirsch who was among the Belgian bankers in Paris. He accepted this duty by the negotiations in February and March. The agreement was signed on 17th April, 1869. The railway which would be constructed was to start in İstanbul and going through to Austria. This railway was to be given to the Baron with 99 years of management privilege and 14000 franc of kilometric guarantee. Also many concessions were given which were to the benefit of Baron Hirsch. The agreement was certified by Davut Pasha on 11th October, 1869.

In accordance with this project Baron Hirsch built 1279 km. of railway. These were İstanbul-Edirne 319km, Edirne-Sarimbey 243km, Dedeağaç-Edirne 149km, Selanik-

---

62 Sezginer, op.cit., pp. 4 -5.

63 Engin, op.cit., p. 61. See also, Sezginer, op.cit., pp. 4 - 5.
Mitroviće 361km, Banaluka-Nov 102km, Tırnova-Yanbolu 105km. The total project was foreseen as 2000 km. of railroads but Baron Hirsch only built the easy parts of the railroads which cost much less than the other 700 km. So he received a great deal of profit from this agreement and the Ottoman state had to pay large sums of money to the owners of the commercial rights after the Baron transferred his privileges. In the end the Ottomans had extensive loses and an unfinished railroad which was not connected to the European railroads. The main goal of the Ottoman administrators, which was to reach European cities with a railroad, had not been realized. After this failure the Ottomans wanted to finish these project from state resources, and for this purpose Ottoman administrators tried to get loans from the European capital markets. They signed a debt contract with the Ottoman Bank in 1873 but this could not be realized because of the economic depression in the Vienna market.\(^{64}\)

As a consequence, it was not possible to finish the Rumeli railroads until 1875. At that period Ottomans had several interviews with many companies but could not manage to conclude the project. The Balkans rebellion in 1875, the Ottoman-Serbian war in 1876 and the Ottoman-Russian war (1877-1878) incurred considerable military expenses and also many difficulties (because of the ongoing war) and at the end the project was abandoned. After the Treaty of Berlin, a conference between Turkey, Bulgaria, Serbia and Austria-Hungary was held. This resulted in the convention of May, 1883, in which each Government agreed to finish the remaining uncompleted line in its own territory before October 15, 1886. The Turkish Government was given charge of Bellova-Vakarel. Vakarel was a terminal point on the oriental Rumeli border at distance of 46 kilometers from Bellova. In addition, it found itself in charge of a line from Uskub to Zibeftche, which reached the Serbian frontier. The length of this was estimated as 85

\(^{64}\) Karkar, op.cit., p.68. See also, Engin, op.cit., p. 120.
kilometers, thus making a total of 131 kilometers. The concession was ceded to Baron Hirsch, whose company began work in 1885 and finally completed it in 1888. The Uskub-Salonica railway was opened to Belgrade, and the Constantinople to Beloiva line put the final touch to the network, thus reaching Bulgaria and Serbia. By 1888, a line of 1,686 kilometers linking Constantinople with Vienna was in operation. Surprisingly enough, the Baron finally ceded all the lines included in his concession, those both finished and unfinished, to the Deutsche Bank. This was accomplished on April 17, 1890.  

3-THE DEVELOPMENT OF IMPERIALISM AND THE INCREASING GERMAN INFLUENCE

After the failure of the Rumeli railroad project Ottoman administrators did no further work to realize new projects until 1888. Also during this period European companies did not want to invest in the Ottoman Empire for the following reasons:

a) The Ottomans had obtained too many loans and had spent this money on military expenses of the Serbian and Russian wars thus the Ottoman treasury was in extreme difficulty and could not afford to repay new loans.

b) The Ottoman Empire was beginning to disintegrate. The political instability was very high and there was too much political risk for building railroads on Ottoman lands. This situation continued until the establishment of Düyun-u Umumiye in 1882. This institution assumed responsibility to control most of Ottoman public revenues and undertook to pay back the Ottoman loans and interest. Another undertaking of Düyun-

Umumiye was to pay the kilometric guarantees of the railroads to the European firms. This decreased the economic risks and resulted in an increase in the demands of railroad privileges.66

The political risks still continued but an important development occurred after 1871. In that year Germany won the French war and establish its union. From then on this state also entered into competition with other European countries. This period was defined as the imperialistic period of capitalism. So the German interest in the Ottoman Empire increased and they tried to improve economic relations with the Ottoman Empire. This process continued until 1888. In that year Wilhelm II became Emperor and began to apply imperialistic colonization policies known as "weltpolitik".67

During that period many countries in Asia and Africa were becoming colonies of the major European countries and the German colonies were far behind in supplying the needs of a rapidly developing German industry. Thus Wilhelm II directed his attention to the Ottoman lands which was seen as a big market with a population of 20 million as well as untouched natural resources.68

From the Ottoman point of view the situation was very severe. The 1877-1878 Ottoman-Russian war showed that the Ottoman Empire could no longer stand on its feet without the political support of one or more European country. Secondly, there was strong distrust against Britain, France, Austria and Italy as all these countries had demanded land from the Empire or occupied some parts of the Empire. Also

66 Özyüksel, op.cit., p.21.


Abdühamit was in sympathy with the authoritarian system of Germany as opposed to Britain and France.\(^{69}\)

In this context, in 1882, Ottoman German relations developed rapidly. Besides increasing the economic activities, the Ottomans invited a German military committee to bring about reforms in the Ottoman army.\(^{70}\)

**4- THE RAILROADS CONSTRUCTED BY THE GERMANS**

a) The İzmit-Ankara railroad: During the reign of Abdülhamit II railroads were always on the agenda. The main aims of Abdülhamit was to establish a unity between the Islamic parts of the Empire. He saw the loss of the Christian Balkan lands as an elimination of the rotten branches. He did not take the loss of these lands seriously and directed his attention towards the Anatolian lands. He saw railroads from this perspective and he tried to realize the Istanbul-Baghdad railway for the above reasons.\(^{71}\)

Özyüksel states as follows:

"It was known that Ottoman administrators wanted to build a railroad which cross cut the country reaching Baghdad. With military and economic purposes Abdülhamit emphasized the military aspect and said that railroads had a big strategic importance as it provided the fast transportation of our soldiers, thus it was necessary. But the failure of

\(^{69}\) Çavdar, op.cit., pp. 128-130.

\(^{70}\) Özyüksel, op.cit., pp. 49-50.

\(^{71}\) Serif Mardin, "Center Periphery Relations: A Key to Turkish Politics", in ed., Faruk Birtek, op.cit., p. 176.
the state enterprise of the Rumeli railroads showed that foreign capital was needed for building railroads. However, the distrust of Abdülhamit against Britain and France caused the refusal of applications from these countries. The Sultan thought that these countries wanted to use railroads as an instrument for establishing their own influence regions.”

Consequently, the Ottomans gave the privilege of İzmit-Ankara railroad to the German Deutsche Bank. This contract consisted of the 486 km. long İzmir-Eskişehir-Ankara line. For this project Deutsche Bank gave a 30 million mark credit with a five percent interest rate which was very low. In addition the privilege of the Haydarpaşa-İzmit line was given to Deutsche Bank against 6 million francs. The privilege was for 99 years and the project had to be finished within three years. 73

The Ottoman government also accepted to pay a 15,000 franc kilometric guarantee for the new line and 10,300 franc for the Haydarpaşa-İzmit line. If the incomes of these lines were below these amounts, the Ottoman government was obliged to pay the difference. The incomes of İzmit-Ertuğrul-Kütahya-Ankara sancaks were shown as a guarantee. Düyun-u Umumiye was responsible for the collection of these incomes. The company was also given the privilege of mining and cutting trees in the 20 km. range from each side of the railway. 74

The signing of this contract was carried out after Wilheim II become Emperor; before him Bismarck was against imperialistic policies and did not have much interest in the

72 Çavdar, op.cit., p. 125-126. See also, Özyüksel, op.cit., p. 62.
73 Issawi, op.cit., p. 188. See also, Özyüksel, op.cit., p. 66. And, Çadırca, op.cit., p. 302.
74 Özyüksel, op.cit., p. 66. See also, Issawi, op.cit., p. 188. And, Karke, op.cit., p.72.
Ottoman lands as he did not want to get into conflict with Austria and Russia which also had interests on the Ottoman lands. So Deutsche Bank did not expect to receive this project because of political attitudes of the country. They declared in a report that they did not see this project profitable, in 23 March 1888. However, they changed their mind in the same year that Wilhelmi came to power, parallel to the change in the state policy against the Ottoman Empire.\textsuperscript{75}

This point is very important as it shows that the political goals at that period were more important than economic ones.

b) Germany Gets The Control Of Rumeli Railroads: After the above mentioned period Deutsche Bank also bought the stocks of Istanbul-Edirne-Philippouvel-Bellova railroad which was constructed by Baron Hirsch on the European lands of the Empire. This was very important from the point of Deutsche Bank because, on 12 August 1888 the Paris-Vienna express reached Istanbul. After that, the capital of the Ottoman Empire had railroad connections with major European cities such as Vienna, Paris and Berlin. This was an encouraging development for Deutsche Bank to extend the railroads in the Asian lands of the Empire. On 28 October 1890 they also bought the privilege of the 219 km. long Selanik-Manastir line for 99 years. Thus Germany who did not even have one kilometer of railroad in the Ottoman lands until 1888, had the privilege of 2000 km of railroads in 1890.\textsuperscript{76}

c) Eskişehir-Konya railroad: After the İzmit-Ankara railroad was finished the Ottomans wanted to extend this line to Baghdad, and Abdülhamit was urging the Germans to undertake this project. But the Germans refused as it was not profitable enough. The

\textsuperscript{75} Earle, op.cit., pp. 18-30. See also, Özyüksel, op.cit., pp. 63-64.

\textsuperscript{76} Rathmann, op.cit., pp.42-43. See also, Özyüksel, op.cit., p. 70.
general director of the Anatolian railroad company, Von Kuhlmann, wrote to Raschdau who was an officer in the German ministry of foreign affairs as follows:

"The 578 km. long Ankara line will be finished at the end of this year in accordance with the contract the Sultan is now urging us to construct his fantastic project of the Baghdad railroad. In respect to the Sultan, we are now making preliminary studies of the region.

It was nonsense to think of extending the railroad to Baghdad. The company must be careful before deciding to construct such a project, if it does not want to mislead the public opinion ...... and I saw a benefit in constructing the 400 km. long Ankara-Kayseri and 410 km long Eskişehir-Kütahya-Konya lines if we want to maintain our prestige."  

This letter shows the approaches of the Anatolian Railroad Company to this project. At this period, other European countries were increasing their demands for getting privileges from the Ottoman Empire. In 1891 a Belgium-French group wanted to get the privilege of a railroad between Samsun and Iskenderun but Abdülhamit refused this as he thought it would facilitated the Russian attack towards the inner regions of Anatolia. Also in 1891 a British contractor Staniforth made a suggestion which could be in competition with the project of the Anatolian Railroad Company. He had the support of the British ambassador in Istanbul. This was a railroad project beginning from Ereğli and going to Baghdad via Ankara. Also a French group wanted to get the privilege of the Eskişehir-Kütahya-Konya line. However, Abdülhamit wanted to work with the Germans according to the İstanbul-Baghdad project. In 1892 these European countries put more pressure on Abdülhamit and suggested better conditions such as

77 Özyüksel, op.cit., p. 77. See also, Issawi, op.cit., pp. 188-189.
constructing İstanbul-Baghdad railroad without getting any kilometric guarantees. According to the Germans these suggestions were not sincere and they were aimed at stopping the German influence in the Ottoman Empire. The British ambassador in İstanbul officially informed Bab-ı ali that Bab-ı ali by giving the privilege of the Konya railroad to Deutsche Bank would harm British interests in the region. The Eskişehir-Konya railroad was passing from the hinterlands of İzmir-Aydın and İzmir-Kasaba lines thus if Germany realizes this project they would lose their influence on the region.\footnote{Karkar, op.cit., p. 72. See also, Çavdar, op.cit., pp. 125-129.}

Despite all these pressures Abdülhamit did not change his mind and tried to find solutions to the problem with the Germans. Along with the British pressure Germany accused him of no longer showing understanding to their Egypt policies. The privilege of extending the İzmir-Kasaba railroad up to the Afyonkarahisar and the privilege of Beyrut-Sam-Halep railroads were given to France.\footnote{Rathmann, op.cit., pp. 46-47. See also, Özyüksel, op.cit., pp. 81-83. And, Çavdar, op.cit., p. 127.}

As a result of this development in 15 February 1893 the Ottoman government signed a contract with Anatolian Railroad Company for the privilege of the Ankara-Kayseri and Eskişehir-Konya lines. According to this contract a 13,800 franc kilometric guarantee was accepted and the incomes of (asar tax) Trabzon and Gümüşhane were shown as a guarantee, however Ankara-Kayseri railroad was never built.\footnote{Özyüksel, op.cit., pp. 87-88.}

After the 1893 world economic depression the financial institutions went through a very difficult time. This situation continued until 1897. During the period between 1897 and 1903 negotiations on the construction of the Baghdad railroad continued.
This project was so important and so big that Germany could not afford the necessary capital from her national market. At that time there were two spheres of thought on the German side. The first one was the nationalistic view which was supported by Marschall Von Bieberstein the German ambassador of Istanbul between 1897-1912. He believed in the necessity of Wilhem II's weltpolitic and supported the idea that Germany must build the Baghdad railway alone. He believed that, in this way Ottoman lands would be under German influence. In 1899, he wrote a report and sent it to Chancellor Hohen Lohe. In this report he put forward his ideas about weltpolitic. He said that for some countries economic expansion was inevitable and when a foreign investment came to the agenda the risk and profitably of this investment had different meanings. The conditions under which a country must support private capital was decided according to the economic policies of that country. He thought that, extending the Anatolian railroad to Baghdad was a duty of national economy which all the nation had to support. He also said that economics and politics could no longer be separated from each other and only the economically strong countries could have political influence. According to this view, he was afraid of losing the Baghdad railroad privilege to other countries.\(^{81}\)

The other group was interested in the economic aspect of this railroad. The general director of Deutsche Bank Georg Von Siemens thought that Germany could not finance this project alone and she had to find partners from Britain and France. He believed that only with the support of these countries could this project be fulfilled. Abdülhamit, on the other hand, did not want other countries to engage in this project.

He would only accept it with the condition that the control of the company must be held by Germans.\textsuperscript{82}

The period between 1897 and 1903 was occupied by the political maneuvers of Britain, France, Russia and Germany. Britain, France and Russia were against the increase of German influence in the Empire. In line with her foreign policy Russia did not want a strong Ottoman Empire. The British were strongly opposed to the railroad between Basra and Baghdad as this region was extremely important for their control over India. France was also after its interest on the Anatolian lands.\textsuperscript{83}

Russia received a privilege from the Empire for constructing railroads in the Northern parts of Anatolia and the British never accepted agreement with the Germans as they saw the India road under threat.

The problems increased and the signing of the Baghdad railroad contract was left hanging in the air, but the Germans agreed with the Ottoman government to sign a pre-agreement in 1899. For the signature of the main contract the Germans tried to establish a partnership with the British. They managed to agree with some bankers but the British government refused to sign this agreement. In the end in 1902 the Germans signed the main contract.\textsuperscript{84}

The concession of the Baghdad railway carried with it handsome and liberal terms. The guarantees for the construction of the line were rewarding. In brief, they amounted to

\textsuperscript{82} Özyüksel, op.cit., p. 130-132.

\textsuperscript{83} Çavdar, op.cit., pp. 119-120. See also, Earl, "Türkiye, Büyük Devletler ve Bağdat Demiryolu Emperyalizmine Alakadar Bir Tettik", \textit{Demiryollar Dergisi}, 9 (Eylül 1933), pp.391-392.

15,500 francs a year per kilometer. This amount was to be capitalized with the Porte, giving the company state bonds bearing interest at four per cent, redeemable during the period of the concession. Besides this, the Ottoman government undertook to provide a sinking fund at the rate of 0.0875 percent. The remainder, 4500 francs per kilometer, were allowed for working expenses. Once the line went into operation, if gross kilometric receipts exceeded the estimated remuneration over costs, a formula had been worked out whereby the surplus was shared between the parties involved. Besides this, the revenues of the districts traversed were to be set aside for debt service, and put under the supervision of the Public Debt Administration.\textsuperscript{85}

At that point Abdülhamit brought a new project to the agenda which must be mentioned here. This was the Hicaz railroad project which had no economic basis. It was totally a political project developed according to the pan-islamist policies of Abdülhamit. He wanted the support of all Moslems in the world to bring about this religious project. He managed to collect a considerable amount of capital for this project from donations and constructed a railroad between Damascus and Mecca which was 1320 km. long. It was a very important project as it was done totally by Ottoman engineers and capital. This railroad was finished in 1914.\textsuperscript{86}

In 1903 the first part of the Baghdad railroad was started. This was the line between Konya and Bulgurlu which was 200 km. long. Although this part was completed in 19 months and encouraged everyone, from then on the construction was stopped and until 1911 only 38 km. was built.\textsuperscript{87}

\textsuperscript{85} Karkar, op.cit., p.72.


\textsuperscript{87} Çavdar, op.cit., p. 133. See also, Karkar, op.cit., p. 73.
The main reasons for that were again financial difficulties and the revolution of 1908 against Abdülhamit. France and Britain tried to stop the project. In the end the Germans found enough capital for the 840 km. long Bulgurlu-El Helif line which was the most difficult part of the whole project. This attempt also failed as Abdülhamit was removed from office in 1909.  

5-THE FRENCH RELATION WITH THE OTTOMAN EMPIRE IN CONSTRUCTING RAILWAYS

Before continuing with the period of the second constitution, the railroad projects realized by French companies must be mentioned. The interest of France with the railways in the Ottoman territory principally started after 1860. After the Lebanon event which occurred in 1841, France increased her attention in Syria. The Lebanon event revealed the Eastern policy of the French. Austria and France acted as two important protectors of the catholic religion in the East. The relation between Syria and France also started from the religion protection promises. France started to construct the railways in Syria towards the end of the nineteenth century. A special but small concession went to an Ottoman subject. In turn, he ceded it to a French company formed in 1889. This company constructed the line between Jaffa and Jerusalem, a distance of 87 kilometers, and added branch lines to Ghazza, a distance of 75 kilometers, and to Nablus, 50 kilometers. The work was completed in 1892.  

Another concession was granted to a Lebanese, who ceded his rights to a French company which eventually constructed and operated the line between Damascus,  

---

88 Issawi, op.cit., p. 189.

Homs, Aleppo and Biredjek. The French Company later became the Societe Ottomane du Chemin de Fer Damas, Hama et Prolongement or D.H.P. for short. It constructed the 97 kilometers long, exceptionally narrow-gauge line of 1.05 meters between Damascus and Mazarib in Hauran. It was opened in 1894. The same company took charge of constructing the Damascus-Beirut line without any kilometric guarantees. The distance covered was 145 kilometers. It was in operation in 1895. Again, in 1902, a standard gauge line was opened between Riyaq, a town in the Beqa', which is located on the Beirut-Damascus narrow gauge line, and Hama 182 kilometers away. Four years later, the line was extended to Aleppo, another 137 kilometers. In 1909, a 97 kilometers standard gauge extension was constructed between the port of Tripoli and Homs, located on the Riyaq-Aleppo line.\(^9\)

On the eve of the war, the D.H.P. was responsible for running a 644 kilometer network of railroad, connecting the principal cities of Syria with the coastal periphery. Other French promoters were awarded a railroad concession in 1908 to connect the Red Sea port of Holeida with Sana'a. This had for its purpose the division to trade from Aden into Ottoman territory. The line was never constructed. Final but significant concessions were given to French promoters as late as April, 1914. These were mostly for a network to be run in Northern Anatolia and Armenia. The grants were conditional upon receipt of badly needed French financial assistance.\(^1\)

According to France, the Şam-Halep-Birecik railway had to be constructed and joined with the Baghdad railway apart from the Beyrut-Şam railway. At the same time, this line would be connected to the Mediterranean. There were also the projects which were to dominate Basra Gulf by one of the harbors of Syria. These were the projects

\(^9\) Karkar, op.cit., pp.69-70.

\(^1\) Ibid.
which France had in mind. By 1914, French holdings of Turkish public debt and investments in Turkish enterprises exceeded that of any other country.

6-THE PERIOD OF THE SECOND CONSTITUTION

This period was mainly characterized by a major shift in Ottoman foreign policy. Having liberal ideas the Young Turks directed their attention towards Britain and France which were more liberal countries compared with Germany. Thus between 1908 and 1910 the Germans lost their influence on the new Ottoman government. In this period the contract signed with Abdülhamit was severely criticized. This situation was ended by the positive attitudes of Germany towards the empire and also the negative ones of Britain and France. At the same time the economic and fiscal dependency of the Empire increased and the need for foreign borrowing was inevitable. In 1910 Germany gave a very important loan to the Ottoman Empire which Britain and France had refused to give. So the Ottomans were again agreement with Germany and in 1911 they signed a new contract with them. As a result of this agreement Germany gave up some important parts of this project such as the Baghdad-Basra line and also tried to solve other problems with France and Russia.

In this moderate environment the construction of railroads developed rapidly. Until World War I, 887 km. of the projects were finished including the 200 km. long Konya-Bulgurlu line. These lines were Bulgurlu-Ulukişla 38km, Dorak-Yenice 18km, Yenice-Mamure 97km, Radsu-Halep-Trablusşam 203 km, Ulukişla-Karapınar 53km,

---


93 Issawi, op.cit., p. 190. See also, Çavdar, Osmanlıların Yarı Sömürge oluşu, pp. 139-140.
Toprakkale-Iskenderun 59km, Baghdad-Sumike 62km, Trablusşam-Tel Ebiad 100km, Sumike-Istabolat 57km, İstabolat-Samarra 57km.\footnote{Özyüksel, op.cit., p. 232. See also, Earl, op.cit., pp. 391-392.}

In 1914, Germany reached agreement with Britain but they were unable to sign it because of the war.\footnote{Özyüksel, op.cit., pp. 236-237. See also, Çavdar, op.cit., pp. 143-144.}

At the end of the war, according to the Mondros armistice Konya-Adana-Halep-Nusaybin railroads were left to France, Haydarpasa-Ankara-Eskişehir-Konya lines were left to Britain and in this environment the war of independence began in 1919.\footnote{Özyüksel, op.cit., p. 238.}

7- ATTEMPTS OF THE AMERICANS: THE CHESTER PROJECT

The Chester project was the first American attempt in the Middle East and it consisted of constructing railroads 4000 km. long in Eastern Anatolia.\footnote{Çavdar, İttihat ve Terakki, p. 112.} According to the project the railroad would have passed through Sivas, Harput, Ergani, Musul, Kerkük and Süleymaniye with three branches to Samsun, Halep and Van. The important side of this project was its finance. No kilometric guarantee was demanded and the whole line would have been constructed against the privileges of mining within the 40 km. region of the railroad. This meant that the Chester group would control the national resources of about 170.000 square kilometers of the Ottoman lands.\footnote{Yağha Sezai Tezel, "1. Büyük Millet Meclisi Anti-Emperyalist miydi - Chester Ayrılığı" Ankara University Journal of Faculty of Political Sciences, Dec. Vol. 25, No: 4, (1970), pp 287-288. See also, Selim İlkın, "1922-1923 yılları Türkiye’inde Bir Yabancı Sermaye Girişimi Chester Demiryolu..."}
The leader of the project was an American Admiral who gathered together many important American businessmen under a company known as the Ottoman-American Development Company (O. A. D. C.). The American government also supported this project as the petroleum of Musul and Kerkük was very important for them. The Ottoman government likewise viewed the project positively as they thought they could use American capital as a balancing power among the other foreign investors in the country. However, most of the Western countries, such as Britain and Germany opposed this project as it conflicted with their interest in the region. In addition the never ending wars in the Empire frightened the partners of the company and the project was cancelled in 1911.99

To conclude, we have divide this period into two. The first part was the industrial period of capitalism during which the economic aims were more important than the political ones. The main goal at this period was to integrate Ottoman economy to the European centers. The first country influential in that period was Britain. Rumeli railroads on the other hand was a failure for the Ottomans who were aiming to establish economic and political control in the region.

The second part was the imperialistic period of capitalism. During this period from the mid 1880's until the Republic, serious competition occurred between France, Britain, Russia and Germany. Except for the years 1908 to 1910, the whole of this period witnessed the German influence. Anatolian railroads were built by Germany. The main characteristic of this period is the decrease in the short term economic perspectives and the increase in the long term political ones.

---

From the Ottoman side, there were two major problems. The first one was the
difficulty of finding necessary capital and the second one was the lack of technical
knowledge. For these reasons the Ottoman Empire had to give concessions to the
foreign companies, such as kilometric guarantees. As an example of this, until 1911
the Ottoman Empire paid 4,080,000 gold lira to the Anatolian Railroad Company as
kilometric compensations for the Anatolian railway.

As a result of the construction of railroad projects, the financial needs of the Ottoman
government increased after 1856. The Ottoman Empire paid the guarantees from the
public treasury thereby gradually increasing its debts although they had planned to
increase state revenues by means of railroads. As a result, the Ottoman Empire
borrowed more from the Western countries in order to pay the railway expenses. The
increase in loans meant more concessions to be given by the Ottoman Empire. At the
end, the Ottoman Empire began to lose control over its income and the financial
control of foreigners increased, which made it more and more dependent on the
West.

At the beginning, the railway seemed to be useful for the country's economy, as the
coming of the railway would be an incentive for the development of goods-money
relations. As a result of the agricultural developments, the incomes of the government
in these regions partly increased. While the tithe income in Sanjaks was 11,268,000
liras in 1903, this amount increased to 114,716,000 liras in 1909. However, the
important part of the tithe income was given as kilometric guarantees. Therefore

100 Engin, op.cit., p. 38. See also, Alptekin Müderrisoglu, Kurtuluş Savaşı Mali Kaynakları
(İstanbul: Kastas, 1988), pp. 93-94.

101 Ergün, op.cit., p. 73. See also, Novicev, op.cit., pp. 47-49.

102 Novicev, op.cit., p. 83.
despite the development the Ottoman government was not able to profit from it.\textsuperscript{103} Figure III shows the amount of kilometric guarantee payments given to the western companies between turned the 1889-1912. These amounts are significant in showing the reasons that made Ottoman Empire into an economic colony.

\textsuperscript{103} Ibid., p. 50.
### Figure 3: The Kilometric Guarantee Payments of the Ottoman Government to the Foreign Railroad Companies Between 1889-1912

<table>
<thead>
<tr>
<th>Year</th>
<th>Haydarpaşà-Ankara</th>
<th>Eskişehir-Konya</th>
<th>Saldırgan-Manastır</th>
<th>Saldırgan-İstanbul</th>
<th>İzmir-Kastoria</th>
<th>Şam-Hama</th>
<th>Koniyah-Eregli</th>
<th>Total Guarantee &amp; Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td>1889</td>
<td>7,981</td>
<td>7,981</td>
<td>7,981</td>
<td>7,981</td>
<td>7,981</td>
<td>7,981</td>
<td>7,981</td>
<td>7,981</td>
</tr>
<tr>
<td>1890</td>
<td>33,190</td>
<td>33,190</td>
<td>33,190</td>
<td>33,190</td>
<td>33,190</td>
<td>33,190</td>
<td>33,190</td>
<td>33,190</td>
</tr>
<tr>
<td>1891</td>
<td>69,231</td>
<td>69,231</td>
<td>69,231</td>
<td>69,231</td>
<td>69,231</td>
<td>69,231</td>
<td>69,231</td>
<td>69,231</td>
</tr>
<tr>
<td>1892</td>
<td>130,204</td>
<td>130,204</td>
<td>130,204</td>
<td>130,204</td>
<td>130,204</td>
<td>130,204</td>
<td>130,204</td>
<td>130,204</td>
</tr>
<tr>
<td>1893</td>
<td>181,427</td>
<td>181,427</td>
<td>181,427</td>
<td>181,427</td>
<td>181,427</td>
<td>181,427</td>
<td>181,427</td>
<td>181,427</td>
</tr>
<tr>
<td>1894</td>
<td>219,034</td>
<td>219,034</td>
<td>219,034</td>
<td>219,034</td>
<td>219,034</td>
<td>219,034</td>
<td>219,034</td>
<td>219,034</td>
</tr>
<tr>
<td>1895</td>
<td>265,605</td>
<td>265,605</td>
<td>265,605</td>
<td>265,605</td>
<td>265,605</td>
<td>265,605</td>
<td>265,605</td>
<td>265,605</td>
</tr>
<tr>
<td>1896</td>
<td>177,541</td>
<td>177,541</td>
<td>177,541</td>
<td>177,541</td>
<td>177,541</td>
<td>177,541</td>
<td>177,541</td>
<td>177,541</td>
</tr>
<tr>
<td>1897</td>
<td>17,630</td>
<td>17,630</td>
<td>17,630</td>
<td>17,630</td>
<td>17,630</td>
<td>17,630</td>
<td>17,630</td>
<td>17,630</td>
</tr>
<tr>
<td>1898</td>
<td>67,349</td>
<td>67,349</td>
<td>67,349</td>
<td>67,349</td>
<td>67,349</td>
<td>67,349</td>
<td>67,349</td>
<td>67,349</td>
</tr>
<tr>
<td>1899</td>
<td>179,402</td>
<td>179,402</td>
<td>179,402</td>
<td>179,402</td>
<td>179,402</td>
<td>179,402</td>
<td>179,402</td>
<td>179,402</td>
</tr>
<tr>
<td>1900</td>
<td>119,756</td>
<td>119,756</td>
<td>119,756</td>
<td>119,756</td>
<td>119,756</td>
<td>119,756</td>
<td>119,756</td>
<td>119,756</td>
</tr>
<tr>
<td>1901</td>
<td>31,564</td>
<td>31,564</td>
<td>31,564</td>
<td>31,564</td>
<td>31,564</td>
<td>31,564</td>
<td>31,564</td>
<td>31,564</td>
</tr>
<tr>
<td>1902</td>
<td>4,054</td>
<td>4,054</td>
<td>4,054</td>
<td>4,054</td>
<td>4,054</td>
<td>4,054</td>
<td>4,054</td>
<td>4,054</td>
</tr>
<tr>
<td>1903</td>
<td>92,878</td>
<td>92,878</td>
<td>92,878</td>
<td>92,878</td>
<td>92,878</td>
<td>92,878</td>
<td>92,878</td>
<td>92,878</td>
</tr>
<tr>
<td>1904</td>
<td>93,589</td>
<td>93,589</td>
<td>93,589</td>
<td>93,589</td>
<td>93,589</td>
<td>93,589</td>
<td>93,589</td>
<td>93,589</td>
</tr>
<tr>
<td>1905</td>
<td>45,720</td>
<td>45,720</td>
<td>45,720</td>
<td>45,720</td>
<td>45,720</td>
<td>45,720</td>
<td>45,720</td>
<td>45,720</td>
</tr>
<tr>
<td>1906</td>
<td>51,280</td>
<td>51,280</td>
<td>51,280</td>
<td>51,280</td>
<td>51,280</td>
<td>51,280</td>
<td>51,280</td>
<td>51,280</td>
</tr>
<tr>
<td>1907</td>
<td>79,714</td>
<td>79,714</td>
<td>79,714</td>
<td>79,714</td>
<td>79,714</td>
<td>79,714</td>
<td>79,714</td>
<td>79,714</td>
</tr>
<tr>
<td>1908</td>
<td>128,155</td>
<td>128,155</td>
<td>128,155</td>
<td>128,155</td>
<td>128,155</td>
<td>128,155</td>
<td>128,155</td>
<td>128,155</td>
</tr>
<tr>
<td>1911</td>
<td>46,073</td>
<td>46,073</td>
<td>46,073</td>
<td>46,073</td>
<td>46,073</td>
<td>46,073</td>
<td>46,073</td>
<td>46,073</td>
</tr>
<tr>
<td>1912</td>
<td>129,628</td>
<td>129,628</td>
<td>129,628</td>
<td>129,628</td>
<td>129,628</td>
<td>129,628</td>
<td>129,628</td>
<td>129,628</td>
</tr>
</tbody>
</table>

**TOTAL** | 2,068,817 | 1,917,258 | 805,750 | 4,035,050 | 2,573,995 | 1,053,834 | 169,393 | 1,262,590


Events continued in the same manner leading to the bankruptcy of the Ottoman Empire. On 1st November 1914, the foreign debts of Turkey were 152,265,915 lira. The foreign investment in the other economic activities was about 63,444,000 francs 39,163,000 francs were used for the railways. In this way the foreign powers (England, France and Germany) enlarged their economic and political roles in the policy of economic colonization. From the early half of the 19th century, local industry entered into a big retrogression in most sectors. This was a result of the low custom taxes placed on imported western manufactured goods and exported raw materials from Turkey. The building of the Ottoman railway took a big role in this event, and made the Ottoman Empire more dependent on the West.*
CHAPTER III
1) THE DEVELOPMENT OF RAILWAYS IN REPUBLICAN TURKEY

After World War I the Ottoman Empire came to an end. After the establishment of the republic, many new principles were introduced in the political, economic and social areas. Western interference and their efforts for political and economic colonization had disintegrated the Empire. Hence these new principles were mainly gathered around two points. First, abolishing every kind of western privilege and second establishing a politically and economically independent country.

However, it was not possible to exercise these principles easily because of the fact that the western powers were still effective in the new state and they would not easily give up the privileges they had. On the other side, the economic relations between the Turkish Republic and these countries were continuing as the Turkish economy had become partly integrated into the world capitalist order during the 19th century.

The economic and political developments in this period will be examined within this frame of interaction between the changing internal policies and also the changing foreign influences.


Transportation policies were also affected by these changes and they too, developed within the above mentioned frame. Having an efficient transportation system was accepted as very important for the national economy. Railroads retained their importance in that period and became the most important part of the Republican transportation policies. Also new principles such as social and cultural ones were introduced to these transportation policies. Hence, many railroads were constructed and the old ones were nationalized according to these new principles.\(^{106}\)

In order to evaluate the development of Republican railways, the general economic and political environment between 1923 and 1940 will be examined first. Second, the aims of the Republican administrators will be examined and third, the changing principles will be looked at in order to put forward the differences between the Ottoman and Republican periods. Finally, the railroad projects will be evaluated according to these changing goals and principles.

1- THE GENERAL POLITICAL AND ECONOMIC ENVIRONMENT BETWEEN 1923 AND 1940

At the end of the War of Independence the most important point for the new state was signing a just peace treaty which could be a base for establishing a politically and economically independent state.

On 20 November 1922, a peace conference was held in the city of Lausanne in Switzerland. İsmet İnönü was the head of the Turkish delegation at this conference

which was representing the Turkish Grand National Assembly of Ankara. In this conference there were seven other states. These were Britain, France, Italy, Japan, Romania, Yugoslavia and Greece. Turkey won the war of independence and got control of the region defined in the National Pact (Misak-ı Milli).

However, she was not powerful enough to have all her aims accepted. These were mainly, determining the borders according to the National Pact, to evacuate İstanbul and the Straits, and also get rid of capitulations and other kinds of foreign privileges. Western countries were insisting on capitulations and did not want to give up their economic advantageous. They also wanted to guarantee the statute of foreign capital in the new Republic. Thus, the conference became very argumentative so it was not possible to come to an agreement and broke up on 4th February 1923.

This was a very critical period for the new Turkish state. Turkey was ready to accept foreign capital, if it adhered to the Turkish laws and regulations, with the condition of abolishing the capitulations. In order to persuade the western countries on these subjects, an assembly of economy was held in İzmir (İzmir İktisat Kongresi) between 17 February and 4 March 1923. It was organized by the Ministry of the Economy in which the representatives of merchants, industrialists, laborers, bankers and all the occupation institutions were invited.

 Atatürk clearly stated in the opening speech of this congress that they would not accept any kind of capitulations which would compromise her economic independence. He

107 Afetinan, İzmir İktisat Kongresi, pp.9-11.

108 Ofcourse there were other reasons for organizing such a congress. However the timing of the congress and the declarations given to it takes us to that point.

109 Gönlübol, Cem Sar, op.cit., p. 54.
added that, national sovereignty must be tightened along with economic sovereignty and political and economic glories could not survive without those in the economic field. He also clearly mentioned that they were not opposed to the foreign capital and they were ready to give the necessary guarantees if it obeyed the Turkish law.¹¹⁰

The main goal of this assembly was to show to the western powers the attitudes of different Turkish economic groups on the subjects of capitulations, national and economic independence and also about the foreign capital.¹¹¹

Besides this conference, the new Turkish government became interested in the Chester project again. Admiral Chester also wanted to continue the project and brought a new plan to the Turkish government. According to this new plan, more then 4000 km. of railroads and three harbors would be constructed against the privileges of mining including petroleum. The two important differences of this new contract were; 1) The route of the railroad was extended to Ankara and supported with side branches. 2) Any disagreements would be resolved in the Turkish courts. These two points were important as they were determining the railroad policies of the new Republic such as establishing a national and independent economy.¹¹²

This project was discussed in the Turkish Grand National Assembly on 8 April 1923 and accepted against the opposition of Britain and France who were still anxious about their interests in the region (especially about the petroleum). The points which the Turkish government considered in signing this agreement, during such an important period (The period of the break in the Laussanne Conference) were; 1) They were

¹¹⁰ Aşetin, Devletçilik İkikesi ve Türkiye Cumhuriyetinin Birinci Sanayi Planı, pp.34-47.

¹¹¹ Kongar, op.cit., p. 265. See also. Avcanoğlu, op.cit., p.347. And, Gönülbol, Cem Sar, op.cit., p. 54. For a detailed study on the İzmir Economy Congres see, A. Aşetin, İzmir İktisat Kongresi.

¹¹² Korkut Boratav, 100 Soruda Türkiye’de Devletçilik, (İstanbul: Gerçek, 1974), pp. 43-44.
aiming to get the support of the Americans against Britain and France in the peace conference. 2) At this conference, they were aiming to abolish capitulations by showing that they were open to foreign capital and to privileged foreign companies if they accept being subjected to the Turkish laws and regulations. However, Britain and France showed a very severe opposition to the agreement. Also the problem of Musul could not be solved at Laussanne which was very important for the project.113

Ziya Gökalp has explained the reasons of accepting this project as follows:

"The Turkish nation was ready to sign economic contracts with foreign capital if they respected our national independence but it was not possible to come to an agreement with the states who wanted to make us accept the economic contracts by using political force."114

As a result, the second part of the Laussanne conference began on 23 April 1923, and after long debates on 24 July 1923 the treaty was signed. However, the general economic condition of the country was serious. The war which had lasted for nearly ten years had exhausted all the resources of the country. In Laussanne capitulations were abolished.115 However there were some conditions, such as the new Republic could not increase the custom duties until 1928. Besides this, Turkey had accepted the foreign debts of the Ottoman Empire proportional with the lands of the new state. These payments were a burden on the state budget.116

113 Tezel, op.cit., pp 314-316. See also, Avçinoğlu, op.cit., pp. 151-159. See also, Boratav, op.cit., pp. 45-46.

114 Ilkin, op.cit., p. 776.

115 Ibid., p. 754-756.

Agricultural production was not high enough to feed the country although the Turkish economy was considered as an agricultural one. Thus, they had to import wheat from abroad. This situation was due to the lack of an efficient transportation system. The eastern part of the country especially had a closed economy and had almost no economic relations with the western part.\footnote{Boratav, op.cit., p. 21.}

The western part of the country on the other hand was integrated to the European production centers and a huge amount of Turkish exports came from this region. There was almost no industrial production. Regarding these points she can argue that when the new Turkish Republic was established the economy was in a severe condition and the western economic exploitation was still continuing.\footnote{Kongar, op.cit., p. 263. See also, Şerif Mardin, \textit{Türk Modernleşmesi} (İstanbul: İletişim Publications, 1991), pp. 223-224.}

The domestic political situation also was very critical. The new Turkish administrators wanted to build a nation state from the ruins of the Ottoman social mosaic. There were many ethnic groups and it was an enormous problem to sustain the national unity and also to establish a conscience of national interest among these people.\footnote{Ali Kazancıgil, "Türkiye'de Modern Devletin Oluşumu ve Kemalizm", in eds., Ersin Kalaycıoğlu, Ali Yaşar Sarıbay, \textit{Türk Siyasi Hayatının Gelişimi} (İstanbul: Beta, 1986), p. 171.}

This was the general situation when Mustafa Kemal took over political authority. The general economic development from the establishment of the Republic up until World War II will now be examined. This period will be divided into two parts. The first part is between 1923 and 1930 and the second part is from 1930 to 1940.
1-THE PERIOD BETWEEN 1923 AND 1930

Mustafa Kemal changed the political structure when the Republic was established. However, he could not change the social and economic structure in these first years.120 In this period the ideas of liberalism were still effective and establishing a national economy and forming a national capitalist class was important for realizing a fully independent state. Here it must be mentioned that the İzmir Economic Assembly had secondary outcomes which had helped in the formation of the economic policies. The other outcomes of İzmir Economic Assembly were;

1) The groups which had had economic power in the Ottoman Period were still effective.121

2) Liberalism and private entrepreneurship must be the main principles of the economy and the role of the state was to support the development of the private sector by taking the necessary measures.122

3) The national economy was very important and the new State must stop the economic exploitation of the West.

The outcome of the congress was mainly categorizing the general economic approaches of the period which were to establish a fully independent state by decreasing the anti-imperialist policies.123 Thus, the new state had achieved many

120 Kongar, op.cit., p. 264.


122 Avcıoğlu, op.cit., p.349.

123 Feyzioglu, op.cit., pp. 10-12.

54
economic interventions on behalf of the private sector. The major event was the establishment of İş Bank on 26 August 1924. This bank had played an effective role in the process of the integration between the political authority and domestic and foreign capital. It met the financial needs of the Turkish entrepreneurs. In addition, another bank the Sanayi and Maadin Bank, was established with the same goal. Besides the establishment of these banks a law was enacted to encourage industrial activities. The title of the law was "Sanay-i Teşvik Kanunu". Under this law, the state was offering important tax-exemptions, customs duty reductions, government support, marketing facilities and also land opportunities for the industrialist.\textsuperscript{124}

In this period the state was not active in the production and distribution process. There were only a few examples of state monopolies such as on salt, petroleum and explosives. The main economic attempt, as we are going to examine, was on railroad management.\textsuperscript{125} The development of railroads was one of the main concerns of the state, and the government realized new projects and also nationalized the old lines in this period. However, there was opposition against these policies. This opposition reached a peak after the Free Party was established in 1930. The leader of this party, Fethi Okyar, criticized the government on its economic and financial bases. He said that the government was spending to much capital on these projects and such rapid development was an obstacle to the development of the private sector. The party said that these large projects must be achieved more slowly and the burden of these must not fall on one generation.\textsuperscript{126}


\textsuperscript{125} Boratav, op.cit., pp. 35-37.

İsmet İnönü as Prime Minister answered these criticisms at the opening ceremony of
the Ankara-Sivas railroad. He mainly talked about three points. First he said railroads
were necessary for national unity and defense, thus it was a political problem and must
not be dragged out. Secondly, he said that foreign capital did not show enough
attention to these projects as they were not profitable enough. Finally, he said that, as
there were so many things to do every generation would carry the same burden so it
was not true that all the burden was put on one generation. Fethi Bey further continued
this debate in the Izmir meeting (one month later) for declaiming İsmet Pasha's Sivas
speech. Izmir, at that time was deeply affected by the world economic depression as
this region was strongly integrated with western economy. Hence, a huge crowd
supported Fethi Bey's speech saying that the conditions of the adjudication of the
railroads were very hard for the foreign contractors. He also added that, to attract
foreign capital economic stability must be sustained. This meeting became one of the
reasons for the abolition of the Free Party.\footnote{Mete Tunçay, \textit{T.C.'nde Tek Parti Yönetimi'nin Kurulması (1923-1931)}, (İstanbul: Cem, 1992), pp.266-267.}

After the abolition of the free party opposition was decreased. Against the remaining
opposition the government continued its railroad policies and railroads were developed
as will be discussed below.\footnote{Boratav, op.cit., pp. 38-40.} \textit{Figure VII and VIII} show the amount of money spent on
the railroads and also the budget shares of the Ministry of Communication. It is clear
from these tables that up until 1930 a considerable amount of money was spent on
building new lines and nationalizing the old ones. After 1930, probably because of the
world economic depression, this amount decreased considerably and the 1930 level of
spending was not reached until 1942. However as will be seen later the total kilometers
of railroads which were constructed increased during this period. This presumably
shows that, the expenditures on nationalization and repairs decreased the money mainly being spent on new projects.

2- THE PERIOD BETWEEN 1931 AND 1940

World economy underwent into a crisis in 1929. This was known as "The Great Depression". There was economic chaos and depression in the world and Turkey was also affected by this crisis. Hence many things changed in the Turkish economy. One major outcome of the crisis was the change in the economic role of the state. Western economists like Keynes supported the idea of state intervention in the economy in order to provide economic activity. These ideas were successful and were generally accepted throughout the world. It was also viewed positively in Turkey, and etatism became the main principle of this period. This meant that the state had to directly intervene in economic activities. However, there were other reasons for this transformation into etatist policies.129

One important factor which was influential on etatist policies was the lack of capital, technology and expertise. However there were extensive projects which had to be completed in order to sustain economic development. Thus the state had to undertake these large projects which could not be organized by the Turkish private sector.130

Another reason for etatism was political. The bureaucrat intelligentsia wanted to establish a country according to Western norms. Thus they wanted to form a private

129 Avcıoğlu, op.cit., p. 445. See also, Gönülboyl, Cem Sar, op.cit., pp. 92-93.

sector by state intervention.\textsuperscript{131} Etatism was accepted as one of the six principles of the Republican People's Party in 1931.\textsuperscript{132}

In accordance with etatist principles the first development plan was put into action in 1933. This plan, textile, mining, paper, ceramic and chemical industries had to be established by the state. In addition the electric network, exploration of gold and petroleum also had to come under state control. Foreign trade was monopolized in 1831. Twenty foreign companies including railroad companies were nationalized in this period. In the period between 1931 and 1940 the policies of etatism were effective in the construction of railroads and also the previously existing opposition was reduced. Hence this period witnessed the fastest new railroad construction with an average of 250 km. each year\textsuperscript{133}

These are the two periods explaining the major changes in the economic approaches but the main goals under these approaches did not change accordingly. This was to establish a national economy and get rid of the imperialistic pressures of the West. Railroads were evaluated from this perspective and seen as an integral instrument which could help the development of the economy.\textsuperscript{134}

The period between the War of Independence and World War II shows a very homogeneous structure from the aspect of transportation policies. Excluding the fact that the railroad transportation policies were mainly dependant on railroads this period

\begin{flushright}

\textsuperscript{132} Faruk Birtek, "The Rise and Fall of Etatism in Turkey, 1932-1950", \textit{The State and The Economy in The Ottoman and The Republican Periods}, pp. 407-408.

\textsuperscript{133} Avcioglu, op. cit., pp. 451-456.

\end{flushright}
was different from the previous one for a number of reasons. In this period, the major
aim was establishing domestic market integration, contrary to the aims of integration
with other countries, as well as nationalization of the infrastructure companies by
purchasing them from the foreign companies and the increasing interest of the state in
managing them.\footnote{Selim Ilkin-Iihan Tekeli, "Türkiye'de Ulaştırmaın Gelişimi" \textit{Cumhuriyet Dönemi Türkiye Anciklopedisi}, vol:10, p. 2761.}

2- THE AIMS FOR RAILROAD CONSTRUCTION POLICIES

The reasons, which directed the administrators of the young republic to give much
importance to the railroads were different. Political and cultural ones were as important
as the economic ones. Now these reasons will be examined in order to make a better
comparison between the Ottoman and Republican periods.

The fact that Ottoman administrators were also aiming these political and cultural
benefits, must be mentioned here. However they were not in a position of determining
every aim in constructing a new railroad. Rather they could only balance the western
benefits to some extend which was put forward before.

1) The young Turkish Republic was an economically underdeveloped country. It was a
pre-capitalist agricultural society where most of the regions had closed economic
systems due to the lack of efficient transportation. The Eastern Turkey and the interior
of Anatolia especially, both far from the harbors, were in a very bad state. Linking the
consumption and production centers by providing communication between the harbors
and their hinterlands was very important, because joining the main transportation areas

\footnote{Selim Ilkin-Iihan Tekeli, "Türkiye'de Ulaştırmaın Gelişimi" \textit{Cumhuriyet Dönemi Türkiye Anciklopedisi}, vol:10, p. 2761.}
to the production areas and their surroundings should create an improvement in the economy. In this way the development of the country would be realized and the economy would be released from closing in on itself. To reach this goal, large production centers such as Ankara, İzmir were linked to their surroundings by branch lines so that their surroundings improved.¹³⁶

2) Turkish production mainly consisted of agricultural goods, therefore efficient transportation was of considerable importance because when suitable transportation did not exist the farmers tended to produce only for regional needs as it was not possible to sell these products, at suitable prices. Railroads decreased the cost of transportation and this in turn helped in the development of the agricultural sector. Mersin was an example of the attempts at realizing this goal. Mersin was a primitive agricultural city where, out of season vegetables and fruit were grown in limited amounts. But after the railway linked Mersin to inner parts of Anatolia (such as Diyarbakır, Elazığ, Sivas, Samsun and even Ankara, İstanbul, Erzurum) Mersin became the center of out of season vegetables and fruits which made it a richer city. Moreover, because of the railway, some new agricultural products appeared. One of them was beet. Carrying hundreds of thousands of tons of beet was only possible by rail. This form of agriculture, unknown before increased in the vicinity of the railway. Hence, railways indirectly assisted in the development of the sugar industry.¹³⁷

3) After the construction of the railways the mining sector in the country also developed. As in the case of agriculture the mining sector needed cheap transportation. These railroads in Turkey caused a considerable increase in the production of several


¹³⁷ Mukbil Sezginer, "Demiryol Ve Ziraat", Demiryollar Dergisi, 12 (Senteşrin, 1936), pp. 491-492.
mines. The Kütahya-Balıkesir chrome line was an example of this. Before the railroads, chrome was transported by camel in limited amounts and with high costs. After the Kütahya-Balıkesir line was constructed the production of chrome increased. A second example of this situation was the line between Ergani and Mersin which connected the rich copper mines of Ergani to Mersin harbor. 138

4) Another important aim of the building railway in the republican period was to balance the level of economic development in the country and especially to make the undeveloped regions richer. For this reason, railway construction was extended from Western Anatolia to Eastern Anatolia. According to this policy the railway reached Kayseri in 1927, Sivas in 1930, Niğde in 1923, Malatya in 1931, Diyarbakır in 1935 and Erzurum in 1939. 139

5) Another aim of the Republic railway policy was to provide for the social development and cultural unity of the country. Sustaining a village-city and administration-society integration would provide a stronger political unity, and would create a homogeneous society. The railway was the best method by which to realize this cultural interchange. If it spread to the whole country, it would spread the culture and give information to the different regions. Thus constructing railroads became one of the first targets of the government in the belief that it would rouse the cultural level and increasing the feeling of national unity among the individuals towards creating a powerful society. 140


140 Ferit, op.cit., p.40. See also, Muhittin A. Doğukan, "Milli Birlik Vatan Bütünlüğü", Demiryollar Dergisi, 17 (Temmuş 1941), pp.692-693.
6) In the Republic railway policy, an important task of the railway was to ensure national security. The situation in Turkey in 1923 showed that an efficient transportation system was obligatory. For adequate defence of the country (the dispatching of soldiers and weapons) it was necessary that the transportation reached every place in the country. The railway was the best system to achieve this. For this reason some lines were even connected to the places which were unnecessary except for military purposes. For example, the line which connected Ankara to Zonguldak passed from Çankırı and Ankara-Samsun railway passed through Kayseri and Sivas.141

After achieving these goals Republic an Turkey would be able to free itself from being a closed underdeveloped economy and could increase its export by exercising an open economic policy. So, it would be possible to reach from East to West, North to South easily, and this kind of communication would spread the economic development into the country and would make the undeveloped regions richer.

As it can be understood from the explanation up to now, Republic railway policies were totally opposite from those of the Ottoman Empire. The Republican railway system was free from foreign capital, looked to national unity and was active in economic improvement and national independence.

3- THE CHANGING PRINCIPLES IN THE RAILROAD CONSTRUCTION POLICIES

After the establishment of the Republic many principles valid in the Ottoman period were changed. The first change was in the geographic location of railroads. In the Ottoman period, western countries tried to construct railroads in the shape of a tree. This meant that railroads joined harbors to their hinterlands with a main line and connecting branch lines. This system was developed in order to provide integration between western production centers and Ottoman peripheral markets. This was the cheapest and the most useful system from the western point of view. However for the benefit of national economy, the whole country and its railroads should be connected to each other by an integrated network. This of course was more expensive and of no benefit to the western companies who had constructed these railroads with privileges given to them.

Mukbil Sezginer says as follows:

"For making railroads useful for the development of a countries cultural, ideological and economic life, they must combine all the country like a network under one administrative unit. Including our country, in all the European countries, the situation was the opposite during the first establishment of railroads. In this period railroads were built as individual lines with no connection to each other and

142 Here it must be mentioned that the principles which were changed were not the principles of the Ottoman administrators but rather these were the principles of the companies and the influencing governments behind them.
establishing coordination and connection between them was not thought of. But in time these lines were slowly connected to each other and constituted a national network... Thus, railroads must be built within a plan."143

Secondly, after the establishment of the Republic and adoption of the idea of a national economy, some other factors came to the agenda. Principles of developing cultural unity and unifying the economic level of development became more important than the economic goals. 144

Thirdly, the foreign companies strictly exercised the transportation tariffs. This prevented the underdeveloped areas from using the railroads. Sometimes, state suspension of the tariffs would help the economic development but foreign ownership of the railroads prevented this opportunity.145

Fourthly, the privileges of foreign companies also prevented the efficient use of railways by the military, in the times of war. Also a network of railways was better for military purposes.

Finally, the foreign control on the railroads helped the imperialistic goals of the western countries which was opposite to the idea of national independence.

As a consequence the principle of national control was established by the administrators of the republic. According to the Kemalist bureaucratic intelligentsia national ownership of the railroads could help in the following ways. First, the state

144 Kuruç, op.cit., p.65.
145 Kuruç, op.cit., p.64. See also, "Tarîfe Değişiklikleri", Demiryollar Dergisi, 13 (Nisan 1937), p.65.
could use the railways in a more efficient way for military purposes.\textsuperscript{146} Second it could determine its own tariffs, and use railroads as an instrument for increasing cultural and economic development by charging low transportation fees. For example, cheap passengers tickets valid for 15 days or three months were introduced for civil servants. Lower tariffs were introduced for the transportation of some mining and agricultural goods which could not absorb high tariffs, but higher tariffs were determined for the goods which were more valuable.\textsuperscript{147}

These were the general goals and principles developed in the period of Republic and the developments in the railroads were realized according to these goals and principles. Now the development of railways in the Republican period will be examined in order to illustrate these changing principles and goals.

\section*{4- The Development of Railroads}

To put these policies into action "The General Administration of State Railroads and Harbors" was established under law number 1042 on 23 May 1927. This administration combined the previous "Anadolu Bağdat Demiryolları Müdürlüğü Umumiyesi, Demiryolları İnşaat ve İşletme Umum Müdürlüğü and Erzurum-Sarıkamış-Kars Demiryolları Müdürlüğü" and began work on 1 June 1927. Hence this date was accepted as the date of the establishment of the "State Railroads".\textsuperscript{148} This administration became the backbone of the whole railroad policy. The administration

\begin{footnotes}
\item[147] Demirer, op.cit., p. 457.
\end{footnotes}
was responsible for the lines which had been nationalized as well as the construction of new lines and the repairing of the old ones.

When the republic was established in 1923 there were the following lines were inside the Turkish borders: 1) Anatolia-Baghdad line (2064 km.) (Under the temporary control of the state since the war of independence). 2) İzmir-Kasaba line and its branches (703 km) (Under the privilege of a French company). 3) İzmir-Aydın line and its branches (609 km.) (Under the privilege of a British company). 4) Şark railway (Trace line) (366 km.) (Under the privilege of a French company). 5) Erzurum-Arpaçay line (355 km) (under state control). 6) Mudanya-Bursa line (41 km). 7) Ilica-palamutlu line (29 km). 8) The lines had a total of 4137 km.¹⁴⁹

Up to now the reasons for giving this extra importance to railways and also the principles and the priorities in the construction of railroads can be seen. Now the process of railroad construction will be examined under three headings. The first one is the railroads which were taken over by treaties and the ones which were repaired after the establishment of the Republic. The second is the nationalized lines and the third is the lines which were constructed after the republic will be studied.

A- THE LINES TAKEN OVER BY TREATIES AND THE LINES WHICH WERE REPAIRED

When the Republic was establish only about 200 km. railroads were under the control of the new Turkish Government. These lines were mainly the ones built by Russians

during World War I. The Anatolia-Baghdad line was under the temporary control of the state but it was the only one. The negative effects of the war fought since 1914 could be seen in every part of the country. These railways had been also affected by these wars. Many kilometers of railways were destroyed during the war and the remainder had been neglected because of the difficult war conditions. Besides, this limited kilometers of lines had been planned according to the needs at the date of construction. Also with the aim of taking the maximum profit from these railroads, the privileged companies did not spend too much money on repairs. The stability of the railroads were weak, bridges had been damaged or destroyed and could no longer bear the current axle weights. Stations, water installation systems and inclines were also far behind in meeting the required standards. The buildings were not sufficient for a good working environment. There were not enough schools for training and educating the necessary staff.

The new government dealt with the above problems as much as possible by constructing new lines. The work of developing and improving the railroads can be categorized into five main groups: 1) Repairing and strengthening the railroads work to increase to meet new axle weights; 2) Doing the necessary construction work to increase the volume of traffic; 3) Doing the necessary construction work which would increase commerce; 4) Doing the necessary construction work which would increase passenger transportation; 5) Doing the necessary construction work for facilitating the work of personnel and also for training them.

---


1) Repairing and improvement of the railroads: For repairing and improving the existing railroads, many rails and crossties were changed. More than 400 km. of them were pulled up and relaid. Much work was done to strengthen the railroads. The old bridges were improved and the ones which could not support the new axle weights were totally rebuilt. Many tunnels were repaired and measures were taken against the snow. The Başköy Bridge which was rebuilt with stones after the establishment of the republic can be seen in appendix II.

2) Construction for increasing the volume of traffic passage of trains: To increase the volume of traffic passage of more trains new lines were built near the stations. New water stations were built and the capacities of the existing ones increased. Depots and workshops were built to meet the increasing needs.

3) Construction for increasing commerce: To increase the efficiency and the profitability of the railroads and also to increase the general volume of commerce, much was done. New granaries and hangars were built and the existing ones were repaired. New sidelines were built for facilitating the transportation of raw materials, such as transporting beet to the sugar factories. New wagons and locomotives were build to be used in the commercial activities. Also the necessary construction was carried out in the Iskenderun - Samsun - Haydarpaşa - Mersin - İzmit - Filyos - Derince harbors for facilitating the integration of harbors and railroads.

4) Work done to increase passenger transport: New station buildings and waiting rooms, were constructed; improvements were made around the stations and out-door cafes were opened.

5) Work done for personnel: School were opened to trail the old and the new personnel such as the "Ankara Demiryol Meslek Okulu" (the school of railroad
profession) and Sivas and Eskişehir Art Schools. In addition hospitals, residences and other necessary buildings were built for railroad personnel.

These are the main points in the repairing and improvement process of the existing railroad system. Much money was spent on these developments and these works constituted an important part of the national transportation policy.

**B-THE NATIONALIZATION OF THE EXISTING RAILROADS ON THE ANATOLIAN LANDS**

According to the policies and principles mentioned above the administrators of the new Republic wanted state control of all the railroads in the Turkish territory. To this end they needed to purchase these lines from the foreign companies.

The first lines which were purchased by the Turkish state were the Anatolian and Mersin-Tarsus-Adana railroads and the Haydarpaşa harbor. These lines were left to the control of state after war. The first agreement was made for the Mersin-Tarsus-Adana railroad. According to this agreement, 1926 to 1931 the state would pay 1,129,378.35 Swiss francs and from 1933 to 1957 65,592.40 Swiss francs the Anatolian line and Haydarpaşa harbor were also bought on a long term basis. According to this, each year the state would pay different amounts of money up to the year 2002. With this agreement the state took over a considerable amount of stocks and bonds of the Anatolian Railroads and Haydarpaşa harbor and these were given to the "Devlet Demiryolları Umumiyesi Müdürlüğü" in 1929. The nationalization process continued with the Fevzipaşa-Adana line. This line used to be controlled by the Southern Railroad Company and was bought by the state in 1933. In 1929 the Samsun-
Çarşamba line and in 1931 the Mudanya-Bursa line was purchased and nationalized by the state.\textsuperscript{152}

After 1934, the government increased its attention towards the railroads and from then on fast development was seen in the nationalization process. The first outcome of this process was the purchasing of the İzmir-Kasaba Railroad Company under law number 2487 on 1 May 1934. The İzmir-Kasaba line became a part of the state railroads. According to the agreement signed with the above company, the line from Afyonkarahisar to İzmir and also from Bandırma to Manisa and the Bornova branches were bought. To finance this agreement the state had a loan of 162,468,000 French francs with an interest rate of 7.5 percent.\textsuperscript{153}

The nationalization process continued with the Aydın railroads and its branches. The state made an agreement with the Aydın Railroad Company which had held this privilege since 1860. According to the agreement, the state would pay 1,825,840 sterlings within forty years, against the "1935 Türk Borcu Tahvilleri" bonds with an annual interest rate of 7.5 percent. This agreement was made legal under law number 2745 on 30 May 1935. Finally, in 1937, the state bought the "Şark Railroads" (Eastern Railroads). According to the agreement signed with the Eastern Railroad Company, the state would pay 20,760,000 Swiss francs against the named "1937 Türk Borcu Tahvilleri" bonds with an annual interest rate of five percent. This agreement was legalized under law number 8159 on 6 May 1937.\textsuperscript{154}

\textsuperscript{152} Zihni Bilge, \textit{İstanbul Ruhumlarımın Tarihiçesi} (İstanbul: Devlet Denizyolları Press, 1949), pp. 88-90. See also, Avcıoğlu, op.cit., p. 454.

\textsuperscript{153} Avcıoğlu, op.cit., p. 454.

\textsuperscript{154} Ibid., p. 455.
In short, from 1927 to 1937, the state nationalized all the railroads under the control of the foreign companies and made them into one state company. Within 11 years the length of the railroads under state control reached 6639km, including the newly constructed lines. With these nationalization attempts the Turkish government realized the first part of her railroad policy which was aiming to establish a national economy independent from the pressures of Western states. This was the most important indicator of the general anti-imperialistic state policy which was viewing railroads as the instruments of western imperialism.¹⁵⁵

However, nationalization of the foreign railroads was not enough to establish a strong transportation system which would give way to the development of the Turkish economy. Thus the administrators decided to build new lines. Now we are going to examine these new lines and how they helped in the general policies aimed at full economic and political independence. Figure IV below shows the kilometers of railroads which were either built or bought by the state.

¹⁵⁵ Issawi, op.cit., p. 367.
THE LINES CONSTRUCTED IN THE REPUBLICAN ERA

Building new railroads was an inevitable part of national economic policy. The transportation system in 1923 was far from meeting the needs of that time and the second part of the national transportation policy was put into action. This saw the construction of new lines and the establishing of a network connecting all parts of the country. By 1940 many railroad projects had been realized. Parallel with the strengthening etatist policies the amount of railroad constructed each year increased considerably. Between 1930 and 1940 an average of 200 km. of railroads were constructed annually. This was a large amount compared with the 60 km. average of the Ottoman period.¹⁵⁶

The lines constructed in the republican period will now be examined.

¹⁵⁶ Ferit, op.cit., p. 52.
1) Ankara-Kayseri line: The construction of this line began during World War I and had strategic importance, but it could not be finished during that period and only 100 km. of it was build. The Republic completed this 380 km. long line and it began to operate in 1927.

2) Kütahya-Balikesir line: The construction of the line between Kütahya and Balikesir began in 1927 and was completed in 1932. It was 252 km. long and shortened the Ankara-Izmir line by about 100 km. It also joined Ankara to the Bandırma-Soma-Izmir line. This line was called the "chrome line" as it also connected the chrome mines of Balikesir to Kütahya. After the construction of this line the production of chrome was increased considerably hence this railroad gained considerable economic importance.

3) Ankara-Sivas line: Ankara-Sivas line was of great strategic importance. At that time the Turkish government wanted this line to reach Erzurum and the Russian border, so that they could combine the eastern parts of Turkey to the west. This would help in the social cultural and economic development of eastern Turkey. İsmet İnönü wrote in a telegram which he sent to Atatürk as follows: "If the Ankara-Erzurum railroad had been in existence, the entrance of the Greeks to Sakarya would have been questionable."

This shows the importance the Turkish government attached to this line. The 602 km. long Ankara-Sivas line was built between 1924 and 1930, passing through Kayseri which was a relatively important commercial center.

4) Sivas-Samsun Line: This line was 379 km. long. The construction began in 1922 and was finished in 1924. The line was important as it combined inner Anatolia to Samsun harbor on the Black Sea coast.

5) Fevzipaşa-Ergani-Diyarbakır Line: This line was 504 km. long and was constructed between 1926 and 1935. It was called the "copper line" because it joined
the Ergani copper mines to the harbor of İskenderun. Another important point was that this line was a part of the railroad which was extending towards the eastern parts of the country. They were aiming to join this line to Iran and Iraq in the future.\textsuperscript{157}

6) \textit{Irmak-Filyos Line}: This line was 390 km. long and was constructed between 1926 and 1935. This line was called the "coal line", because it provided the transportation of Zonguldak coal to other parts of the country.\textsuperscript{158}

7) \textit{Kayseri-Ulukışla line}: This line was 171 km. long and joined Kayseri to the Konya-Adana line. The construction of this line finished in 1933 and shortened the Ankara-Adana line by 390 km.

8) \textit{Afyon-Karakuşu line}: This line was 112 km. long and was finished in 1936. It combines the İzmir-Afyon line to İzmir-Isparta line and passes through the Sandıklı valley. This valley has very fertile lands. The construction of the railroad considerably increased the agricultural production in the region.\textsuperscript{159}

9) \textit{Sivas-Erzurum Line}: This line was 548 km. long and was constructed between 1936 and 1939. This railroad was a part of the Eastern Anatolia railroads constructed with social and economic aims for developing these regions.\textsuperscript{160} In appendix III İsmet İnönü can be seen in the opening ceremony of a bridge on the Ankara-Erzurum Line.

In short, These were the main railroad projects which were realized during the Republican era until World War II. This war deeply affected the Turkish economy and

\begin{flushright}

\textsuperscript{158} "Kömür Yolu Nasıl Açıldı", \textit{Demiryollar Dergisi}, 11 (İlkkanun 1935), pp.505-508.

\textsuperscript{159} "Neler Yapacağız", \textit{Demiryollar Dergisi}, 11 (İlkkanun 1935), p.516.

\end{flushright}
all the projects were stopped. After the war, there was a total of 7000 km. long railroads existing on Turkish territory (Appendix IV and V). As it is shown in Figures V and VI, until 1930 despite economic problems, many railroad projects were realized. 783 kilometers of railway was built in this period. However, between 1930-40 an important increase was seen in railway construction; 2484 kilometers of railways were constructed.\textsuperscript{161} This was the end of the rapid development in the construction of railroads because the technological developments brought about the relative importance of highways and motor vehicles. From than on highways were preferred to the railroads as they were easier to build and needed less capital investment regarding the fixed costs.\textsuperscript{162}

In conclusion, the Turkish government gave great importance to the railroads until World War II. They aimed to establish state control over the railroads and the transportation system, and also they wanted to join the far regions of the country to the developed ones so as to provide economic, social and cultural improvements there. Hence, the Turkish government wanted to get rid of the pressures of western imperialist countries and establish a politically and economically independent state. The government realized the railroad policy in three steps: they nationalized the lines under foreign control, built new lines and repaired and improved the old ones.

\textsuperscript{161} Ergün, op.cit., p. 71.

\textsuperscript{162} Demirci, op.cit., pp. 392-421.
**Figure 5: The Railroads in the Ottoman Empire and the Turkish Republic**

<table>
<thead>
<tr>
<th>The Date of Construction</th>
<th>The Name of the Line</th>
<th>Length (km)</th>
<th>Who Constructed</th>
</tr>
</thead>
<tbody>
<tr>
<td>1856-66</td>
<td>İzmir-Aydın</td>
<td>130</td>
<td>The British Group</td>
</tr>
<tr>
<td>1864-66</td>
<td>İzmir-Kasaba and Bornava line</td>
<td>98</td>
<td>The British Group</td>
</tr>
<tr>
<td>1869-88</td>
<td>Şark Railways</td>
<td>336</td>
<td>Baron Hirsch</td>
</tr>
<tr>
<td>1871-73</td>
<td>Haydarpaşa-Izmit</td>
<td>91</td>
<td>State</td>
</tr>
<tr>
<td>1872-74</td>
<td>Kasaba-Alaşehir</td>
<td>76</td>
<td>State</td>
</tr>
<tr>
<td>1873-91</td>
<td>Mudanya-Bursa</td>
<td>41</td>
<td>State</td>
</tr>
<tr>
<td>1876-86</td>
<td>Mersin-Adana</td>
<td>67</td>
<td>Turkish-British-French</td>
</tr>
<tr>
<td>1888-92</td>
<td>İzmit-Ankara</td>
<td>487</td>
<td>German Group</td>
</tr>
<tr>
<td>1890-92</td>
<td>Manisa-Soma</td>
<td>92</td>
<td>French Group</td>
</tr>
<tr>
<td>1890-912</td>
<td>Soma-Bandırma</td>
<td>184</td>
<td>French Group</td>
</tr>
<tr>
<td>1893-96</td>
<td>Eskişehir-Konya</td>
<td>434</td>
<td>German Group</td>
</tr>
<tr>
<td>1893-97</td>
<td>Alaşehir-Afyon</td>
<td>251</td>
<td>French Group</td>
</tr>
<tr>
<td>1898</td>
<td>Arifiye-Adapazarı</td>
<td>9</td>
<td>German Group</td>
</tr>
<tr>
<td>1902-4</td>
<td>Konya-Bulgurlu</td>
<td>199</td>
<td>German Group</td>
</tr>
<tr>
<td>1902-18</td>
<td>Bulgurlu-Cemů</td>
<td>410</td>
<td>German Group</td>
</tr>
<tr>
<td>1902-18</td>
<td>Müslümîye-Nasîbin &amp; Mardin Line</td>
<td>429</td>
<td>German Group</td>
</tr>
<tr>
<td>1907-</td>
<td>Aydın-Eğirdir</td>
<td>478</td>
<td>British Group</td>
</tr>
<tr>
<td>1915-27</td>
<td>Ankara-Kayseri</td>
<td>380</td>
<td>State</td>
</tr>
<tr>
<td></td>
<td>Erzurum-Sanıkamış</td>
<td>356</td>
<td>State and Russia</td>
</tr>
<tr>
<td>1924</td>
<td>Ilica-Palamutlu</td>
<td>29</td>
<td>Turkish Group</td>
</tr>
<tr>
<td>1926</td>
<td>Samsun-Çarşamba</td>
<td>39</td>
<td>Turkish Group</td>
</tr>
<tr>
<td>1930</td>
<td>Kayseri-Sivas</td>
<td>222</td>
<td>State</td>
</tr>
<tr>
<td>1931</td>
<td>Kütahya-Balıkesir</td>
<td>252</td>
<td>German Group</td>
</tr>
<tr>
<td>1932</td>
<td>Samsun-Sivas</td>
<td>380</td>
<td>State</td>
</tr>
<tr>
<td>1933</td>
<td>Boğazköy-Ulukışla</td>
<td>172</td>
<td>State and German</td>
</tr>
<tr>
<td>1935</td>
<td>Fevzipaşa-Diyarbakır</td>
<td>528</td>
<td>Swiss Group</td>
</tr>
<tr>
<td>1937</td>
<td>İrmak-Filyos</td>
<td>390</td>
<td>Swiss Group</td>
</tr>
<tr>
<td>1937-38</td>
<td>Sivas-Çetinkaya-Erzîçan</td>
<td>335</td>
<td>Turkish Group</td>
</tr>
<tr>
<td>1937</td>
<td>Çetinkaya-Malatya</td>
<td>140</td>
<td>Turkish Group</td>
</tr>
<tr>
<td>1936</td>
<td>Afyon-Karakûyu and Burdur part</td>
<td>150</td>
<td>State</td>
</tr>
<tr>
<td>1938</td>
<td>Filyos-Zonguldak</td>
<td>26</td>
<td>State</td>
</tr>
<tr>
<td>1939-40</td>
<td>Erzîçan-Erzurum</td>
<td>212</td>
<td>State</td>
</tr>
</tbody>
</table>

Ref: Enver Berkman, *Demiryollar*, vol.1 (İstanbul: Teknik University Press, 1947), p. 16.
### Figure 6: The Lines Which Were Built and Opened Between 1924 and 1941 (Lengths and Costs)

<table>
<thead>
<tr>
<th>YEAR</th>
<th>LENGTH KMS</th>
<th>COST</th>
<th>YEAR</th>
<th>LENGTH KMS</th>
<th>COST</th>
</tr>
</thead>
<tbody>
<tr>
<td>1924</td>
<td>0</td>
<td>8,700,000</td>
<td>1933</td>
<td>1955</td>
<td>245,700,000</td>
</tr>
<tr>
<td>1925</td>
<td>203</td>
<td>29,000,000</td>
<td>1934</td>
<td>2012</td>
<td>260,800,000</td>
</tr>
<tr>
<td>1926</td>
<td>251</td>
<td>43,900,000</td>
<td>1935</td>
<td>2399</td>
<td>282,300,000</td>
</tr>
<tr>
<td>1927</td>
<td>513</td>
<td>72,300,000</td>
<td>1936</td>
<td>2705</td>
<td>301,300,000</td>
</tr>
<tr>
<td>1928</td>
<td>595</td>
<td>121,500,000</td>
<td>1937</td>
<td>2849</td>
<td>323,000,000</td>
</tr>
<tr>
<td>1929</td>
<td>783</td>
<td>161,400,000</td>
<td>1938</td>
<td>3012</td>
<td>342,000,000</td>
</tr>
<tr>
<td>1930</td>
<td>1322</td>
<td>203,300,000</td>
<td>1939</td>
<td>3277</td>
<td>386,500,000</td>
</tr>
<tr>
<td>1931</td>
<td>1392</td>
<td>225,600,000</td>
<td>1940</td>
<td>3277</td>
<td>394,100,000</td>
</tr>
<tr>
<td>1932</td>
<td>1690</td>
<td>232,600,000</td>
<td>1941</td>
<td>3277</td>
<td>904,671,841</td>
</tr>
</tbody>
</table>


### Figure 7: The Budget Shares, Expenditures and Realized Revenues of the State Railroads Between 1924-1945

<table>
<thead>
<tr>
<th>YEARS</th>
<th>BEGINNING APPROPRIATION</th>
<th>BUDGET SHARE</th>
<th>END OF APPROPRIATION</th>
<th>BUDGET SHARE</th>
<th>YEAR END EXPENDITURE</th>
<th>BUDGET SHARE</th>
<th>INCOME</th>
<th>TREASURY CONTRIBUTION</th>
<th>TOTAL INCOME</th>
</tr>
</thead>
<tbody>
<tr>
<td>1924</td>
<td>10,558,512</td>
<td>6.9</td>
<td>11,559,420</td>
<td>5.6</td>
<td>9,414,977</td>
<td>6.6</td>
<td>3,677,100</td>
<td>9,474,883</td>
<td></td>
</tr>
<tr>
<td>1925</td>
<td>11,497,020</td>
<td>0.6</td>
<td>11,821,075</td>
<td>4</td>
<td>9,375,383</td>
<td>4.3</td>
<td>11,757,223</td>
<td>340,791</td>
<td></td>
</tr>
<tr>
<td>1926</td>
<td>23,310,777</td>
<td>11.1</td>
<td>28,963,420</td>
<td>11.1</td>
<td>24,612,896</td>
<td>12.8</td>
<td>28,244,337</td>
<td>13,056,098</td>
<td></td>
</tr>
<tr>
<td>1927</td>
<td>42,357,710</td>
<td>19</td>
<td>49,390,528</td>
<td>17.8</td>
<td>39,639,939</td>
<td>17.7</td>
<td>20,411,265</td>
<td>25,978,777</td>
<td></td>
</tr>
<tr>
<td>1928</td>
<td>62,831,000</td>
<td>3.5</td>
<td>64,331,000</td>
<td>22.2</td>
<td>42,708,581</td>
<td>18.8</td>
<td>16,906,963</td>
<td>28,975,000</td>
<td></td>
</tr>
<tr>
<td>1929</td>
<td>54,450,000</td>
<td>21.3</td>
<td>60,450,000</td>
<td>21.7</td>
<td>59,403,129</td>
<td>23.3</td>
<td>33,938,071</td>
<td>82,300,000</td>
<td></td>
</tr>
<tr>
<td>1930</td>
<td>53,123,000</td>
<td>20.7</td>
<td>57,623,000</td>
<td>20.3</td>
<td>57,117,412</td>
<td>22.9</td>
<td>27,062,249</td>
<td>84,179,658</td>
<td></td>
</tr>
<tr>
<td>1931</td>
<td>13,665,783</td>
<td>6.3</td>
<td>14,619,578</td>
<td>5.6</td>
<td>14,338,761</td>
<td>6.0</td>
<td>15,375,372</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>1932</td>
<td>14,565,561</td>
<td>7.3</td>
<td>16,447,899</td>
<td>5.6</td>
<td>13,778,674</td>
<td>5.7</td>
<td>12,752,975</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>1933</td>
<td>15,420,177</td>
<td>7.9</td>
<td>22,942,177</td>
<td>12.2</td>
<td>32,361,576</td>
<td>12.7</td>
<td>15,473,535</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>1934</td>
<td>16,235,000</td>
<td>7.5</td>
<td>20,330,416</td>
<td>7.0</td>
<td>19,638,937</td>
<td>7.4</td>
<td>22,046,202</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>1935</td>
<td>20,209,000</td>
<td>8.6</td>
<td>25,195,074</td>
<td>7.7</td>
<td>22,519,191</td>
<td>7.5</td>
<td>28,145,648</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>1936</td>
<td>23,364,657</td>
<td>9.2</td>
<td>28,233,951</td>
<td>8.6</td>
<td>25,844,413</td>
<td>8.3</td>
<td>31,225,953</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>1937</td>
<td>29,870,850</td>
<td>10.6</td>
<td>34,451,448</td>
<td>9.0</td>
<td>32,309,546</td>
<td>8.9</td>
<td>35,099,280</td>
<td>483,790</td>
<td></td>
</tr>
<tr>
<td>1938</td>
<td>35,759,400</td>
<td>11.5</td>
<td>40,163,617</td>
<td>10.1</td>
<td>37,305,481</td>
<td>9.9</td>
<td>38,288,941</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>1939</td>
<td>39,130,000</td>
<td>11.5</td>
<td>44,521,859</td>
<td>8.9</td>
<td>43,571,044</td>
<td>9.1</td>
<td>45,743,637</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>1940</td>
<td>41,320,000</td>
<td>11.7</td>
<td>51,462,329</td>
<td>7.7</td>
<td>48,089,650</td>
<td>7.5</td>
<td>60,760,039</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>1941</td>
<td>52,124,000</td>
<td>12.9</td>
<td>60,438,113</td>
<td>8.4</td>
<td>55,252,867</td>
<td>8.1</td>
<td>70,949,634</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>1942</td>
<td>77,530,000</td>
<td>14.7</td>
<td>109,099,993</td>
<td>9.7</td>
<td>97,908,563</td>
<td>9.1</td>
<td>104,064,357</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>1943</td>
<td>106,000,000</td>
<td>16.0</td>
<td>134,811,687</td>
<td>10.1</td>
<td>122,568,472</td>
<td>10.1</td>
<td>137,782,615</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>1944</td>
<td>130,161,000</td>
<td>11.0</td>
<td>146,915,539</td>
<td>10.2</td>
<td>140,869,521</td>
<td>10.6</td>
<td>132,115,472</td>
<td>0</td>
<td></td>
</tr>
<tr>
<td>1945</td>
<td>78,036,340</td>
<td>10.3</td>
<td>79,051,782</td>
<td>9.8</td>
<td>74,337,462</td>
<td>10.0</td>
<td>77,561,321</td>
<td>0</td>
<td></td>
</tr>
</tbody>
</table>

### Figure 8: The Budget Shares and Expenditures of the Ministry of Communication Between 1924-1945

<table>
<thead>
<tr>
<th>YEARS</th>
<th>BEGINNING APPROPRIATION</th>
<th>BUDGET SHARE</th>
<th>END OF YEAR APPROPRIATION</th>
<th>BUDGET SHARE</th>
<th>EXPENDITURES</th>
<th>BUDGET SHARE</th>
</tr>
</thead>
<tbody>
<tr>
<td>1926</td>
<td>17,385,888</td>
<td>11.2</td>
<td>17,951,546</td>
<td>11.2</td>
<td>14,292,524</td>
<td>10.1</td>
</tr>
<tr>
<td>1927</td>
<td>19,667,285</td>
<td>9.9</td>
<td>26,880,525</td>
<td>9.0</td>
<td>21,887,515</td>
<td>10.2</td>
</tr>
<tr>
<td>1928</td>
<td>14,279,631</td>
<td>6.8</td>
<td>19,240,911</td>
<td>7.4</td>
<td>17,494,576</td>
<td>9.1</td>
</tr>
<tr>
<td>1929</td>
<td>23,723,043</td>
<td>11.5</td>
<td>31,261,511</td>
<td>11.3</td>
<td>29,463,323</td>
<td>13.2</td>
</tr>
<tr>
<td>1930</td>
<td>32,717,798</td>
<td>13.1</td>
<td>32,678,449</td>
<td>11.5</td>
<td>31,974,233</td>
<td>14.0</td>
</tr>
<tr>
<td>1931</td>
<td>33,705,976</td>
<td>13.2</td>
<td>36,681,644</td>
<td>11.2</td>
<td>32,803,060</td>
<td>12.9</td>
</tr>
<tr>
<td>1932</td>
<td>33,013,807</td>
<td>12.8</td>
<td>38,743,405</td>
<td>13.0</td>
<td>35,716,680</td>
<td>13.5</td>
</tr>
<tr>
<td>1933</td>
<td>28,406,377</td>
<td>12.0</td>
<td>31,340,157</td>
<td>12.0</td>
<td>28,628,710</td>
<td>11.2</td>
</tr>
<tr>
<td>1934</td>
<td>10,046,993</td>
<td>5.0</td>
<td>28,013,426</td>
<td>10.7</td>
<td>22,003,498</td>
<td>9.1</td>
</tr>
<tr>
<td>1935</td>
<td>14,296,993</td>
<td>7.0</td>
<td>26,195,378</td>
<td>9.7</td>
<td>22,239,374</td>
<td>8.7</td>
</tr>
<tr>
<td>1936</td>
<td>12,402,807</td>
<td>5.7</td>
<td>27,777,601</td>
<td>9.6</td>
<td>28,753,370</td>
<td>9.3</td>
</tr>
<tr>
<td>1937</td>
<td>12,440,005</td>
<td>5.3</td>
<td>28,521,726</td>
<td>8.8</td>
<td>25,629,472</td>
<td>8.6</td>
</tr>
<tr>
<td>1938</td>
<td>14,670,790</td>
<td>5.8</td>
<td>29,944,231</td>
<td>9.1</td>
<td>27,679,483</td>
<td>8.9</td>
</tr>
<tr>
<td>1939</td>
<td>15,773,105</td>
<td>5.6</td>
<td>34,752,143</td>
<td>9.1</td>
<td>32,995,543</td>
<td>9.1</td>
</tr>
<tr>
<td>1940</td>
<td>18,892,040</td>
<td>2.9</td>
<td>41,330,232</td>
<td>10.4</td>
<td>40,279,719</td>
<td>10.7</td>
</tr>
<tr>
<td>1941</td>
<td>18,143,510</td>
<td>2.4</td>
<td>41,996,093</td>
<td>8.4</td>
<td>41,774,987</td>
<td>8.6</td>
</tr>
<tr>
<td>1942</td>
<td>9,047,998</td>
<td>2.6</td>
<td>40,817,943</td>
<td>7.3</td>
<td>47,901,484</td>
<td>7.5</td>
</tr>
<tr>
<td>1943</td>
<td>18,666,440</td>
<td>4.6</td>
<td>40,474,131</td>
<td>9.6</td>
<td>38,061,994</td>
<td>5.6</td>
</tr>
<tr>
<td>1944</td>
<td>20,166,322</td>
<td>3.8</td>
<td>45,981,644</td>
<td>4.1</td>
<td>41,915,332</td>
<td>3.9</td>
</tr>
<tr>
<td>1945</td>
<td>22,621,642</td>
<td>3.4</td>
<td>72,621,209</td>
<td>5.5</td>
<td>71,444,872</td>
<td>5.9</td>
</tr>
<tr>
<td>1946</td>
<td>36,559,644</td>
<td>3.1</td>
<td>76,274,290</td>
<td>5.2</td>
<td>70,182,516</td>
<td>5.3</td>
</tr>
</tbody>
</table>

CONCLUSION

The social, economic and technological developments which occurred in Europe changed many things in the world. The old economic and social system known as feudalism collapsed and capitalism took over in its place. The developing technology brought about many innovations. The invention of the steam engine ended the first stage in the capitalization process which was mercantilism. From then on an explosion in the amount of production was seen which changed the modes of production. This development was called the industrial revolution and the period was known as industrial capitalism. The increase in production brought about new demands and new needs. These needs can be summarized as "looking for new markets to sell the surplus production and new sources of raw materials for supporting the developing industry". The outcome of these demands highlighted around the transportation problem.

The development in ship transportation and navigation solved one part of the problem as it was quite cheap and economical. Large amounts of goods could be transported at low costs. But the situation was different with surface transportation. Ships were connecting distant harbors of the world but the transportation systems linking these harbors to their hinterlands could not meet the increasing needs. At the beginning of the 19th century surface transportation was mainly realized by horse carriages, camel caravans and canals. These methods were expensive and the amount of goods transported at any one time was very small.

The new demands and needs coincided with the technological developments of the century and the first locomotive was invented in 1826. Under this system
transportation was by wagons pulled by a locomotive on the railroads. This was a very important development as it provided transportation of goods and passengers at a very low cost compared with the horse carriages and camel caravans. This was such an important innovation that it developed rapidly. Western capital was invested in railroad projects and thousands of kilometers of new railway were constructed each year. By 1852 railroads were connecting the major European production centers and markets to each other.

However the needs of European industry increased parallel to the increase in the amount of production; thus, they had to find new markets to sell their products and cheap raw material sources. These existed in the underdeveloped or pre-capitalist non-western countries. But the problem of transportation also existed in these countries, so, constructing railroads in these countries came to the agenda and European capitalists began to invest their money in these countries.

At that period the idea of free trade was dominant in the world economic system and western countries signed many trade agreements facilitating commerce and lowering the tariffs. The Ottoman Empire first signed a free trade agreement with the British in 1838 which was followed by a series of agreements signed with the other western countries. This was the general context of the beginning of railroad construction in the Ottoman Empire.

The first offer to construct a railroad on Ottoman lands came from the British capitalists in 1856. They wanted to build a railroad between İskenderiye and Kahire with the goal of shortening the Indian trade route. This line was constructed and completed in 1856 and continued to be importance until the opening of the Suez canal. This project was followed by a line between Varna and Rusçuk and Kóstence-Çernovada (Boğazköy) which aimed to combine the transportation on the Danube river with the harbors on the Black Sea coast.
The first railroad project on the Anatolian lands, which was the İzmir-Aydın line, was constructed between the years 1857 and 1890. The İzmir-Kasaba line followed this project and was completed in 1866.

The aim of realizing these projects was to combine the fertile agricultural production centers of western Anatolia to İzmir harbor. Thus, the connection between the western centers and Anatolian markets was provided. None of these lines were built without commercial difficulties and the projects were mainly realized by British capital with the support of the British government. So we can talk about the British influence on the Ottoman railroads between 1856 and 1880.

This was the first stage of industrial capitalism where free trade activities were important. European countries wanted to organize the world economy with a center and a periphery where they would be the center and produce the industrial goods; the peripheral countries would produce the raw materials and agricultural products according to this division of labor between the countries.

This period continued until the 1880's when the second period known as imperialistic capitalism started. However, in that period, Ottoman administrators also had a deep interest in constructing railroads in the country. There were many reasons for this interest, but mainly focused on economic, political and military goals. They wanted to strengthen the Ottoman economy and saw the need for an efficient transportation system. The benefits of railroads on the European economy could be clearly seen at that period. Also the authority of the central government had been weakened because of the rebellions in all parts of the Empire, so the existence of a railroad could help sustain political unity and stop the process of this disintegration. Railroads were very useful for military purposes as they would facilitate the transfer of troops between the distant parts of the Empire.
Hence, Ottoman administrators decided to construct railroads in the Empire. However they were confronted with two major problems which the lack of necessary capital and the lack of necessary technology. As a result they decided to give different types of privileges to the western companies against the railroads they would construct. These privileges were very important and consisted of kilometric guarantees, interest guarantees for the invested capitals, managing the mines on the route of railroads and so on. All these privileges brought a considerable burden to the Ottoman budget which was under severe difficulties.

After 1850, much foreign capital flowed into the Ottoman Empire. This capital could be divided into two groups. The first one was giving loans to the Ottoman government and the second one was making direct foreign investments. Railroads were constituting the most important part of these direct investments.

Exporting capital to the underdeveloped countries was seen as an instrument for exerting political influence on these countries by the western states. Hence, the Ottomans were confronted with this pressure. Nevertheless they wanted to build railroads despite the cost and introduced the Rumeli railroads. Many agreements were signed with different European countries but none of them were successful. Finally, an agreement was made with an Austrian capitalist Baron Hirsch. Although he constructed 2000 km. of railroad, this project ended in a fiasco as he did not join the lines to each other as the connections were the most expensive part. The Ottomans gave great importance to this project as they thought it would prevent the increasing nationalist rebellions in the Balkans and it would connect the Ottoman capital with the major European cities. But it was not completed and became an example of the failure of the states attempts in the construction of railroads.

At that period the fiscal situation in the Empire was worsening and the political future was not very clear therefore the foreign capitalists were reluctant to invest their money
in the Empire. The situation continued until the establishment of Düyun-u Umumiye. This institution secured the payments of kilometric guarantees and other guarantees to the western firms as it controlled the main income sources of the state.

At that period new developments were occurring in the world. Germany was now unified and entered into competition with other western countries. But the world had already been divided between the other countries and the remaining colonies were not sufficient for the demands of German industry. Hence, especially after Wilheim II succeeded to the throne Germany began to exercise weltpolitic and directed her attention towards to the Ottoman Empire.

On the other hand, Abdülhamit had sympathy for the Germans and wanted to continue the construction of the railroads with the German companies. Thus the project of the Istanbul-Baghdad railroad came to the agenda. Until the establishment of the Republic extensive competition was seen between Britain, France, Russia and Germany for the construction of this project. But Germany was successful in this competition and completed an important part of this project until the establishment of the Republic. And we could talk about a German influence in this period.

This was the general context of the development of railroads in the Ottoman period and the conclusions of this period can be summarize as follows:

Establishing the new Turkish Republic as a nation state was an outcome of the developments during the 19th century. All these past experiences directed the administrators of the Republic to exercise anti-imperialistic policies. They were aiming to build a politically and economically independent country. This was the common idea among them.

The economic developments which occurred in Turkey between 1923 and 1940 can be divided into two main periods. In the first period until 1930, liberal ideas were stronger
and the state played a protectionist role to develop the national economy and a national capitalist class. The second period, however, was different. The world depression of 1929 deeply affected the world economy and Turkey was also confronted with negative developments. In this crisis the state played a very positive role with its participation in economic activities. The Turkish administrators were affected by these developments and ideas about the direct intervention of the state in the economy became stronger and a period of etatism began. Railroads were seen and evaluated within this context. In the first period, the liberals in the parliament opposed and criticized the speed of the railroad construction process, as they thought too many resources were being spent on these projects thus preventing the development of the private sector. However, the government continued with its railroad projects. In the second period with the strengthening of etalist policies the speed of the construction increased. Between 1930 and 1940 more than 200 kms of railroads were built each year. This was more then three times faster than the Ottoman period. The railroad policy of the Republic can be expressed in three groups: a) Repairing and improving the old railroads which did not meet the needs of the time and constructing necessary personnel buildings, depots, stations and other necessary buildings; b) Purchasing the railroads under the control of foreign companies and nationalizing them; c) Constructing new railroads. 407 km of line were repaired, 3754 km of line were nationalized and 3117 km of new line were constructed in this period. By the World War II 7278 km lines were under state control.

The conclusions can be summarized as follows:

1) After the railroads were first constructed they developed very quickly. Although its economic aspects were very important and there was no alternative in the 19th century, it is not possible to explain this development only with economic reasons. As we have seen the political reasons were as effective as the economic ones. Thus the
process of railroad developments must be explained as a combination of these two aspects.

2) The most important conclusion which can be derived from this is the fact that railroads were used as an instrument for the economic and political goals of the western countries. It was a very important transportation system and affected all the countries which had constructed railroads. This was also the case for the Ottomans. Western countries used this transportation vehicle in such a way that it could help the establishment of the new capitalist world order. According to this order, European countries would be the center and the nonwestern countries would be the periphery which could serve the development of western economies. Later they also used it for their imperialistic goals and in this context they wanted to divide the Ottoman lands among themselves as political colonies.

3) Western capital was exported to the Ottoman Empire in the form of loans and also in the form of direct investments on the infrastructure which were mainly the railroad projects. This exportation of capital later caused the financial bankruptcy of the Ottoman Empire and constituted a part of western imperialism.

4) Ottoman administrators gave great importance to the railroads and wanted to build them at any cost, because they thought that it would help the economic development of the country and also it could prevent the political disintegration process.

5) The necessary capital and technology did not exist thus the Ottoman administrators decided to give privileges to the western companies for the construction of railroads. These privileges in the end also helped in the imperialistic goals of the western countries.
6) The railroads in the Ottoman Empire were built within this context and each project aimed to integrate the Ottoman economy to the European countries. Thus they were far from serving the national interest in cultural and social fields.

After the Republic the ideas on national independence and establishing a national economy changed the transportation policies and principles. The most important one was establishing state control over the railroads of the new Republic. "Devlet Demiryolları ve Limanları Umum Müdürlüğü" (The General Administration of State Railroads and Harbors) was established for this purposes and the railroad policies continued under this organization. From then on railroads were built to join distant parts of the country to each other and form a network. This was the opposite of the policies of foreign companies who built railroads in the Ottoman period. They were aiming to connect the Ottoman markets to the western production centers. Thus they built individual railroads combining harbors to their hinterlands and they did not think of connecting these lines to each other as they were not economic for their purposes. However Turkish administrators had other aims besides the economic ones such as establishing the cultural unity and decreasing the level of social differences within the distant parts of the country.

As a result, the development of railways in the Ottoman empire and Turkey can be differentiated from each other according to the purposes for which they were built. The ones in the Ottoman period were mainly used as instruments for the imperialistic goals of western countries. Although the Ottoman administrators believed in the benefit of railroads they could not benefit from these imperialistic policies. In the Republican period, however, the administrators used railroads for anti-imperialistic purposes. They believed that railroads would strengthen the economy and help in the establishment of the national independence if they were built and controlled according to the national benefits.
APPENDICES
APPENDIX 1

The first decree of privilege given to the foreigners for making railroads in the Ottoman Empire. Ref: Habip Germeyanlıoğlu, "Lozan ve Türk Demiryolculuğu", Demiryollar Dergisi, 19 (I Teşrin-I Kanun 1943), p.54.
APPENDIX 2

İsmet İnönü was in the opening ceremony of a bridge on the Ankara-Erzurum Line.
Ref: Demiryollar Dergisi, 18 (I Teşrin-II Teşrin-I Kanun 1942).
The railways in the territories of the Turkish Republic which were built before the Republic of Demetropol, Dergisi, 14 (17 Temmuz-1938), p.338.
APPENDIX 5

BIBLIOGRAPHY


-Avcıoğlu, Doğan, "Chester Projesi", Türkiye'nin Düzeni (İstanbul: Tekin, 1987).


-Berkman, Enver, Demiryollar, 1 (İstanbul: Teknik University Press, 1947).

-Bilge, Zihni, İstanbul Ruhumların Tarihi (İstanbul: Devlet Denizyolları Press, 1949).


-Boratav, Korkut, 100 Soruda Türkiyede Devletçilik (İstanbul: 1974).


Çavdar, Tevfik, *İttihat ve Terakki* (İstanbul: İletişim, 1991).


*Demiryollar Dergisi*, 18 (I Teşrin-II Teşrin-I Kanun 1942).


Doğukan, A. Muhittin, "Milli Birlik Vatan Bütünüğü", *Demiryollar Dergisi*, 17 (Temmuz 1941), pp.692-693.


- Heper, Metin, "Center and Periphery in The Ottoman Empire with Special Reference to the 19th Century", Readings in Turkish Politics (Istanbul: Boğaziçi University Publications), pp.50-65.

- Ilkin, Selim - İlhan Tekeli, "Türkiye de Ulaştırma’nın Gelişimi" Cumhuriyet Dönemi Türkiye Ansiklopedisi, 10 (İstanbul: İletişim publications, 1985).

- Ilkin, Selim, "1922-1923 yılları Türkiye'nde Bir Yabancı Sermaye Girişimi Chester Demiryolu projesi", Bildiriler ve Tartışmalar Türkiye İş Bankası Uluslararası Atatürk Sempozyumu (İstanbul: İş Bankası publication, 1981), pp.739-781.


-Karpat, Kemal, "The Transformation of The Ottoman State 1789-1908", in ed., Metin Heper Readings in Turkish Politics (İstanbul: Boğaziçi University Publications), pp. 40-95.

-Kaynak Muhteşem, Demiryolları ve Ekonomik Gelişme, Ph. D. (Ankara: Gazi University, 1982).


-Kongar, Emre, Imparatorluktan Günümüze Türkiyenin Toplumsal Yapısı (İstanbul: Remzi Bookstore, 1992).


-Kurmuş, Orhan, Empyralizm'in Türkiye'ye Girişi (İstanbul: Bilim Publications, 1974).


-Pamuk, Şevket, The Ottoman Empire and European Capitalism 1820-1913 (London: Cambridge University, 1987).

-Pamuk, Şevket, "Osmanlı İmparatorluğu'nda Yabancı Sermaye, Sektörlere ve Sermayeyi ihraç eden ülkelere göre dağılımı, (1854-1914)" Türkiye İktisadi Tarihi üzerine araştırmalar, ODTÜ Gelişme Dergisi, private issue.


-Pressel, Wilhelm, Les Chemins De Fer en Turquie D'asie (Zurich: Orell Füssli, 1902).

-Rathmann, Lothar, Berlin-Bağdat Alman Emperyalizminin Türkiye'ye Giriş (İstanbul: Belge, 1982).


-Quaataert, Donald, "19.yy.'da Osmanlı İmparatorluğunda Demiryolları", Tanzimat'tan Cumhuriyete Türkiye Ansiklopedisi, 6 (İstanbul: İletişim Publications, 1985).


-Sezginer, Mukbil, "Şark Demiryolları Tarihi", Appendix of Demiryollar Dergisi, 12 (Şubat 1937), pp. 3-40.


- Tayanç, Tunç, Sanayileşme Sürecinde 50 yıl (İstanbul: Milliyet Yayınları, 1973).


- Tunçay, Mete, T.C.'nde Tek Parti Yönetimi'nin Kurulması (1923-1931) (İstanbul: Cem, 1992).


