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Prof. Dr. Tuncer BAYKARA

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***Western and Local Entrepreneurs in Izmir in the
Nineteenth and Early Twentieth Centuries***

ELENA FRANGAKIS-SYRETT

Western Anatolia and its most important city-port, Izmir, became fully incorporated into the world economy, with the largest part of it being drawn into the international market, during the course of the nineteenth and early twentieth centuries. During this period, which started and ended with two expansionary phases in the world economy, there was increasing western economic penetration in the city's and its environs' economy, as well as growing local capital accumulation and activity. Although trade remained important -- as commerce remained the most important vehicle for western economic penetration in the region -- its economy became more diversified, including the development of an industrial sector (albeit geared greatly to the international market), the establishment of banks (although private merchant bankers still functioned) and the building of infrastructure. The region also experienced a very considerable demographic growth.

Whilst the largest sector in Izmir's economy was trade, the largest sector in western Anatolia's economy remained export-oriented agriculture. Western Anatolian agricultural production was by no means a monoculture. A large variety of crops made up its principal exports of dried fruit, figs, raisins, cereals, wheat, cotton, valonia, madder roots and minerals among others, whilst its imports consisted of cloth, the most sought after good of western manufacture since the seventeenth century, other manufactured goods such as glassware, ironware, silverware and colonial goods. Although a system of caravans, and in some areas railway as well as maritime transportation, linked the area with the international market in more far-reaching ways than in the preceding century, the pattern of trade of western Anatolia with the West remained the same: it was that of a largely non-industrialized economy exporting mostly untreated or semi-treated agricultural goods and raw materials in exchange for the manufactured goods of the industrialized advanced economies of the West.

Although in the nineteenth century areas in the western Anatolian coastline (such as Ayvalik, Antalya, Kusadasi) and the Aegean islands acquired greater direct links with the international market -- with some western shipping lines running regular direct schedules between the coastline, the Aegean islands and the West -- Izmir still dominated the area, drawing to itself most of the economic activity, including trade. Its commercial influence in fact extended well beyond the area into central Anatolia. It had been so since the eighteenth century when deliberate Imperial Ottoman policy had funnelled Ottoman trade to the West through Izmir till such centralization acquired its own economic momentum.⁽¹⁾ In the nineteenth century, although direct links with the West were theoretically possible from any part of the Ottoman Empire,

since with the 1838 Trade Convention free trade was the norm, Izmir retained and even strengthened its supremacy further afield for a number of reasons. It had the most developed infrastructure, the capital resources (it had always been a clearing house for purchases or sales made in the surrounding area), and the largest network of entrepreneurs to get the best terms on a transaction. It retained this supremacy in the early twentieth century, its demographic growth reflecting this.⁽²⁾

Vis-a-vis the Ottoman Empire as a whole Izmir, which had emerged as the most important port in the Empire's trade with the West by the middle of the eighteenth century⁽³⁾, retained throughout the nineteenth century its position of a principal port as far as the exports were concerned, exporting more than 50% of the Empire's goods. In the imports, however, after a rivalry that lasted almost two centuries, Istanbul and Salonica finally surpassed it in the second half of the nineteenth century.⁽⁴⁾ As trade remained pivotal in the economic relations of the Empire with the West, Izmir remained one of the most important economic centers of the Empire and one where western economic involvement was most extensive.⁽⁵⁾

Western and Local Entrepreneurs

It was in the early seventeenth century when British, French and Dutch merchants first established consulates in Izmir competing against the Venetian and other Italian merchants already there.⁽⁶⁾ This western mercantile presence increased in the next century so that by the nineteenth century the list of western consulates and mercantile communities active in the city and its environs was quite long -- to the above were added the Russian, German, Austrian, Hellenic, Swedish, Danish, and American among others. There were also the local merchants, almost invariably but **not** exclusively non-Muslim (Armenians, Greeks and Jews), many of whom also swelled the ranks of the foreign communities by having acquired the nationality and hence the protection of one of the above countries.⁽⁷⁾

Although both local and western capital were active in almost all areas of the city's and its environs' economy, there were certain sectors where either capital were stronger - in general where knowledge of the interior and local contacts were necessary local entrepreneurs predominated, such as the import trade, whilst where large capital resources and technology were necessary, such as infrastructure projects or insurance, western capital predominated. No single entrepreneurial community however, local or western, ever acquired absolute control of any sector of the city's and its environs' economy.⁽⁸⁾ The large number of western and local mercantile communities in Izmir created a very competitive economic milieu. Local merchants, whether they were western-protected or not -- after 1838, theoretically at least, all merchants, both local and western, had the same rights -- were formidable econo-

mic rivals to the westerners.⁽⁹⁾ Non-Muslim entrepreneurs were not the only formidable competitors, however, as the example of the wheat trade in Antalya in the middle of the nineteenth century, under the control of Turkish merchants, shows.⁽¹⁰⁾ Furthermore, inter-western rivalry further strengthened the position of the local merchants and Izmir's economy remained fiercely competitive during the period under study.

Trade

In the early nineteenth century western and local entrepreneurs turned their attention to trade and in so doing they were carrying on a 200-year tradition of commercial activity. However, there were also important differences in the way trade was to be organized in the nineteenth century as, for the first time, western merchants became active in the interior and local merchants fully participated in the international market. During the opening decades of the century, France's dominant commercial network in the area was broken and the local merchants started to take a share in the international trade of Izmir.⁽¹¹⁾ As the Industrial Revolution gathered momentum in western Europe the latter, looking for markets for its manufactured goods and for direct access to raw materials, and led predictably by Britain, signed trade conventions with the Ottoman Empire in the late 1830s, establishing free trade with the Empire.⁽¹²⁾ Following these trade conventions, western merchants set up trading posts in the interior of western Anatolia to buy goods from the local producers on the spot and sell their wares in the local markets, as opposed to staying in the city and trading from there as hitherto. The result was intense rivalry with the local merchants who had established commercial networks in the interior and who welcomed no newcomers.⁽¹³⁾ In addition, the terms of free trade that the Porte had agreed to conflicted with the system of monopolies, that it had implemented since the turn of the century to turn the growing trade of the Empire, primarily with the West, into a source of fiscal revenue for its frequently depleted Treasury. Local capital, both Muslim and Non-Muslim, had in its turn invested considerable amounts in these monopolies. The result was an unremitting struggle in western Anatolia, that lasted for two decades, between mainly western merchants and their diplomatic representatives on the one hand and local merchants and administrators on the other.⁽¹⁴⁾ By the late 1850s, however, any cases of blatant contravention of free trade regulations had been eliminated and western merchants could, by then, trade freely in the interior of western Anatolia and the Aegean islands.⁽¹⁵⁾ It is also fairly safe to assume that, by then, local capital had transferred at least part of its investments to other monetary speculative activities, such as tax farming, or to trade.

Although Austria carried out an active trade with Izmir in the first half of the nineteenth century and France was re-establishing itself in the area, it

was Britain who can be considered as its most important trading partner in the first three-quarters of the nineteenth century, initially because of the strength of its manufacture and subsequently because of the strength of its overall economy during the mid-Victorian boom.⁽¹⁶⁾ Although German participation in the trade of Izmir, as well as in other sectors of its economy, grew spectacularly in the last quarter of the nineteenth and in the early twentieth centuries, it did not cause the eclipse of the British, who remained economically dominant in the area.

It is also interesting to note the fact that the predominance of the British gave the local merchants two advantages. The British showed a greater reluctance, more than any other western nationality, to go into the interior of western Anatolia to trade.⁽¹⁷⁾ This allowed local merchants to remain as their agents, sub-agents or representatives, buying and selling for them in the interior. At the same time, the prominence of cloth in the trade of Izmir with Britain and the ability of two local groups, the Greeks and the Armenians, to set up bases in Liverpool and Manchester as well as London, from where they exported British cloth to Izmir, gave them an important share in this trade.⁽¹⁸⁾

It was particularly in the import trade however, that Western firms, not only British, based in Izmir or abroad, used local entrepreneurs to carry out their commercial operations. There were good reasons for using local entrepreneurs: they knew local tastes and the range of feasible price levels; their contacts enabled them to establish a network of operations fairly rapidly and they spoke the languages necessary to do business. Another reason for the predominance of the local entrepreneur was the need for credit. For local producers and merchants sold for cash in Izmir but bought on credit! The western exporter who was not willing to sell on credit could not enter the market. Indeed, one way that the Germans entered the Levantine market in the import trade was through over-generous credit terms.⁽¹⁹⁾ Yet giving credit successfully, necessitated the use of a credit-worthy, capable and loyal agent who could be relied upon to pay back after he, himself, had collected the money from the wholesalers and retailers to whom he had sold the western exporter's goods.

Local entrepreneurs, besides being agents, also acted as brokers for western firms established in the area. And they also traded on their own behalf sometimes running commercial houses of their own in the export or import trade.⁽²⁰⁾ Yet, while it was difficult to displace such a network of local entrepreneurs, it would be misleading to consider them as all-powerful and able to shut western merchants out of the export trade of Western Anatolia. This sector was dominated by few large-scale companies, many of them western, which were in complete control of the purchasing process, from the place of production and of treatment to the point of shipping the produce abroad, with western managers overseeing it all.⁽²²⁾

Monetary speculative activities and banking

It has also been asserted that one of the reasons for the economic prowess of the local non-Muslim entrepreneurs was the fact that, besides trade, they dealt extensively in such speculative activities as tax-farming and money-lending, both of which were closely tied to an export-oriented agriculture and hence to trade. For as tax-farmer of the agricultural tithe and money-lender, the local entrepreneur was, at times, lending the producer the money for the latter to pay him the very tithes which he also owed to him, thus recovering part of his loan but leaving the producer still indebted. And if the tax-farmer-cum-money-lender were also a merchant the producer, vulnerable already in his hands, might be unable to refuse to sell his produce to him, and at his price, in lieu of part of his debt to him. Western contemporary observers seeing the impoverished, indebted and fiscally over-burdened producer, who was under such circumstances unable to increase the productivity of his land, considered the above-portrayed non-Muslim entrepreneur as all-powerful and as the person responsible for the producer's problems. Although local entrepreneurs did tend to tax-farm and lend money to a larger extent than others, they were not the only ones. Muslims and westerners also tax-farmed and lent money. Everybody tax-farmed, when the practice was at its height, in mid-nineteenth century, and western entrepreneurs lent to everybody, from the Ottoman Government to the ordinary man!⁽²³⁾ Also, western companies sometimes became tax-farmers in the same produce they were exporting in order to strengthen their economic position or facilitate their commercial operations.⁽²⁴⁾ Besides, the non-Muslim local entrepreneurs as merchants were also affected by the usurious rates and the recurring lack of specie in the market of Izmir, which forced them both to borrow money and to speculate when they were able to do so. This situation was worsened by the Ottoman state's inability to stabilize its monetary system and successfully reorganize it. In the last quarter of the nineteenth century, as new economic opportunities, emerged local entrepreneurs did turn to other economic activities, besides trade and monetary speculation, such as industry.

It is symptomatic of the strength of western capital that one of the early attempts to establish a bank and thus alleviate the problem of monetary scarcity in Izmir was undertaken by a British group of merchants in c. 1842. The bank lasted only a year before it was closed by the Government. The reason for such action, according to the British Consul in Izmir, who was hardly an impartial observer, was rivalry from local Greek merchant bankers in the Ottoman capital who were themselves working out plans to establish a bank.⁽²⁵⁾ Banks, which did not appear in the Ottoman capital in any numbers until the last quarter of the nineteenth century were, to a very large extent, made up of foreign capital. They were not established in Izmir till the closing two decades of the century and even later in the environs. In the meantime, money lenders and private merchant banking houses filled the gap.

By the early twentieth century a number of banks were operating in Izmir, primarily lending to trade, but also to industry. As in trade, no single bank monopolized business: a number of banks were competing for the privilege of lending to a credit-worthy merchant at the best terms possible. Amongst them were the Imperial Ottoman Bank, the Bank of Salonica, Credit Lyonnais, Deutsche Orient Bank, the Bank of the Orient and the Bank of Athens. At the same time, however, private banking houses and money changers, both local and western, still continued to function.

Banks and trade

The availability of credit through a fairly competitive banking system together with greater transportation facilities revolutionized, as a result, some of the trading practices particularly of local merchants, making advance purchasing more widespread than even before. The merchant buying in advance and very likely on credit, was able to sell the goods before they were even produced and with the proceeds buy more goods. The merchant, who tended to over-extend himself in the process, depended for profit on the quick turnover of business. Any slight fluctuation in the market price could be detrimental.⁽²⁶⁾ As a result, the temptation to speculate on cotton or raisin futures, which had been going on for a long time in the market of Izmir, became more widespread by the turn of the century and was particularly detrimental to the small-scale entrepreneur.⁽²⁷⁾ One area where credit did not become readily available, even by the turn of the century, was the countryside which remained starved off funds and where the money lender continued to make very lucrative profits. In Izmir, however, greater availability of credit, through the banks and an accumulation of capital through a prospering commerce, at least among medium and large-scale western and local entrepreneurs, resulted in the wave of joint-stock company formation that occurred in Izmir at the turn of the century and where local and western entrepreneurs participated to varying degrees although the former enjoyed a dominant place. For example, the Fig Packers Limited, the second biggest trust in Izmir, was a British-registered company, that represented British, American, Greek and Armenian companies among others and was influential in the export trade of this commodity.⁽²⁸⁾ However, in the Amalgamated Oriental Carpet Manufacturers Limited, a far bigger trust than the above and the most important in Izmir, western involvement was particularly pronounced.

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Although local entrepreneurs were formidable competitors in trade and monetary speculative activities as well as in informal merchant banking, there were other sectors in the city's and its environs' economy where western entrepreneurs predominated, due to their larger capital resources, advanced technology and degree of business organization. From shipping and insurance

to mining, large-scale textile manufacture and infrastructure projects, western entrepreneurs predominated, although in fierce competition with each other, and in certain sectors, in competition with the local entrepreneurs also, Muslim and non-Muslim.

Shipping and Insurance

In shipping, western firms disposing of the advanced technology and capital necessary to build and run a steamship enjoyed an advantage over local Ottoman shipping. For instance, British shippers held the largest share of Izmir's freight business which, particularly in the export trade, almost equalled that of the shipping of all other nations put together.⁽²⁹⁾ Only at the turn of the century did the Germans seriously challenge their superiority. British firms were among the principal transit agencies that brought goods from western Europe to Izmir for transshipment to other smaller ports in the eastern Mediterranean. Yet local shipping enterprises did present western shipping companies with competition, particularly in the coastal trade and especially so by the turn of the century.⁽³⁰⁾ A sector where there was a strong need for capital and an even greater predominance of western capital was in insurance.⁽³¹⁾ Principally western insurance companies operated through agencies in Izmir and some of them, such as Lloyds, also from sub-agencies on the western Anatolian coast or the Aegean islands. As agents of many of these insurance companies, working on commission, local Ottoman entrepreneurs were basically employees of these companies and thus played a secondary role, often engaging in other business at the same time. It was a highly speculative sector, with high profits as well as losses, but one however, that drew increasingly larger numbers of western companies and capital by the turn of the century.

Light industry and carpet-making

Although it was never equal in size or importance to the area's commercial sector, a light industrial sector did develop during the second half of the nineteenth and early twentieth centuries, principally in Izmir and its suburbs and to a lesser extent in the environs, financed primarily by western capital and technology and secondarily by local capital from a prospering commerce. There seems to have been two types of industries that flourished in the area at the time - those stimulated by demand in the international market such as carpet-making for which Izmir and its environs had been traditionally known, and those industries that catered to the domestic market, a market that went perhaps beyond western Anatolia but remained within the Ottoman Empire, such as flour-milling, olive oil pressing, tanneries or winemaking. The latter industries were certainly smaller in terms of scale of operation and capital re-

sources, especially when compared to the export-oriented industries. Yet they should not be dismissed as unimportant - taken altogether they represented considerable capital resources. This sector grew in the last two decades of the nineteenth century and in the early twentieth. Moreover, this was where local capital was most active, both Muslim and non-Muslim, showing that given the opportunity local entrepreneurs could invest in areas other than monetary speculation or trade.

In the last quarter of the nineteenth and in the early twentieth centuries, taste-changes in western middle class homes towards heavily decorated rooms where oriental carpets were almost a must and a combination of more cost-effective methods of carpetmaking with an increase in the purchasing power of the West created a larger than hitherto market for Izmir's traditionally renowned carpets.⁽³²⁾ The use of artificial dyes, a western technology brought to the industry by western entrepreneurs at about the same time, also helped the expansion of the industry as well as strengthened the position of western entrepreneurs in it.⁽³³⁾ Although the dyes used most frequently were German, and the first entrepreneurs to introduce them were French, the British in fact had a major role in carpet-making.⁽³⁴⁾ They were directly involved in the organization and running of the industry, commanding a large network of brokers, dyers, spinners and weavers that encompassed the whole process from wool as a raw material to the final product. By the time the Amalgamated Oriental Carpet Manufacturers Limited (OCM) was established, c. 1907, western entrepreneurial prominence in the field was clear.⁽³⁵⁾ Although the British-registered trust was not made up fully of British, or even only of western capital, the British were nevertheless predominant.⁽³⁶⁾

It was an industry organized mainly as a cottage industry. It functioned through a system of agencies whereby the agent, who could be a local entrepreneur or firm, was responsible for the manufacture and remittance of carpets to his principal in Izmir, who was usually a westerner, with the latter being responsible for sending the finished produce to his correspondent (s) in western Europe or the United States.⁽³⁷⁾ There was cooperation thus between western and local entrepreneurs although there was also acute rivalry. During the last quarter of the nineteenth century, production doubled in some areas and spread to other areas in western Anatolia, not previously involved in commercial carpet production. As the supply of labor was not steady and firms competed against each other for spinners and weavers to operate the carpet looms, incoming western entrepreneurs faced very strong competition and even hostility from local business whose place they were in some cases usurping.

Western companies both operated along existing lines of production and set up new forms of organization. For instance, where the OCM maintained the existing system of agents as responsible for the production process, impor-

tant differences were made: the agents were supplied with dyed yarn by the trust and the dyeing of all yarn was done centrally in dyeing works it had set up in the suburbs of Izmir.⁽³⁸⁾ In addition, the trust also established factories in certain areas of western Anatolia employing a sizeable number of workers. Furthermore, the three most important companies in the textile industrial sector, given to spinning and weaving, two of British and one of Franco-Belgian capital, were closely connected to the OCM - they were either wholly or partly owned by the trust and their production was geared almost fully to meet the needs of the trust. Although the OCM did dominate the sector of carpet-making, and to a large extent the textile sector too, it did not nevertheless, monopolize either sector. In the early 1920s there were still a number of carpet-making firms, western and local which were competing against the OCM, successfully keeping a part of the market to themselves.

Infrastructure

Nowhere in Izmir's and its environs' economy were western entrepreneurs more prominent in terms of capital, technology and sheer scale of operations than in infrastructure. It was a sector that got under way in the second half of the nineteenth century and intensified in pace in the last quarter of the century and beginning of the twentieth. This sector also allowed the assets of the western entrepreneurs, their ability to raise large capital to fund their projects and their advanced technology, to work to their fullest advantage. Although some of the financing of the big infrastructure projects might have been local,⁽³⁹⁾ in essence these projects were undertaken and financed by westerners.⁽⁴⁰⁾ By the turn of the century, concessions for providing and running public utilities, such as telegraph lines or electricity, in the outskirts of Izmir, or in towns in the environs, were almost all in the hands of western companies.⁽⁴¹⁾

By the 1860s with both railway lines, and the gas company in Izmir in British hands, the latter had acquired a lead in infrastructure projects. This lead was quickly challenged, however, when French capitalists in the 1860s started preparations for the construction of the Smyrna Quay - a major project in terms of urban planning, capital involved, and the city's important commercial sector.⁽⁴²⁾ It was through infrastructure, in addition to banking, that the French signalled their successful comeback to a prominent place in the economy of Izmir and its environs in the second half of the nineteenth century. Thereafter, as the century drew to a close and the pace of infrastructure construction quickened, competition further intensified, with German and Belgian entrepreneurs in particular, vying for concessions, the former in a bigger way than the latter, as the Germans enjoyed more ample capital backing. Thus we have the buying out, at the turn of the century, initially by the French and subsequently by the Germans, of the British-owned Cassaba railway line.⁽⁴³⁾

Conclusion

In conclusion, both local and western entrepreneurs were active in **all** sectors of the local economy, cooperating and fiercely competing with each other at all times, succeeding at best to dominate a sector but not to completely monopolize it. In fact both groups showed independence of action, adaptability and ability to widely diversify their economic profiles, activities and investment strategies as new opportunities developed in the economy of Izmir in the course of the nineteenth and early twentieth centuries.

Overall, western capital and entrepreneurs were certainly more powerful: greater capital resources, advanced technology and methods of business organization gave them the ability to change even the organization of production in some sectors, as in carpet making. Yet was local capital simply weaker? The situation was far more complicated than a simple juxtaposition such as the above would warrant. For in certain economic sectors, where the above advantages of the westerners were overshadowed by those of the locals -- such as local contacts, exact and minute knowledge of the market which made or broke on in the import trade -- the latter were stronger. By the term stronger, it is not meant, however, that they excluded the westerners from any sector. For instance, they made the westerners' lives difficult when the latter tried to trade in the interior in 1838-58 but did not exclude them from the sector even then. By the same token, the westerners were not able either to keep the locals completely out from any form of investment or economic activity.

NOTES:

- (1) Elena Frangakis-Syrett, **The Commerce of Smyrna in the Eighteenth Century, 1700-1820** (Athens, 1992), pp. 24-29.
- (2) Elena Frangakis-Syrett, "The Western Anatolian Coast and the Aegean Islands in the Late Nineteenth and Early Twentieth Centuries: An Economic Survey", **Proceedings of the First International Congress on the Hellenic Diaspora** (Amsterdam, 1991), Vol. II, pp. 251-266.
- (3) Elena Frangakis-Syrett, **The Commerce of Smyrna...**, pp. 119, 121, 123; see also, Elena Frangakis-Syrett, "Trade Between the Ottoman Empire and Western Europe: the Case of Izmir in the Eighteenth Century", **New Perspectives on Turkey** (Spring, 1988), Vol. 2, pp. 1-18.
- (4) Charles Issawi, **The Economic History of Turkey, 1800-1914** (London, 1980), pp. 108-113; see also, Orhan Kurmuş, "The Role of British Capital in the Economic Development of Western Anatolia, 1850-1913" (University of London PhD thesis, 1974), *passim*.
- (5) Elena Frangakis-Syrett, "British Economic Activities in Izmir in the Second Half of the Nineteenth and Early Twentieth Centuries", **New Perspectives on Turkey** (Fall, 1991), Vols. 5-6, pp. 191-227. For western-ottoman economic relations in this period, see e.g., Şevket Pamuk, **The Ottoman Empire and European Capitalism, 1820-1913** (Cambridge, 1987), pp. 18-40, 55-81.
- (6) Daniel Goffman, **Izmir and the Levantine World, 1550-1650** (Seattle, 1990), pp. 50-76. On the presence of western merchants in 17th- and 18th-century Izmir, see also, Tuncer Baykara, **Izmir Şehri ve Tarihi** (Izmir, 1974) pp. 64-65; Necim Ülker, "The Emergence of Izmir as a Mediterranean Commercial Center for French and English Interests, 1698-1740", **International Journal of Turkish Studies** (Summer, 1987), Vol. 4, pp. 1-37; Sonia Anderson, **An English Consul in Turkey** (Oxford, 1989), 1-18, 46-65 and E. Frangakis-Syrett, **The Commerce of Smyrna...**, pp. 75-103, 119-138, 155-187.
- (7) Public Record Office, London, SP 105/129, Consul Werry, Izmir, 31 Jan. and 13 Aug. 1804 to Levant Company, London. Hereafter this archive will be cited as PRO.

It is not easy to decide whether a western-protected merchant of local origin represented western or local capital, given the fact that we do not always have specific information on the activities of such merchants. Therefore, unless there is data showing that the entrepreneur in question had extensive economic links with the West, or had stayed in the West for an extended period of time where he might have started his

business, before coming to Izmir, a local merchant with a western nationality and no obvious western economic connections, was still a local merchant. This does not mean that local merchants in Izmir did not cooperate with westerners having, for instance, shares in the same company. Turkish merchants and administrators also co-operated, at times, in such a way.

- (8) Elena Frangakis-Syrett, "The Greek Mercantile Community of Izmir in the First Half of the Nineteenth Century", dir. D. Panzac, **Les Villes dans l'Empire Ottoman: Activités et Sociétés** (Paris, 1991), Vol. I, pp. 391-416.
- (9) PRO, FO 83/395, Messrs. Whittall, Paterson et al., Izmir, 24 Dec. 1872 to Consul Cumberbatch, Izmir.
- (10) Elena Frangakis-Syrett, "Implementation of the 1838 Anglo-Turkish Convention on Izmir's Trade: European and Minority Merchants", **New Perspectives on Turkey** (Spring, 1992), Vol. 7, pp. 91-112.
- (11) Archives de la Chambre de Commerce de Marseilles, MQ, 5.1, Mémoire, 1820.
- (12) Mübahat Kütükoğlu, **Osmanlı-İngiliz İktisâdi Münâsebetleri (1838-1850)** (İstanbul, 1976), Vol., II, passim. See also, Charles Issawi, **The Economic History of Turkey...**, pp. 92-100.
- (13) E.g., PRO, FO 195/128, J.A. Werry, Izmir, 19 Sept. 1839 to Vice-Consul Charnaud, Izmir; FO 195/177, Tayah Pasa, Kutahya, 28 Oct. 1839 to Consul Brant, Izmir and FO 195/128, Charnaud, Izmir, 18 May 1839 to British Ambassador, Istanbul.
- (14) **Parliamentary Papers, Tariffs** (London, 1840), Vol. 2, Correspondence respecting the Commercial Treaty and *ibid.* (London, 1841), Vol. 2, Correspondence...
- (15) Elena Frangakis-Syrett, "Implementation of the 1838 Anglo-Turkish Convention...", pp. 105-111.
- (16) Orhan Kurmuş, "The Role of British Capital...", pp. 282-284; see also, Reşat Kasaba, **The Ottoman Empire and the World Economy** (Albany, Ny, 1988), pp. 90-92.
- (17) **Parliamentary Papers, Accounts & Papers** (London, 1872, Vol. LXC VII, pp. 739-742; see also, Reşat Kasaba, "Was there a Comprador Bourgeoisie in Mid-Nineteenth-Century Western Anatolia?", **Review** (Spring, 1988), Vol. XI, p. 222.
- (18) **Parliamentary Papers, Accounts & Papers** (London, 1900), Vol. CVII, p. 13 and *ibid.* (London, 1914) Vol. XCV, p. 15.
- (19) Archives du Ministère des Affaires Étrangères, NS, Vol. 480, Minister of

Commerce, Paris, 4 Nov. 1905 to Minister of Foreign Affairs. Hereafter, this archive will be cited as AMAE.

- (20) PRO, FO 195/1075, Zantopoulos & Ghisi, Izmir, 15 July 1875 to Acting Consul Joly, Izmir.
- (21) Reşat Kasaba, "Was There a Comprador Bourgeoisie...", pp. 226.
- (22) Elena Frangakis-Syrett, "British Economics Activities...", pp. 200-205.
- (23) PRO, FO 195/527 Acting Vice-Consul Calvert, Antalya, 28 Dec. 1856, 3 Jan. and 13 March 1857 to British Ambassador, Istanbul.
- (24) PRO, FO 195/1732, Consul Holmwood, Izmir, 2 and 24 April 1891 to British Ambassador, Istanbul.
- (25) Elena Frangakis, "The Port of Smyrna in the nineteenth Century", eds., B. Kiraly et al, **War and Society in East Central Europe**, Vol. XXIII (Thessaloniki, 1988), pp. 265-266.
- (26) **Parliamentary Papers, Accounts & Papers** (London, 1912-13), Vol. C, p. 11.
- (27) AMAE, NS, Vol. 480, Annual Report, 1900.
- (28) National Archives, Washington, D.C., RG 84, Vol. 12, Consul Harris, Izmir, 27 Jan. 1910 to Secretary of State Washington, D.C. Hereafter this archive will be cited as NA.
- (29) **Parliamentary Papers, Accounts & Papers** (London, 1890), Vol. LXXVII, p. 11.
- (30) E.g., PRO, FO 195/910, Consul Cumberbatch, Izmir, 17 Aug. 1868 to British Ambassador, Istanbul; FO 195/1518, Joly, Izmir, 15 Aug. 1885 to British Ambassador, Istanbul.
- (31) E.g., PRO, FO 195/1009, Cumberbatch, Izmir, 19 Sept. 1874 to British Ambassador, Istanbul; AMAE, CCC, Vol. 56, Consul Rougon, Izmir, 4 Nov. 1894 to Foreign Minister, Paris; CCC, Vol. 57, L'Union, Izmir, 25 Aug. 1897 to Foreign Minister, Paris.
- (32) D. Georgiades, **Smyrne et l'Asie Mineure au point de vue économique et commercial** (Paris, 1885), p. 63; F. Rougon, **Smyrne: situation commerciale et économique** (Paris, 1892), pp. 247-259.
- (33) Edmond Dutemple, **En Turquie d'Asie** (Paris, 1883), p. 223; see also, Donald Quataert, "Machine Breaking and the Changing Carpet Industry of Western Anatolia, 1860-1908", *Journal of Social History* (Spring, 1986, Vol. 20, pp. 476-478).
- (34) **Parliamentary Papers, Accounts & Papers** (London, 1904), Vol. CI, p. 7; see also, O. Kurmus, "The Role of British Capital...", pp. 179-188.
- (35) PRO, FO 195/2383, British Chamber of Commerce, Izmir, 12 Dec. 1911

to Consul Barnham, Izmir.

- (36) PRO, FO 195/2383, Barnham, Izmir, 30 Jan. 1911 to British Ambassador, Istanbul.
- (37) PRO, FO 195/2134, Cumberbatch, Izmir, 4 Dec. 1902 to British Ambassador, Istanbul.
- (38) PRO, FO 195/2360, Barnham, Izmir, 12 April, 1910 to British Ambassador, Istanbul.
- (39) PRO, FO 195/942, Cumberbatch, Izmir, 15 April 1869 to British Ambassador, Istanbul. Local entrepreneurs were not totally absent from this sector, however, for they were active in small-scale infrastructure projects.
- (40) E.g., **Parliamentary Papers, Accounts & Papers** (London, 1900), Vol. CVII, p. 21; AMAE, CCC, Vol. 53, consul Pelleissier, Izmir, 2 March, 1880 to Foreign Minister, Paris.
- (41) E.g., **Parliamentary Papers, Accounts and Papers** (London, 1910) Vol. CIII, p. 20 and *ibid.* (1914), Vol., XCV, p. 17.
- (42) Mübahat Kütükoğlu, "Izmir rihtimi insaati ve isletme imtiyazi", **Tarih Dergisi** (1979), Vol. 32, pp. 495-558.
- (43) **Parliamentary Papers, Accounts & Papers** (London, 1910) Vol. CII-I, p. 20 and *ibid.* (1914), Vol. XCV, p. 17.