

**THE HISTORY OF THE IZMİR
COMMODITY EXCHANGE
FROM 1891 TO THE PRESENT**

- From Tradition To Future -

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"A merchant is the one whose hands and mind are trusted and who has to merit this trust to increase the value of the nation's labor and production."

Mustafa Kemal Atatürk



PREFACE

The İzmir Commodity Exchange was established in 1891 by a group of merchants gathered around Nişli Hacı Ali Efendi...

It was named as the Grain Exchange in those years...

And it was the first ever exchange of Turkey...

In the advancing years, the seeds planted on that day paved the way for the germination of the firsts, from the Derivatives Exchange to İZBEP (the İzmir Commodity Exchange Electronic Trading Platform) and ELİDAŞ (the Aegean Agricultural Products Licensed Warehousing Inc.), which will carry the Turkish agriculture into the future. The historical adventure of the İzmir Commodity Exchange gains more prominence upon considering the fact that the number of companies established in our country before 1900 and the number of those that still survive is merely 18, whereas in Japan the number is over 21.000,

Every moment of the years we left behind is full of endeavor, self-sacrifice and sweat... That's what makes this book available in your hand.

With this work, we have had the desire to mark in history the journey of the İzmir Commodity Exchange, which set out in 1891 to establish regulations for the commercial activities in İzmir and the environs, and today it has become one of the most significant institutions of the World.

Because we believe that these marks will shed light to the future of our country, which aims at becoming one of the five biggest agricultural countries of the World in the centenary of our Republic, and getting a share of \$150 billion from the Global agricultural income. This is also our moral obligation towards our ancestors and country. I would like to express my deepest gratitude to the ones who contributed to the improvement of the İzmir Commodity Exchange, which was established as a Grains Exchange and brought in numerous victories.

I would also like to thank everyone who has made invaluable contributions to the compilation of the history of the Exchange.

Işinsu KESTELLİ

*The İzmir Commodity Exchange
Chairwoman of the Board*



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AUTHOR'S PREFACE

İzmir experienced a great deal of fluctuations in the previous century; wars, occupation, fire, reconstruction, urbanization, immigrations and emigrations all led to the reformation of the city's institutions, social and economic structure again and again. During this course, few of the institutions, with which the citizens of the city might feel the roots of the city they live in, managed to reach the present day. And the İzmir Commodity Exchange is one of them. The history of the ICE, which was first published in 1998, was updated and reprinted two years ago. Bearing the idea in mind that the publication of the history of the ICE would make an invaluable contribution both to the publicity of the Exchange and promotional activities of İzmir, which is one of the candidates for Expo 2020, an English version of this work has been composed in accordance with the decision of the Board of the Exchange.

In this edition, the main text was cleared of footnotes as much as possible, some of the original parts were removed and efforts were made to help the foreign readers understand the text easily. Readers who are academically interested in the subject can resort to the second Turkish edition of the work for wider reference and original documents. The publication of the history of the ICE in English has been realized with the self-sacrificing efforts of a lot of people. Dilara Sürğü Ersözlü has displayed a great deal of effort in every step of this work, including the planning and coordination between the author and the Exchange. The authentic translation of the Turkish version and the use of most possible technical terms have been the result of Hasan Şahin's translation. Dr. Pınar Nacak and Kadir Kılıçparlar have helped to enrich the pages about the Exchange in 2000s, and Mustafa Yağcıoğlu has updated the graphics. Fulya Yemişçi, Serap Dikmen Ahmetoğlu, Sinem Çelikten, Çiğdem Arman and Handan Şaar Ceylan have made significant contributions to maintain visual richness. However, without doubt, the existence of this book is surely the result of invaluable efforts of the Board of the Management of the ICE under Işınso Kestelli's leadership and all the board members' passion to protect the values of the institution's history.

Buca-İzmir / June, 2013

Dr. Erkan Serçe





INTRODUCTION

The Ottoman economy started to change radically in the 19th century. Signed between the Ottoman Empire and Great Britain in 1838, the Balta Limanı Trade Agreement was a milestone in the opening of the Empire to the industrialized or developing Western countries and the one way integration of the Empire into these countries⁽¹⁾. The agreement led to the abolishment of the monopoly (yed-i Vahid) in the Empire and the reduction of customs to very low levels⁽²⁾. In fact, the western countries had been trading freely with the Empire since the 16th century with the help of the concessions brought by the capitulations. The 1838 agreement was just the certification of the current situation.

In the course of industrialization, the Europeans were taking their national economies under preservation by increasing customs walls so as to protect their industries. However, the Ottoman Empire had neither any industries nor industrialists to protect in that era⁽³⁾. The so called agreement prevented possible attempts of industrialization by leading the foreign countries to substitute such attempts, so the Empire became a heaven of imported goods with regards to industrial products. As a result, the Empire consolidated its pre-capitalist and pre-industrial state⁽⁴⁾.

By the last quarter of the 19th century, the Ottoman Empire had already gone bankrupt financially and was being manipulated by the western countries. In addition, as the non-Muslim population gained economic strength, opposing ideas emerged and domestic reactions arose. The most important and organized one of such reactions was the Young Turk Movement. The practices in Abdülhamit II's long reign made his opponents unite in a liberal framework.

On July 23 1908, as a result of oppression by the Party of Union and Progress, the Second Constitutionalist Monarch was declared. Together with its important political consequences, the first proletarian movements were seen all around the country. During the era, some steps were taken to liberalize the economic system,

(1) Şevket Pamuk, *Osmanlı Ekonomisi ve Dünya Kapitalizmi 1820-1913*, Ankara, 1984, p. 18.

(2) Mübahat Küttükoğlu, *Osmanlı İngiliz İktisadi Münasebetleri 1580-1838*, Vol. I, Ankara, 1974, pp. 92-113 and Gündüz Ökçün, "1885 Öncesi Osmanlı Ekonomisine Genel Bir Bakış", *1885-1985 Türkiye Ekonomisinin 100 Yılı ve İzmir ve İzmir Ticaret Odası Sempozyumu*, İzmir, 1985, pp. 14-15.

(3) İlber Ortaylı, *İmparatorluğun En Uzun Yüzyılı*, İstanbul, 1987, p. 77.

(4) Vedat Eldem, *Osmanlı İmparatorluğunun İktisadi Şartları Hakkında Bir Tetkik*, Ankara, 1970, p. 317.



The Ottoman Empire in the 19th century

the Ottoman citizens were encouraged to enterprise and foreign capital was given a wide range of opportunities⁽⁵⁾.

Four years between 1908 and 1912 were the honeymoon for the Ottoman liberalism, but the atmosphere of freedom did not last long. The ideal of creating an 'Ottoman Nation' by the Party of Union and Progress did not come true, as the Empire consisted of various identities, and separatist movements based on nationalism started to gain strength. Inspired by the Balkans, the ethnic minorities in the Empire turned their steps towards gaining independence. On the other hand, the liberalization of the economy increased the efficiency of the non-Muslims and foreigners who kept hold of the Ottoman trade and economy. Turkish nationalism that partly originated from the liberal atmosphere of the 1908 revolution took on both political and economic dimensions as a result of reaction against liberalism, especially against economic liberalism⁽⁶⁾.

⁽⁵⁾Zafer Toprak, *Milli İktisat-Milli Burjuvazi*, İstanbul, 1995, p. 1.

⁽⁶⁾Toprak, *Milli İktisat...*, s. 3-4.



The Balkan War, which broke out in 1912, was the turning point on the matter. Ottomanism died to a large extent, the Turkism ideology gained strength. The economic policy of the government after 1913 brought Muslim Turks into the forefront. Now the main objective was 'National Economy'. By taking advantage of the extraordinary atmosphere of the World War I, the Party of Union and Progress put into practice its National Economy Policy. As the members of the Party of Union and Progress mentioned, the statist economy, in other words statism was going to be the pillar of the national economy policy. Capitulations were abolished unilaterally, the privileged status of foreign companies was given an end, and the companies that were doing business in the Ottoman land were asked to acquire Ottoman citizenship⁽⁷⁾.

As mentioned above, some western countries such as France and the Great Britain had been given some privileges in order to carry on the East Mediterranean trade in the 16th century when the traditional trade routes started to change. In the same period, East Mediterranean seaports began to rise. Seaports became privileged places which were connected with the capitalist economy. Trade, which determined the logic of a seaport, had formed the basic mechanism of getting involved in capitalist relations.

A seaport was also like a human laboratory where the social transformation, which was conditioned by facing capitalism, could be observed from an enlarged perspective. New economic activity types gave birth to new human groups, which were really different from the subjects of the Empire before integration. A conflict arose between these new groups and the ones which owed their very existence to the old system, and the city became the focal point of contradiction⁽⁸⁾.

(7)Toprak, İttihat Terakki ve Devletçilik, İstanbul, 1995, pp. 1-4 and Zafer Toprak "Tanzimat'tan Cumhuriyete Osmanlı Ekono-misinde Gelişmeler", 1885-1985 Türkiye Ekonomisinin 100 Yılı ve İzmir Ticaret Odası Sempozyumu, İzmir, 1985 p. 25-27.

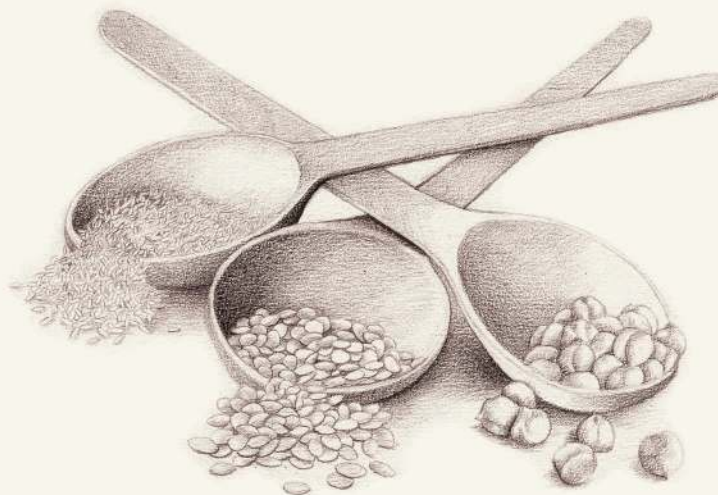
(8)See, Ç. Keyder, Y.E. Özveren, D. Quataert (Ed.), Doğu Akdeniz'de Liman Kentleri (1800-1914), İstanbul, 1994.



The Rise of İzmir

İzmir was relatively one of the small coastal towns of Western Anatolia in the earlier 16th century. Towards the end of the century, the city used to meet Istanbul's need of dried fruit and nuts, and it had grown twice as much⁽⁹⁾. Grape, fig, pear, almond, pomegranate, chestnut, dried apricot and some other types of dried fruit were the leading transported products from İzmir to İstanbul. From the beginning of the 17th century, İzmir started to expand its boundaries of trade activity. Fernand Braudel stated that İzmir had become one of the transaction points of the main trade routes⁽¹⁰⁾. The transformation of the trade routes shifted the caravan route of Iranian silk to İzmir and trade activities, which had been scattered over various seaports of Western Anatolia, started to gather in İzmir. Travelers' accounts also confirm the commercial recovery of İzmir in the 17th century thanks to trade⁽¹¹⁾.

The volume of trade in İzmir had considerably decreased and much more than that the trade of the city was paralyzed because of the earthquake in 1688⁽¹²⁾. Earthquakes had been frequent in the history of the city and the earthquakes in 1654 and 1664 had caused fear in the city. However, the earthquake in 1688 had been the biggest one ever. The death toll is estimated to have been 15 to 20 thousand. Since the foreign merchant colonies weren't able to find a better settlement, İzmir quickly recovered thanks to the efforts of the European merchants, the Ottoman subjects and Sublime Porte. The city went on growing⁽¹³⁾ as a seaport by regaining its previous power from the 1720's on.



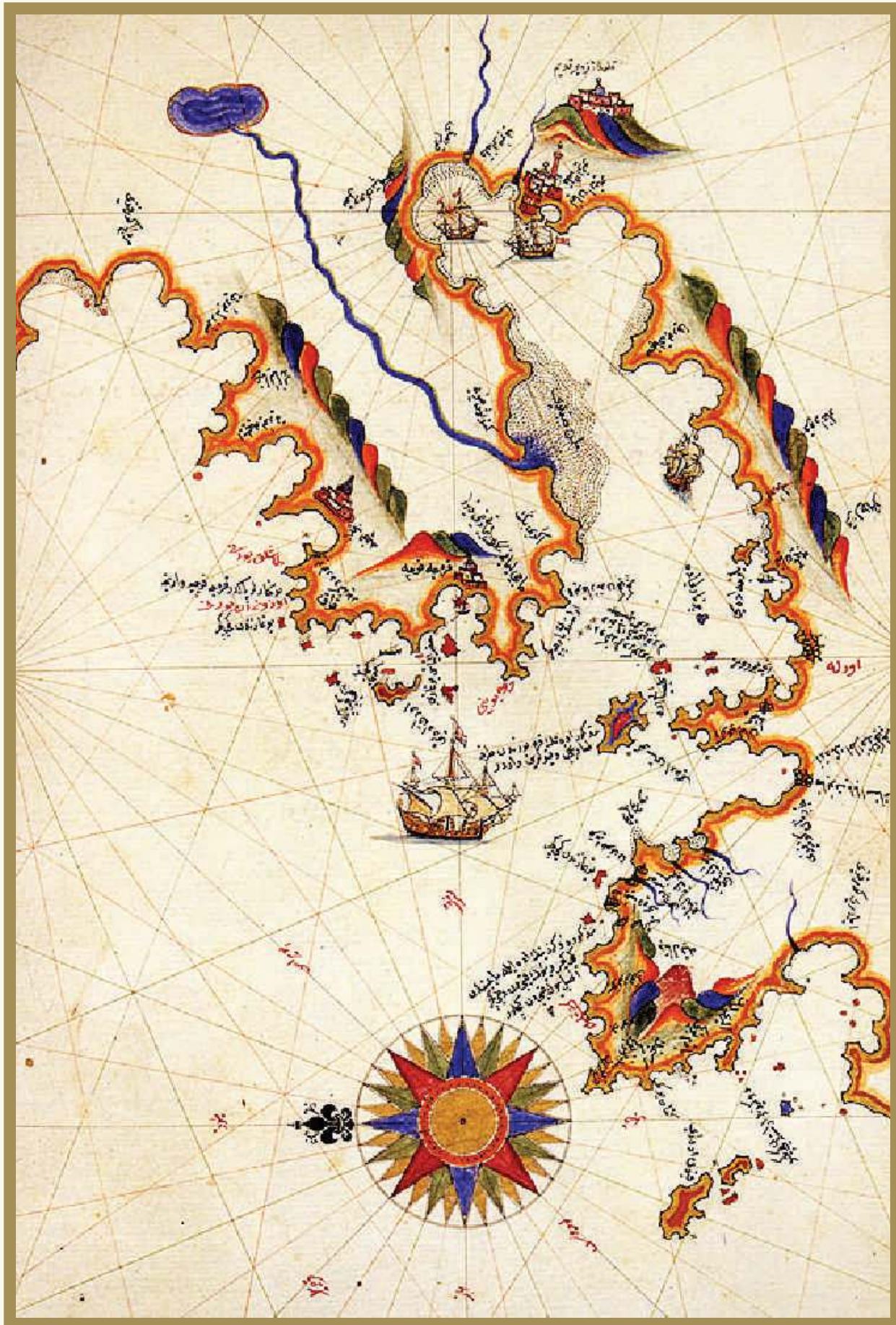
(9)TGoffman, *İzmir ve ...*, p. 36; Abdullah Martal, *19. Yüzyılın ikinci Yarisında İzmir ve Çevresinde Sanayi ve Ticaret*, (DEÜ. Social Sciences Institute, Unpublished Ph. Th.), p. 68-69.

(10)Fernand Braudel, *Akdeniz Dünyası*, (Translated by M. A. Kılıçbay), İstanbul, 1989, p. 188.

(11)See, Necmi Ülker, *XVII. ve XVIII. Yüzyıllarda İzmir Şehri Tarihi I, Ticaret Tarihi Araştırmaları*, İzmir, 1994, pp. 1-17.

(12)Ülker, *İzmir...*, p. 25.

(13)Daniel Goffman, "İzmir: Köyden Kolonyal Liman Kentine", *Doğu ile Batı Arasında Osmanlı Kent: Halep, İzmir ve İstanbul*, İstanbul, 2000, p. 128.



Izmir, early 16th century (Piri Reis, Kitab-ı Bahriye)



İzmir, late 17th century

It is observed that the French became dominant in the business life of the city from the second half of the 18th century onwards. The importance of the 1740 capitulations, which helped the French to become dominant, should be underlined. Daniel Panzac has confirmed that more than half of the trade activities with Europe from the İzmir Port were done by the French between 1756 and 1766. Nevertheless, this commercial superiority of France decreased due to the negative effect of the revolution in 1789 and the increasing British influence on the Ottoman Empire. The breaking down of the Levant Company in 1825 and the English merchants' obtaining freedom of trade enabled Great Britain to increase its Mediterranean trade.



İzmir, early 18th century

The 1838 Balta Limanı Agreement with the British and the agreements with the other European states formed the required legal framework to open the Ottoman markets and raw materials to foreign trade⁽¹⁴⁾. This restoration of the Ottoman economy meant more pickup, especially for İzmir and other seaports. The volume of export went beyond 1 million pounds in 1839 and has never gone under that value since then, except in 1846⁽¹⁵⁾.

This recovery led to a stronger capital stock in İzmir, and made the city, which had been able to function well commercially till the early 1860's, push its limits. Parallel to the increasing trade volume of the Ottoman Empire with the Western countries, İzmir went into a phase of growth and transformation. This development and evolvement of the city defined by İlhan Tekeli as 'decentralization'⁽¹⁶⁾ accelerated from the 1850's onwards and went on until 1914, while it had remained consistent in the first half of the 19th century.



İzmir, in the middle of 19th century

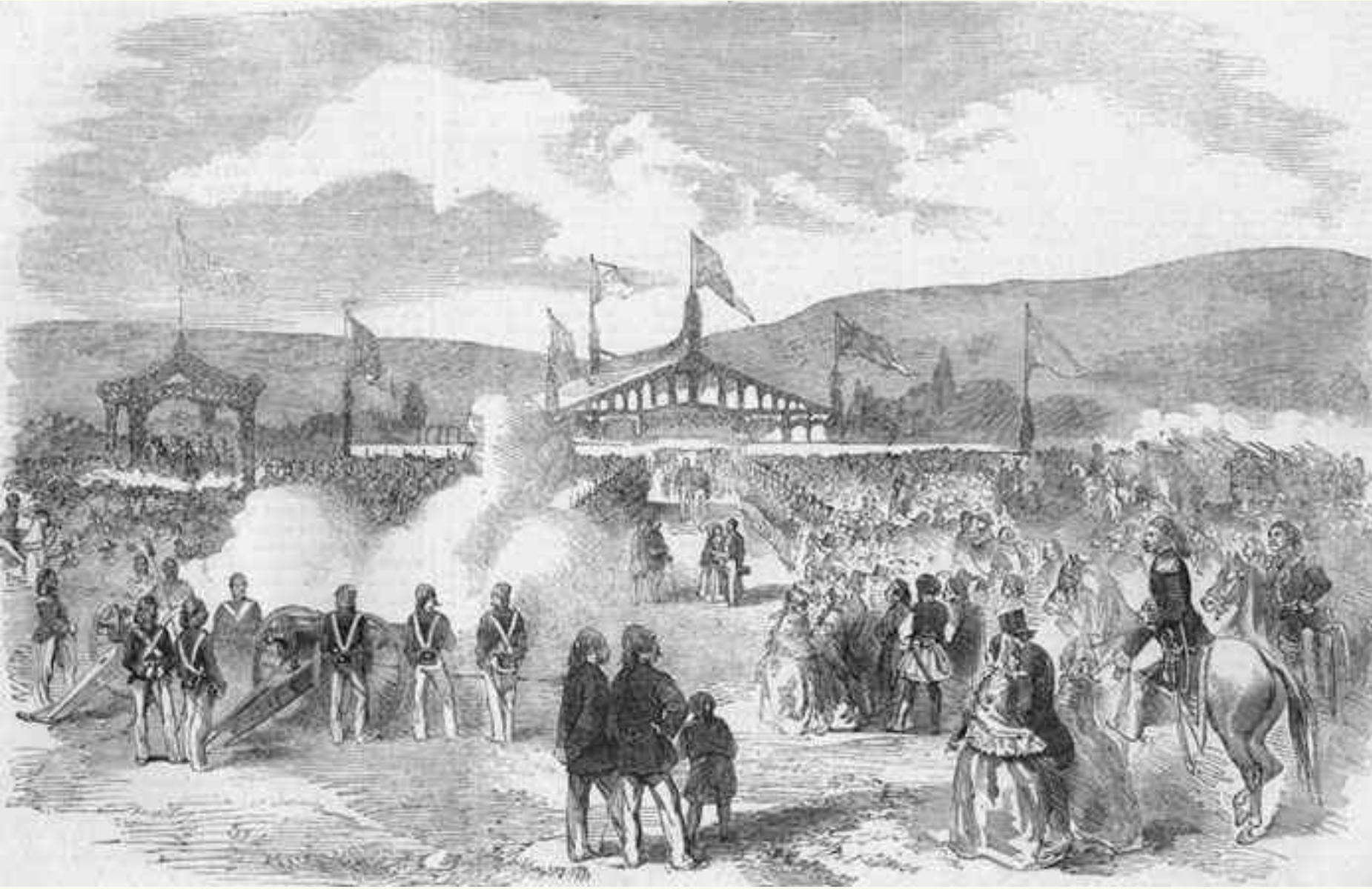
Meanwhile, Aydın and Kasaba (today's Turgutlu) railroads helped İzmir to connect with its hinterland easier⁽¹⁷⁾. The construction of a pier made İzmir more useful for commercial vessels. As the two of the most important elements of business life and enabling İzmir to communicate with its premises and Europe, wire

(14) Pamuk, p. 199.

(15) Reşat Kasaba, *Osmanlı İmparatorluğu ve Dünya Ekonomisi - Ondokuzuncu Yüzyıl*, (Translated by K. Emiroğlu), İstanbul, 1993, pp. 103-105.

(16) İlhan Tekeli, "Ege Bölgesinde Yerleşme Sisteminin 19. Yüzyıldaki Dönüşümü", *Üç İzmir*, İstanbul, 1992, pp. 128-129.

(17) Mübahat Kütükoğlu, "İzmir Rıhtımı İnşaat ve İmtiyazı", *Tarih Dergisi*, No. 32, p.503.

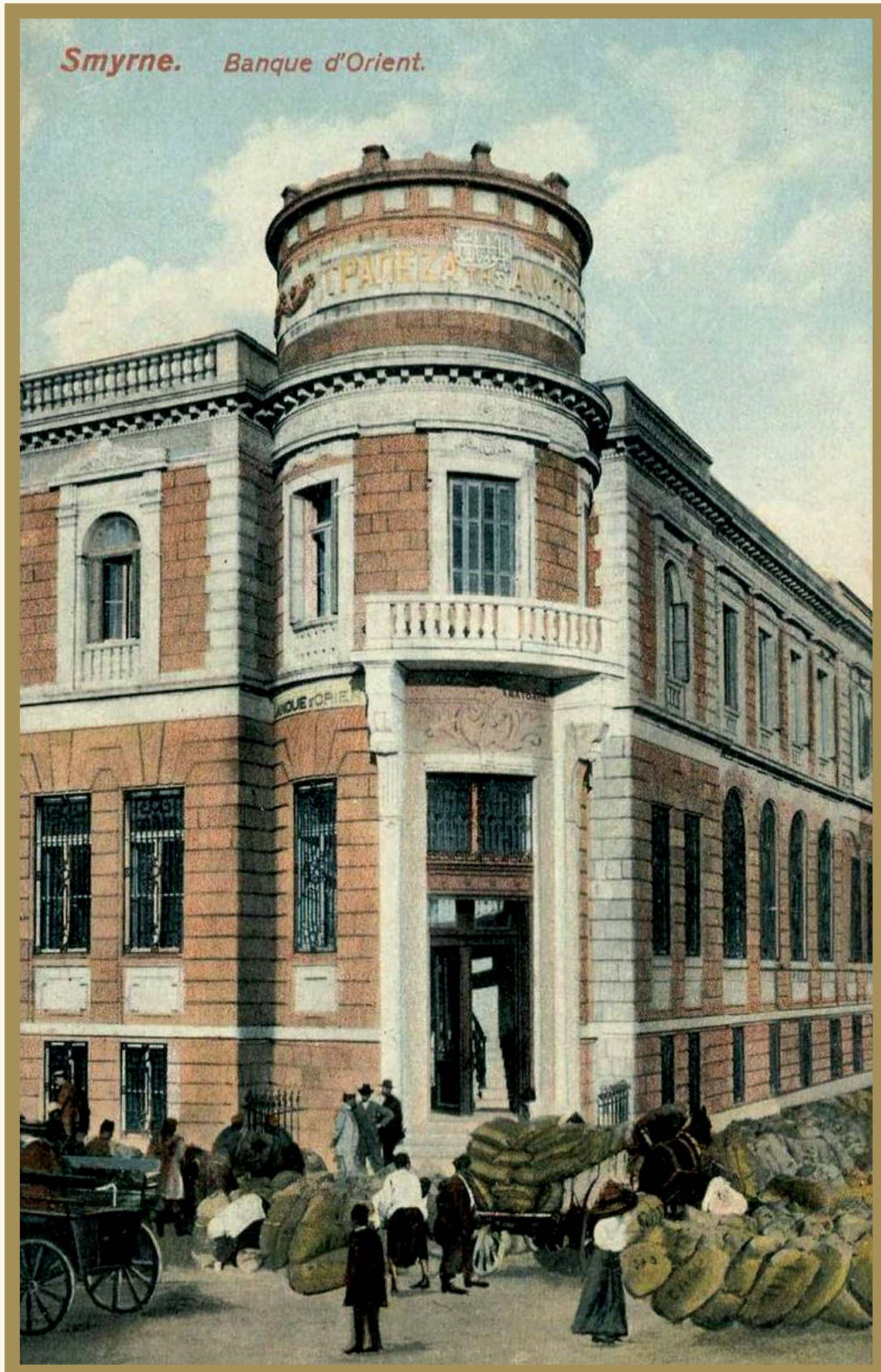


The groundbreaking ceremony of İzmir – Aydın RailRoad Train Station

telegraphy lines and submarine telegram lines were set into operation in the 1860's⁽¹⁸⁾. From 1870's on cable cars, which made intracity transportation easier, were taken into operation. Industrialization attempts, which were based on foreign investment, to process export-based agricultural products were brought to agenda. Although it was limited to some parts of the city, illumination with coal gas started in 1862⁽¹⁹⁾. In 1884, steamboats started to carry passengers between the two sides of the Gulf. In the earlier decades of the 20th century, the Ottoman products were flowing to İzmir from all seaports and production centers, and some were changing hands in domestic trade, while the bulk of such products were exported.

(18) Kurmuş, *Emperyalizmin*, p. 71.

(19) Sadık Kurt, *İzmir'de Kamu Hizmeti Gören Kuruluşlar 1850-1950. İzmir, 1996, (DEU. AİTE, Unpublished Ph. Th.), p. 109.*



Banque d'Orient



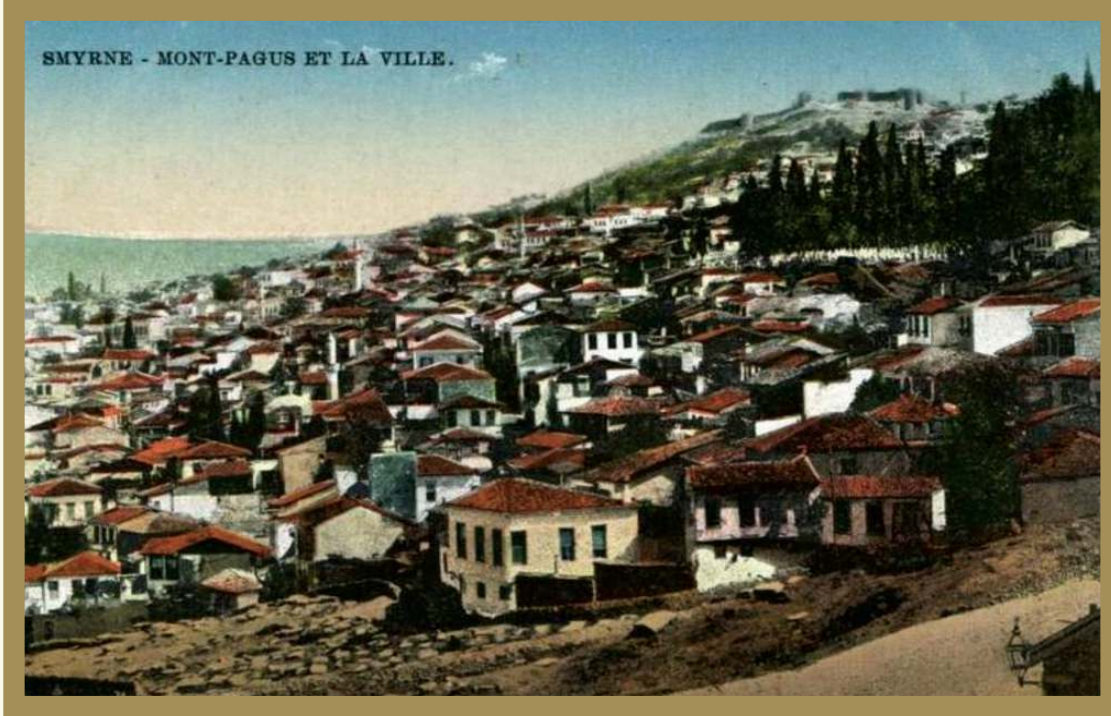
When trade in İzmir snowballed from the 1860's on, the need for financial support increased, so, in addition to the Ottoman Bank, the branches of many European-capitalized banks started to show their flags in İzmir. Credit Lyonnais, which opened a branch in İzmir, was followed by the Bank of Athens, the Bank of Salonika, the Bank of Mytilene, the Bank⁽²⁰⁾ of Anatolia, Banque de Orient, Smyrna Bank Ltd., and Wiener Bank and some of these banks existed until the period of the Republic.



The Old Harbour

The processes that brought change in the physical structure of the city not only led to a population explosion, but also differentiated the settlement order. İzmir, which was composed of housing zones belonging to various societies and surrounding the center consisting of a traditional shopping center which covered a part of today's Kemeraltı region and a Frank Street which is the extension of this shopping center to the East, had broadened considerably with the new housing zones which were added to the city at the end of the century.

⁽²⁰⁾ *Annuaire Oriental*, Edition 1914, pp. 1632-1633.

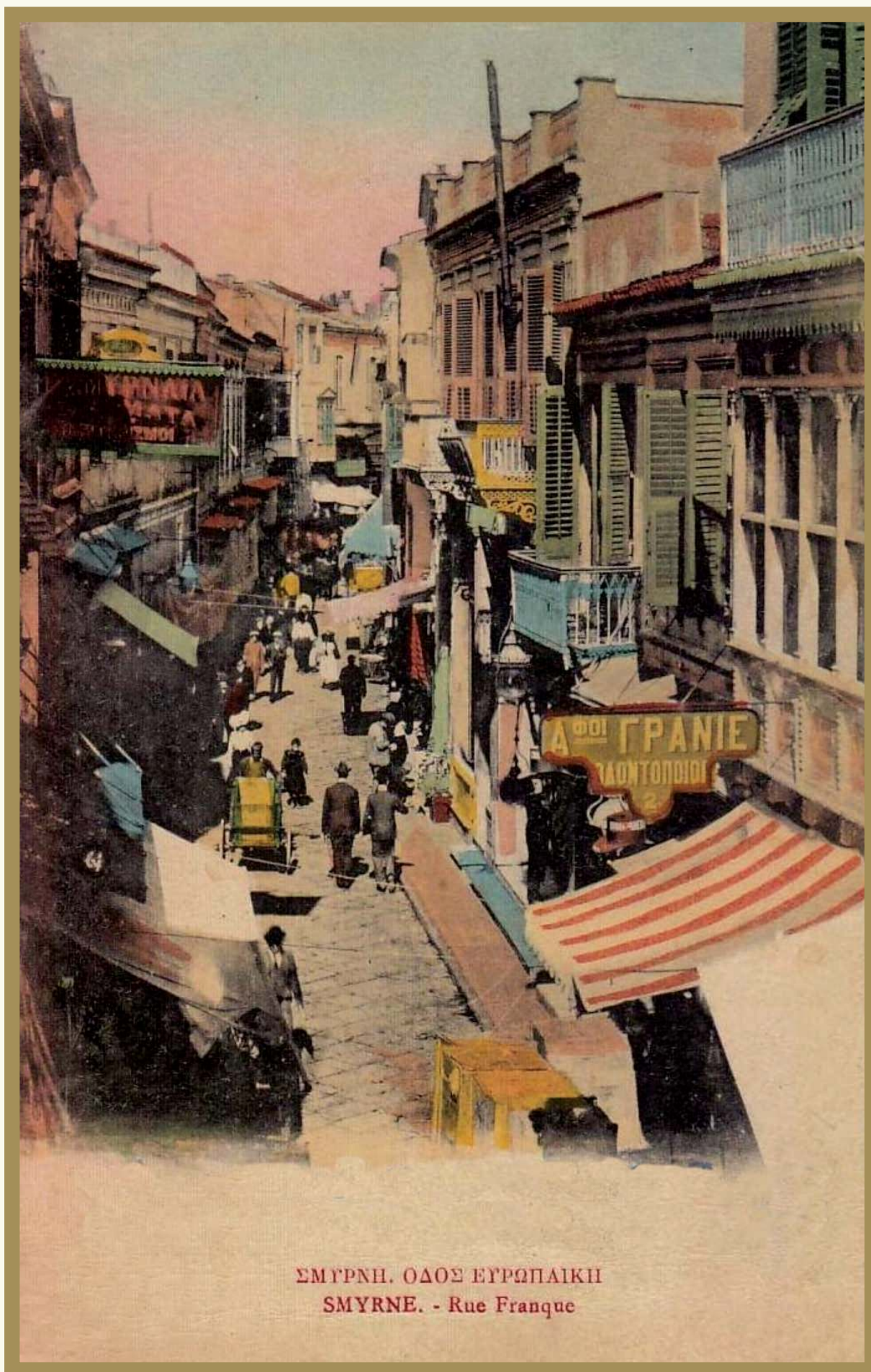


Turkish Neighbourhoods

Reduced taxes, decreasing government interference, international protection and the expanding sphere of influence of the judiciary system made the Western Anatolia one of the most attractive and the most profit promising regions of all for the foreign merchants. In 1847, the number of the foreigners together with their families was about 17.500. The population of İzmir was estimated to be around 100.000 at the time. The number of foreigners reached 50.000 in the late 1880's. The foreign population in İzmir is given as 44.176 in the eve of World War I. However, Hüseyin Rifat, who claims that the given number doesn't reflect the truth, argues that the real number must be at least 70.000⁽²¹⁾. The majority of those foreigners were the Greek and Italian workers who quested for wealth.

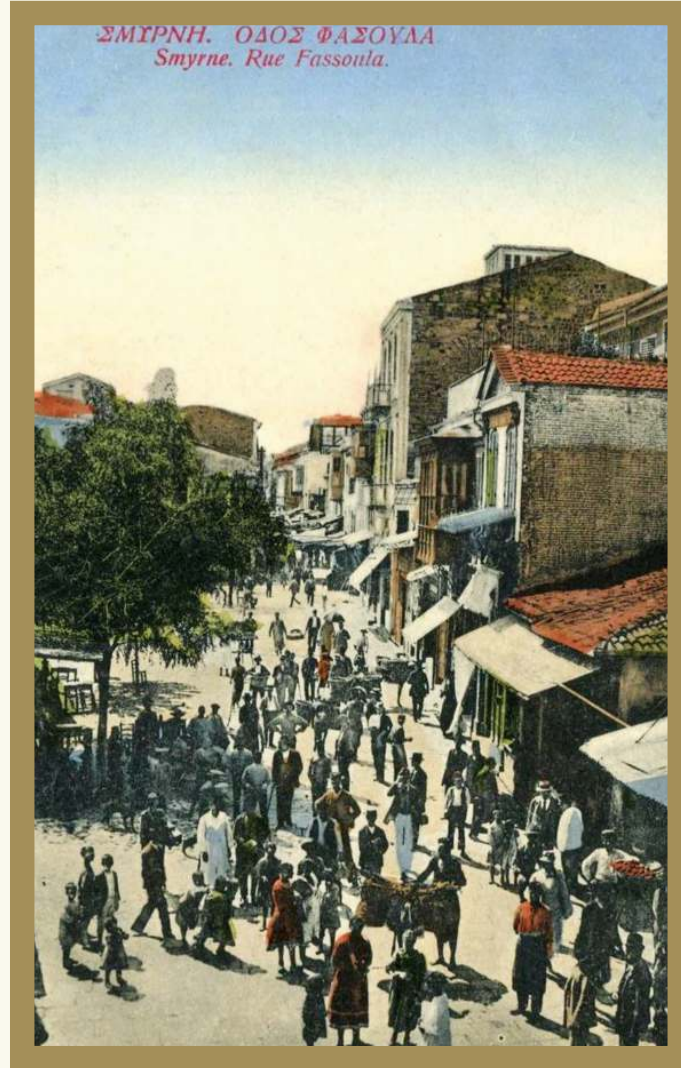
On the other hand, a smaller part of the foreigners retained the wealth of the city in various ways. Some were investors, merchants, businessmen and some others were bankers. The growing trade of the Empire with Europe was providing with outstanding opportunities to the Rums and other non-Muslims who were able to take advantage of the new conditions. In addition, with the help of the capitulations and Western powers they had gained advantage over the Muslims doing the same

⁽²¹⁾Hüseyin Rifat, *İzmir 1914*, p. 31.



The Frenk Street

jobs. The Rum businessmen, who were accustomed to the Ottoman laws and regulations, were taking advantage of the situation in many different ways. First of all, most of them were citizens of the Greek Kingdom. Others, the ones from the Aegean islands, were the British citizens who came from the lands which had been lost in the Napoleonic War. The islander Greeks had set up constantly growing business relationships in the Eastern Mediterranean region with almost all powerful countries of Europe, varying from Russia to Britain. For that reason, the European companies preferred the Rums and Armenians in their relations with the inner parts of Anatolia⁽²²⁾.



The Fasula Square

The Greeks and Armenians played an important role in the process of the introduction and settlement of the European capital in the western Anatolia. Because they knew the traditions and customs, the region and the native tongue well, and they had experience and skills in trade, they became indispensable for the Europeans. The only connection between the trade colony in İzmir and the producers in the interior of the region were the Rums and Armenians. Without them, neither the imported European goods could be sold, nor could the export products of the western Anatolia be collected from the producers and transported to İzmir and from there to European markets⁽²³⁾.

⁽²²⁾Gerasimos Augustions, *Küçük Asya Rumları*, (Translated by D. Avcı), Ankara, 1997, p. 129.

⁽²³⁾Kurmuş, *Emperyalizmin...*, p.18.



Small businesses and industry, banking and coastal trade were almost wholly dominated by the Rums and Armenians. While the Jews were mostly interested in finance, even the groceries in the remote parts of the city were being controlled by the Rums. The Rums were also doing other types of jobs such as street trading, blacksmithing, milling and running coffee houses. They were the most successful in trade and brokering⁽²⁴⁾. On the other hand, Avram Galanti states that the Jews were ahead in brokering and gives the following Jewish proverb to support his argument: 'The Turk is the officer (that is to say mighty to arrest), the Armenian is the lawyer (that is to say speaks a lot), the Rum is the grocer, coffee house owner, restaurateur; the Jew is the broker⁽²⁵⁾.



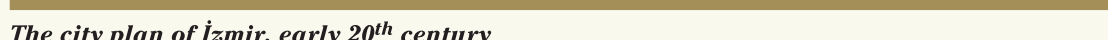
From the information given above, it can not be inferred that the Rums and other non-Muslims resided in İzmir were only contented with brokering and small businesses. Gerasimos Augustinos states that seeing these people as the direct or dependent representatives of the foreign economic interests on the Empire is nothing more than simplifying the matter.

(24) Kurmuş, pp. 18-19.

(25) Avram Galanti, *Türkler ve Yahudiler*, İstanbul, 1995, p. 133.

(26) Augustinos, *Küçük Asya*, p. 130.

(27) Augustinos, p. 343.



(27) *Augustinos*, p. 343.



PART - I -

- A -

THE ESTABLISHMENT AND THE FIRST YEARS OF THE İZMİR COMMODITY EXCHANGE



- A - THE ESTABLISHMENT AND THE FIRST YEARS OF THE İZMİR COMMODITY EXCHANGE

In the second half of the 19th century, the boost in the volume of the trade in İzmir brought about some problems. The issue of transportation had already been overcome with the new regulations in railroads and local transportation. Though not sufficient, new warehouses had been built to store the goods in İzmir. But the real problems would start just after the products were brought to markets. Unbalanced price adjustments, lack of proper statistics to determine demand and supply, uncertainty of the money markets used to affect the commercial life of the city in a negative way.



The Harbour of İzmir

The elements of uncertainty in the commercial life led to great losses of the tradesmen and producers. The tradesmen of İzmir commenced to make various attempts to overcome these problems. The first of them was to establish a “Commercial Assembly” in 1850 in İzmir. The İzmir Chamber of Commerce was founded in 1885 based on the Regulations of Dersaadet (İstanbul) Chamber of Commerce. Apart from the İzmir Chamber of Commerce, the English, the French, the Italians and the Dutch had their own chambers of commerce in İzmir. Although the French tried to establish a commodity exchange to determine the prices of products, this initiative did not result in a permanent solution. It was apparent that

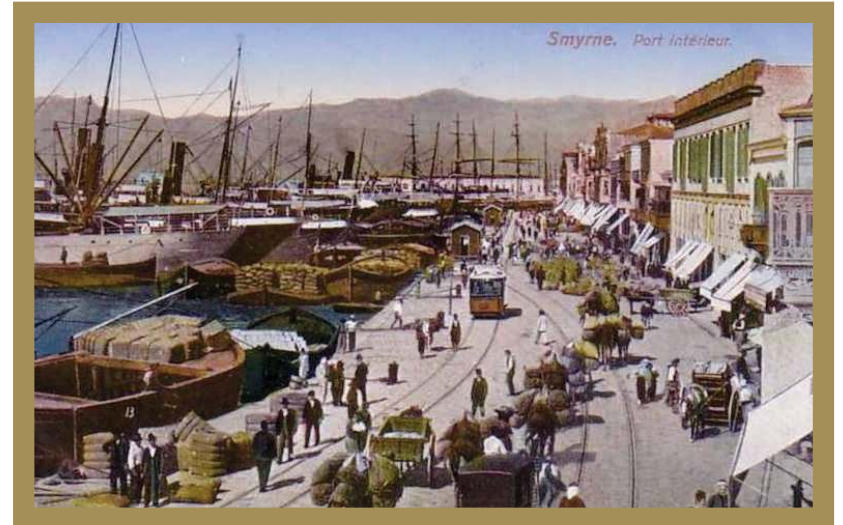
these organizations, independent of the chambers of commerce in the (Ottoman) Empire, worked more like a “club” to bring the merchants of the country together⁽¹⁾.

Although the first legal arrangement in the Ottoman Empire was realized in 1886, it is known that some attempts were made before this date to establish a commodity exchange in İzmir. Without any legal arrangements, some private entrepreneurs formed some kind of organizational structures to purchase and sell agricultural products. Though not much functional, these organizations tried to set the commercial life of the city in order. It is also known that the building belonging to Nişli Hacı Ali Efendi was used as “the grain exchange” just before 1890s. The arguments to establish a modern commodity exchange in İzmir based on a legal status and conforming to some rules were brought forward in the early 1890s.

The event starting these arguments was the attempt of one of the merchants of İzmir to restore a building on Rıhtım (Pier) to establish a private commodity exchange⁽²⁾. But this attempt met with negative reaction by the local press. Hizmet, one of the local newspapers, criticized the efforts stating that the building intended for the commodity exchange was far away from the commercial center of the city. According to the paper, stressing the poor condition of the building, instead of



The Customs Warehouses of İzmir



The Pier of İzmir

⁽¹⁾Erkan Serçe, “Osmanlı'dan Cumhuriyet'e İzmir'de Ticaret ve İzmir Ticaret Odası”, 19. Yüzyıldan 21. Yüzyıla İzmir Ticaret Odası Tarihi, İzmir, 2002, pp. 45-47.

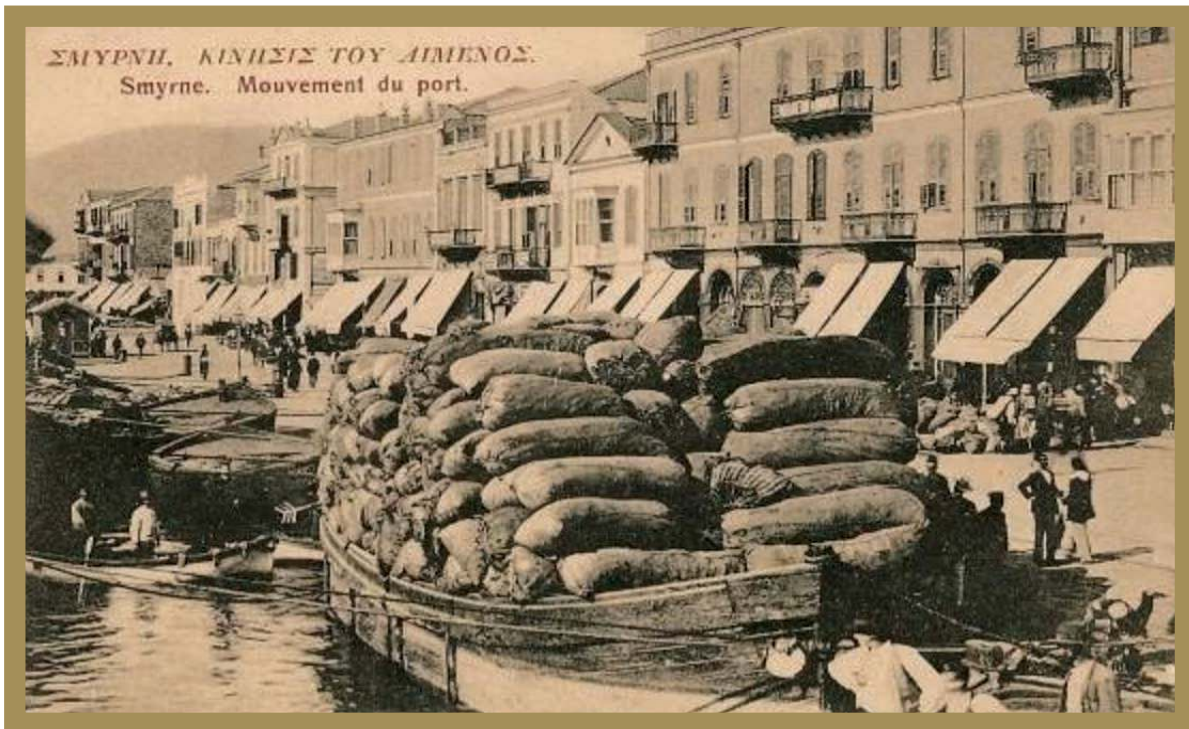
⁽²⁾Hizmet, August 12, 1891.



developing a new commodity exchange building, Nişli Hacı Ali Efendi's Grain Exchange Building, which was closer to the center, was more suitable⁽³⁾. On the other hand, Arabyan Karabet Efendi's efforts were supported by non-Ottomans, i.e. foreign merchants trading in İzmir. Ottoman Bank was heading this group⁽⁴⁾. The efforts by Nişli Hacı Ali Efendi were intended to bring together all the merchants of İzmir under the same roof.

Despite the criticism he faced, Arabyan Karabet did not give up his venture and completed the restoration and arrangements of the commodity exchange building in October, 1891. The merchants supporting this project were invited to the meeting to take over the places allocated to them and to determine the working guidelines. Meanwhile, the building belonging to Nişli Hacı Ali Efendi was still being renovated to be used as the commodity exchange⁽⁵⁾.

On the first week of December, Nişli Hacı Ali Efendi's building was completed and the stock exchange founding members reached an agreement that the opening date of the building would be on Monday 14th December, 1891. For the governing body, a 14-member-founding committee was formed of Tefvik Nevzat, Mehmet



The Pier of İzmir (The ground floor of the first building on the right is the Exchange building)

⁽³⁾Hizmet, August 12, 1891. 'The Exchange Inn' belonging to Nişli Hacı Ali Efendi, at No: 62, Kordon I. See, Ahenk, March 16, 1920.

⁽⁴⁾Hizmet, November 21, 1891.

⁽⁵⁾Hizmet, November 25, 1891.

Efendi, Monsieur Rişar Vitel, Hayim Bolako, Mirican Kazazyan, Dionis Markopulo, Gökbaşzade Zaharya, Jozef Balyan, Kasaboğlu Pandeli, Alçacıoğlu Yovanaki, Memiko Nikolaidi, Monsieur Bon, Vangel Berotiyopulo and Kahyaoğlu Kozmi.



The fig market

On Wednesday 9th December, 1891 the committee met in the renovated building and worked on the working guidelines of the commodity exchange. In this meeting, Tefik Nevzat, Monsieur Petakos, Hayim Bolako, Dionis Markopulo, Gökbaşzade Zaharya and Memiko Nikolaidi were appointed to the committee to determine the main regulations concerning the establishment of the commodity exchange. They were to present the main regulations of the commodity exchange to the 14-member founder committee. This committee would go through the main regulations and then discuss the draft text in the general assembly and the final text accepted would be submitted for the government's approval. In this way, with the work of the founder committee, the commodity exchange having no legal status would gain a legal one after the approval of the government.



A street in İzmir Bazaar

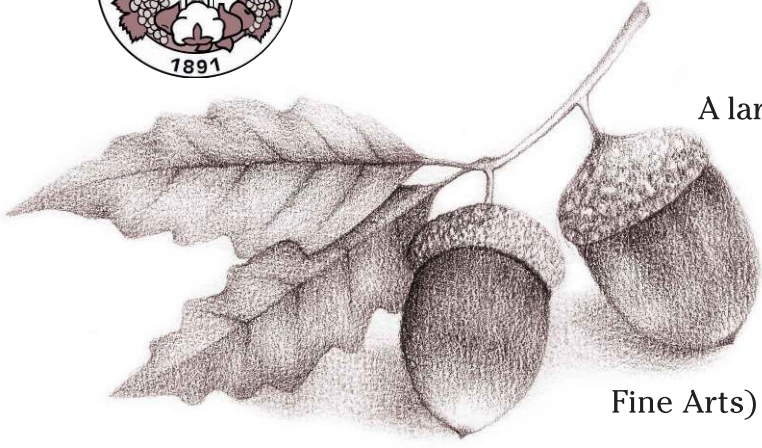
As all the products in the commercial life of İzmir were not listed in the exchange and the ones listed did not have a legal basis, various problems had been constantly faced with. In those days, there were no procedures such as certification and documentation to legitimize a commercial transaction carried out in the markets of İzmir. It was believed that such complications would be eliminated by the operation of the stock exchange⁽⁶⁾.

The attempts to establish two separate commodity exchanges in İzmir stimulated the government authorities. The General Commodity Exchange Regulations specified only one commodity exchange in each city. For this reason, acting upon the warning of the Governor, the Ministry of Public Works initiated some inspections, which resulted in June 1892 and declared that Nişli Hacı Ali Efendi's Commodity Exchange was the sole legal exchange in the city. Nişli Hacı Ali Efendi's Commodity Exchange was opened with a ceremony on Monday 13th June, 1892.



The Building of İzmir Commodity Exchange on Kordon

⁽⁶⁾Hizmet, December 12, 1891.



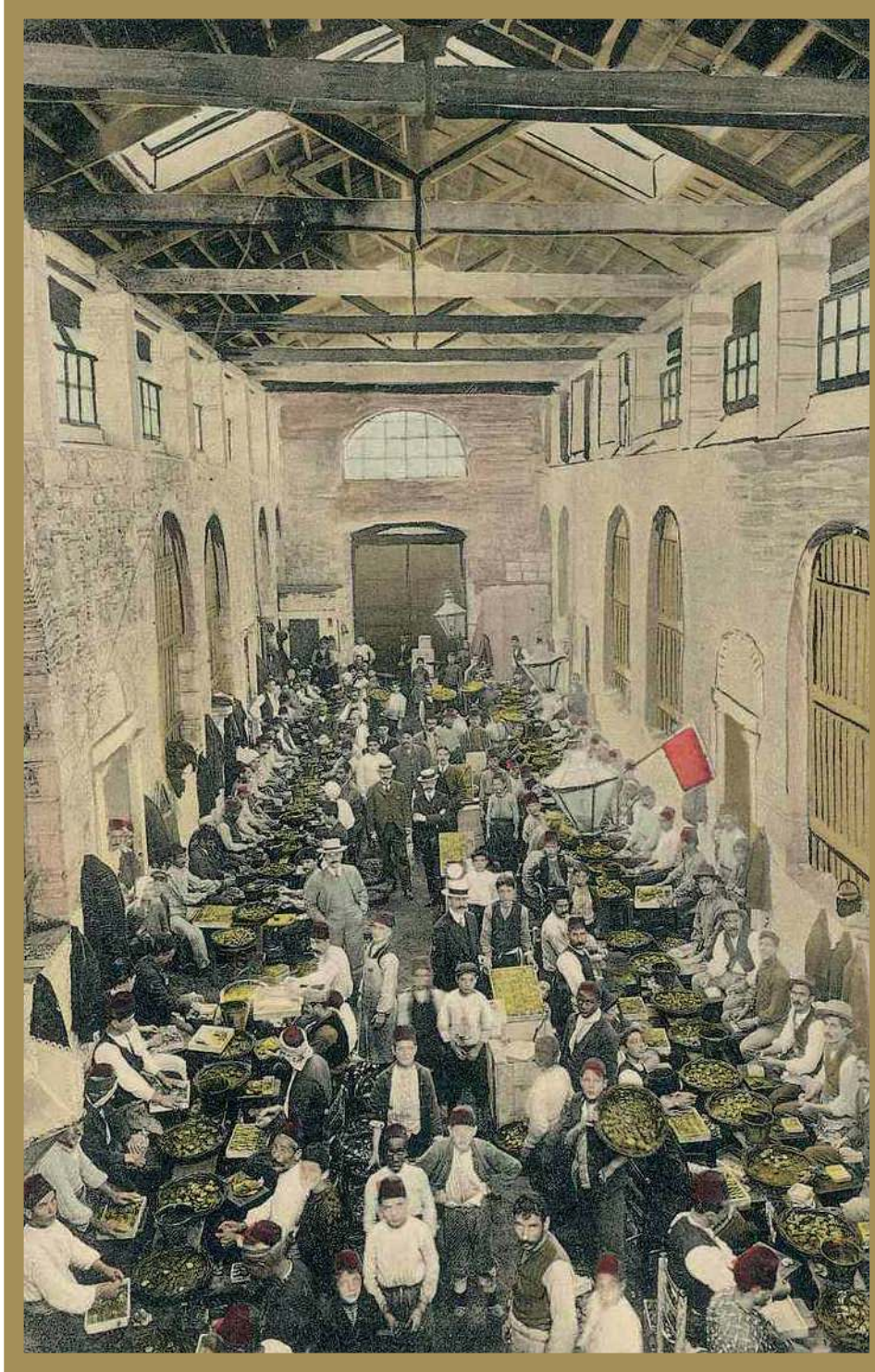
A large group of merchants and the prominent people of the town joined the ceremony under the leadership of the general secretary of the Governorship Muharrem Bey. The orchestra of Mekteb-i Sanayi-i Nefise-i Şahane (today's Mimar Sinan University of Fine Arts) gave a concert at the ceremony and after that the official opening was carried out with a speech made by Muharrem Bey. In his speech, Muharrem Bey stated that the volume of commerce had grown immensely in the province of Aydın, and emphasized the necessity of a legal commodity exchange in İzmir. He informed that the decision had been taken officially by the government to start commodity exchange transactions of agricultural and industrial products at Nişli Hacı Ali Efendi's building, and declared that Armenak Efendi was appointed as the exchange commissioner and Edhem Efendi as the general secretary⁽⁷⁾. Although Nişli Hacı Ali Efendi's building was the first commodity exchange building, it soon proved to be insufficient and a more spacious one was rented on the same location. The place of the exchange was marked by the insurance plans of 1905 as today's Provincial Cultural Building, just a little away from that of Nişli Hacı Ali Efendi's building.

Soon after the ceremony, the İzmir Commodity Exchange initiated the organizational activities. The written announcement with the heading "From the Commissioner of the İzmir Commodity exchange", dated June 14th, 1892 and signed by the exchange commissioner Armenak Efendi served as an invitation. In the announcement mentioned, it was stated that decision was taken to discuss the working principles, and the ones accommodating in İzmir and dealing with the trade or brokerage of agricultural and industrial products were requested to be present at Nişli Hacı Ali Efendi's building on June 20th 1892, at 2 o'clock. However, the Commodity Exchange did not have sufficient registered members to hold a board election⁽⁸⁾. For this reason, the elections expected to be held in June were postponed to October and the members of the board of directors were chosen at the beginning of November.

⁽⁷⁾ Hizmet, July 15, 1892.

⁽⁸⁾ Hizmet, July 15, 1892.

After the elections, the first members of the board of directors of the İzmir Commodity Exchange were as follows: Terasaki Pitako, Kazazyan Mirican, Musulluzade Hacı Hüseyin, Karagözzade Mehmet, Kasaboğlu Pandelaki, Evangalinoz Viroyanpulo and Kahyaoğlu Kozmi. In the first meeting of the board of executives, Terasaki Pitako was appointed as the chairman of the board and Kazazyan Mirican as book keeper⁽⁹⁾.



A fig processing plant

⁽⁹⁾Hizmet, November 2, 1892.



The regulations framed by the İzmir Commodity Exchange came into effect as of January 21st, 1895⁽¹⁰⁾. The regulations titled “The İzmir Commerce and Industry Exchange” composed of 5 sections and 39 articles. The first section was related to the administration, the second membership, the third budget, the forth commercial transactions and the fifth discipline. In the introductory section, it was stated that the İzmir Commerce and Industry Exchange was established and it would abide by the rules of the General Commodity Exchange Regulations. According to the regulations, the board of directors was comprised of seven members who accepted to work voluntarily and the term of office would be one year beginning on August 1^(st). Only the first rate merchants and the brokers owning a desk and paying six Ottoman gold coins per year would be able to be appointed to the board of directors. Only the brokers could rent the desks available in the Exchange. Along with all kinds of agricultural products, industrial products would also be traded⁽¹¹⁾.

After the election upon the approval of the regulations in 1895, the new seven-person board of directors included Humbert Reggio, Alcheos Pavlidhis, Hacı Bekirzade Emin, Pandelis D. Kasaboğlu, Aleksandre Topuz, İsmail Abidin and Kazazyan Mirican⁽¹²⁾.

The first general meeting of the board of directors of the İzmir Commodity Exchange was held on August 6th, 1897⁽¹³⁾. The chairman of the Exchange Humbert Reggio started his speech pointing out that the İzmir Commodity Exchange was also affected by some difficulties during the foundation process just as the other civil enterprises and went on expressing his gratitude to the previous management in handling the problems encountered and mentioned the deeds in his own period. He emphasized that the management had been working diligently to solve the problems arising during the purchase and sale, as well as informing the official institutions about the daily transactions and the prices, and had them published once a week in the official gazette of the province and in Ahenk newspaper every day, in which way the merchants and the public were informed.

(10)(BOA), *İrade Kavanin ve Nizamat*, 1312. B, 24/B-II.

(11)(BOA), *İrade Kavanin ve Nizamat*. 1312 M 18; *Mecmua-ı Mukavelat*, Vol. VI, İstanbul, 1315, pp. 1970-1979; *Düstur*, (*Tertib-i Evvel*), Ankara, 1939, pp. 1556-1563 and H. Rifat, *İzmir* 1914, pp. 92-103.

(12)Ahenk, August 26, 1895.

(13)Ahenk, May 8, 1896.

Reggio, also giving information about the income and expenditure of the Exchange, stated that the improvements were unsatisfactory as they had to be seen as the preliminary steps and that he had no doubt that, with the support of the government, the commercial transactions at the Exchange would increase in a short while⁽¹⁴⁾.



Grape/Raisins labourers

It was true that the Commercial and Industrial Exchange could not manage to have a wide range of products but it was only limited to grain. The products traded at the Exchange in 1897 were: barley (local, Uşak), wheat (local, Uşak, Mersin, Rumeli), refined flour, semolina, bran, rye, flour, corn, maize, chickpea, dry beans, black-eyed pea, hemp seed, vetch, aniseed, dent corn, sesame, broad bean, poppy seed, olive oil, cotton, cotton seed and opium poppy⁽¹⁵⁾.

⁽¹⁴⁾Ahenk, August 6, 1897.

⁽¹⁵⁾Ahenk, July 15, 1897.



The Exchange informed the public about the daily transactions and prices by means of local newspapers in İzmir. In this way, it was aimed to monitor supply and demand volume of the market day-to-day. Measures were also taken to get in touch with the important foreign stock exchange centers to follow the world markets. Despite all these efforts, it was unfortunately a great drawback that the products such as dried fig, raisins and acorn were not listed in the Exchange but traded in private commercial centers.

The merchants and brokers trading the main agricultural export items of İzmir were also dealing with other items traded at the Exchange. For this reason, together with dried fig, raisins and acorn which were traded outside the Exchange, the products intended to be traded at the Exchange were also traded outside. The Ottoman Agriculture and Commerce Newspaper, giving voice to the fact that trading of these products outside the Exchange caused immense trouble, emphasized that the Exchange was a vital institution but it did not have an effective enough function



A Caravan near the Caravan Bridge

(14) Ahenk, August 6, 1897.

(15) Ahenk, July 15, 1897.

as some agricultural products such as dried fig and raisins were not listed at the Exchange.



Girls weaving carpets

For this reason, the government was urged to take the necessary precautions to have these products traded at the Exchange⁽¹⁶⁾. However, the government had made no attempts on this issue. On the other hand, it was really hard to remold the merchants of İzmir, who were used to having traditional commercial relations.



One of the enterances of the İzmir Bazaar

(16) "İzmir'de Üzüm ve İncir Borsası Teşkil", *Osmanlı Ziraat ve Ticaret Gazetesi*, October 13, 1907, pp. 327 - 329.



When the Exchange faced such difficult problems, government merchants started to sell the products which were obtained by means of tithe at the Exchange. But even the efforts of the government were ineffectual, and the Exchange could not reach to a satisfactory level even in the trading of quoted products⁽¹⁷⁾.



***The Celebrations of the announcement of the
Constitutional Monarchy in an Armenian Neighbourhood***

⁽¹⁷⁾ Ahenk, September 23, 1899.

- B - THE İZMİR COMMODITY EXCHANGE DURING THE SECOND CONSTITUTIONAL MONARCHY

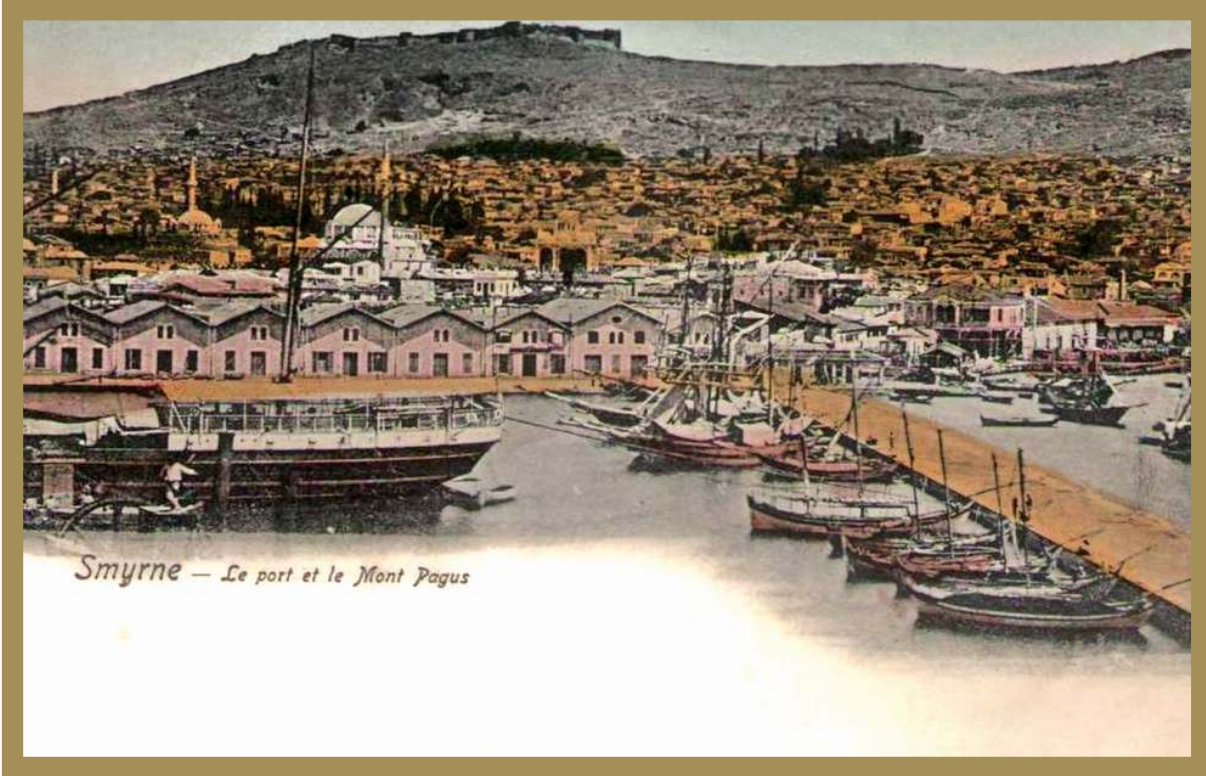
Towards the beginning of the 20th century, the İzmir Harbor was, without any dispute, the greatest export harbor of the Ottoman Empire. İzmir also acquired the second rank in import after İstanbul⁽¹⁸⁾. The largest part of the trade was with Britain. Austria, France, Italy, Russia and the USA followed Britain. İzmir also had a great share in the trade among the harbors of the Ottoman Empire. But it was not possible to make the same evaluation for the intellectual life of the city. As in all Ottoman towns, the increasing oppressive regime towards the end of the reign of Abdülhamit II overwhelmed the intellectuals of İzmir and forced them to seek new alternatives against the Government. It is not a coincidence that one of the strongest organizations of the Committee of Union and Progress (İttihat ve Terakki Cemiyeti) was in İzmir.



The Celebrations of the announcement of the Constitutional Monarchy at Kordon

The declaration of the Second Constitutional Monarch on July 23rd, 1908 met with enthusiastic welcome among all the citizens of İzmir. But the positive atmosphere created by the Constitution did not last long.

(18)Y. Eyüp Özveren, "İzmir", p. 17.



The Harbour of İzmir

Despite the political developments, the annexation of Bosnia-Herzegovina by the Austria-Hungarian Empire, the accession of Crete to Greece, Bulgaria's declaration of independence, the attempts of Albania to obtain independence, Tripoli and Balkan Wars had profound effects on the commercial life of İzmir. All these developments led to the deepening of nationalism among the Turks.

From the foundation of the Exchange up to 1908, there had been a radical change in the ethnic structure of the management of the Exchange. It was felt in the Exchange that the Turks kept away from commercial life or only acted as an agent between big merchants and they were in minority among the members of the Exchange. Among the brokers doing business at the Exchange in 1895, there was not even one Turkish broker. In the beginning of 1900s, some wealthy families in İzmir started to gain importance in the commercial life of the city. As a matter of fact, Uşakizade Sadık Bey, who used to deal with camel transportation business for a long time, became such an influential merchant that he was promoted to the Chairman of the Exchange. More over, only one of the members of the board of directors was Turkish. No Turk was encountered among the brokers enrolling as a member of the Exchange.

Şeyhzade Mehmet Efendi was the first Turkish broker to own a desk at the Exchange in 1910⁽¹⁹⁾.

The information given by the witnesses of the era, Nail Moralı, Celal Bayar, S. Ferit Eczacıbaşı and Bezmi Nusret Kaygusuz, confirms the weaknesses of the Turkish people in commercial life and reveals that business life was almost completely shaped by non-Turkish subjects, foreigners and non-Muslims in those years. Suggestions for the Turks were summarized by Celal Bayar as follows: “We need to work hard and first of all lay the foundations of the national economy, and we must be organized according to the interests of the producers, content and structure of each business and we should benefit from the ample sources of our country equally ⁽²⁰⁾.”

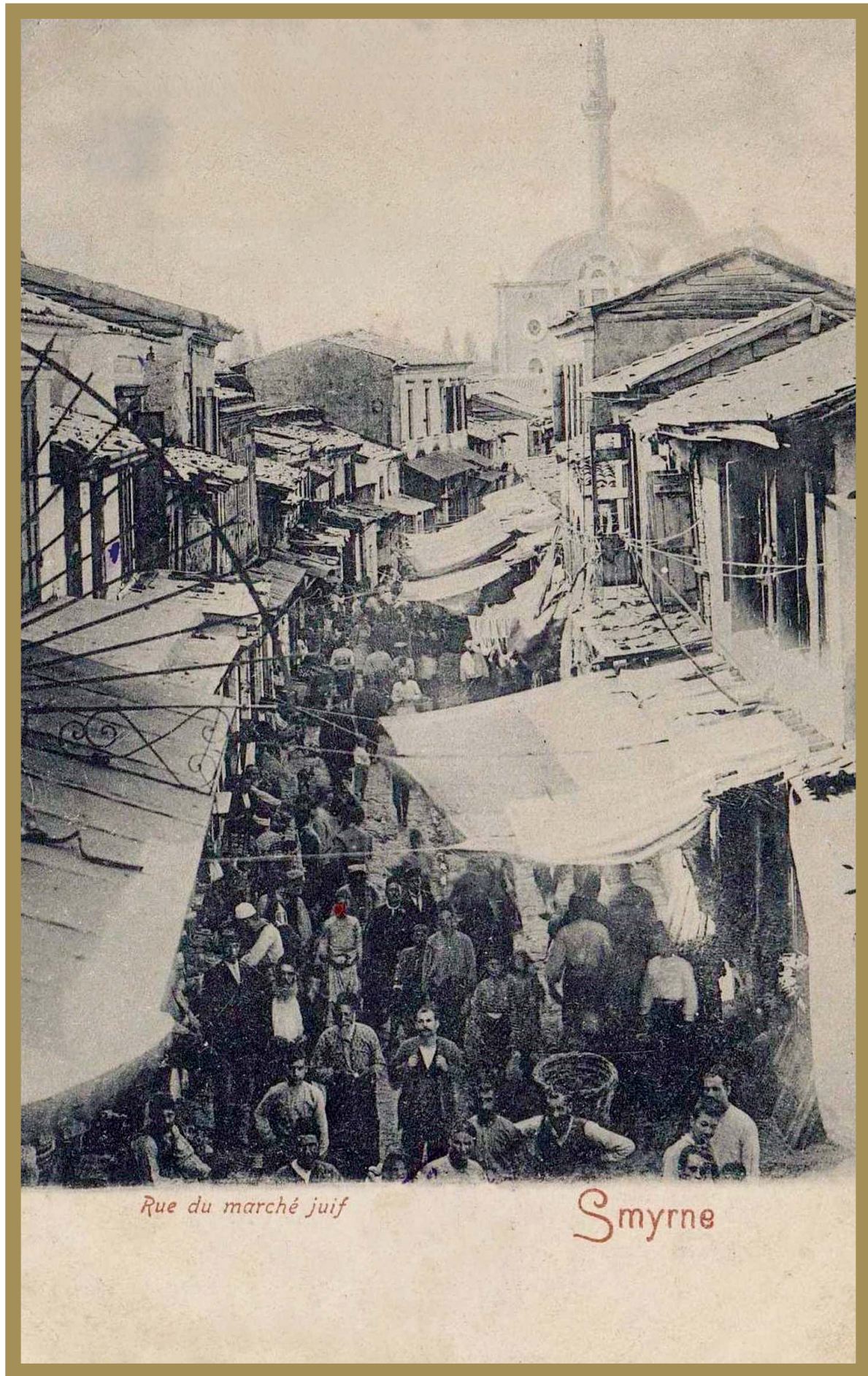
Those ideas reflected the common thoughts of almost all the Turks embraced by the nationalistic movement after the Second Constitution. The Committee of Union and Progress initiated the efforts to come together under the light of these ideas and to realize the policy of National Economy.



The Pier of İzmir

⁽¹⁹⁾ Köylü. July 14, 1910.

⁽²⁰⁾ Bayar, Ben de Yazdım, Vol.V, p. 1553.



The Havra (Synagogue) Street

a) “National Economy” and the İzmir Commodity Exchange

The notion of “National Economy” meant the reestablishment of economic life in favor of Muslim-Turkish entrepreneurs. Soon after the declaration of the Constitutional Monarchy, the invasion of Bosnia-Herzegovina by Austria, annexation of Crete to Greece, Italians' occupation of Tripoli and finally the Balkan Wars and some political developments empowered the necessity and practice of national economy. However, it was not easy to realize this in cities like İzmir, where the population of foreigners and non-Muslims was very high and capital and commercial life were controlled by these people.

The Rums, the Greeks of Turkish nationality, were the largest ethnic group closest to the Turkish population. There were about 45.000 Greek citizens ⁽²¹⁾. In the 19th century, the Rums began to control the foreign capital of İzmir more and more and played an important role in the establishment of the İzmir Chamber of Commerce and İzmir Commodity Exchange.



The British Consulate of İzmir

(21) H. Rifat, İzmir 1914, p. 31.



At the beginning of the 20th century, the Rums constituted the majority of the members of the İzmir Chamber of Commerce. Not only with their high population, but also with their good relations with the peasants in inlands, the Rums were the indispensable agents of trade in the West Anatolia. Taking all these factors into consideration, it could be easier to understand the efforts of the Turks to change this course of the economy in their own favor and their considering the Rums as their rival. It would not be fair to conceive the İzmir Commodity Exchange apart from these developments. It is possible to observe the changes and developments in the Exchange in two different stages. One of them is to open up the position of the Exchange Commissionaire for discussion.



İttihat Newspaper

It was apparent that Armenak Efendi, who was appointed to the Commissionaire of the Exchange soon after its establishment, faced severe criticism by İttihat Newspaper in İzmir, which acted like a spokesman of the Committee of Union and Progress. According to the newspaper, Armenak Efendi was not in his office most of the time and as a result of this, there were some mishaps at the Exchange. Although it was forbidden to talk about politics at exchanges, the İzmir Commodity Exchange had become an arena for political discussions. The suggestion of the newspaper was that Armenak Efendi either would do his job properly or would resign and leave the office to someone who would do it better⁽²²⁾.

(22) *İttihat*, August 12, 1909.



Sporting Clup

Though the discussions seemed to center in Armenak Efendi's personality and position in the Exchange, considering together with the criticism directed at the other state officials of Greek origin on the same days, the issue needed to be evaluated in a larger frame. After Crete's annexation to Greece in 1909, there were reactions against the Greek population living in the Ottoman territories, and a boycott against them in İstanbul and İzmir was held.

A "Boycott Association" was founded in İzmir, and on August 17, 1909, it was declared that "decision to declare economic war against the Greek" was taken⁽²³⁾. The Ahenk newspaper drew attention to the presence of two Greek citizens at the Board of the Exchange, which comprised of Salepçi Midhat, Kosta Palamida, Pandelaki Kasapoğlu, Nikola Arabacı, Hacı Murat, Foti Araboğlu and Anastasu Yorgaki, and warned the Exchange Commissioner pointing out that the Exchange was an Ottoman institution and according to the regulations, it was impossible to have Greek members in the board of the directors⁽²⁴⁾.

⁽²³⁾ Ahenk, August 17, 1909.

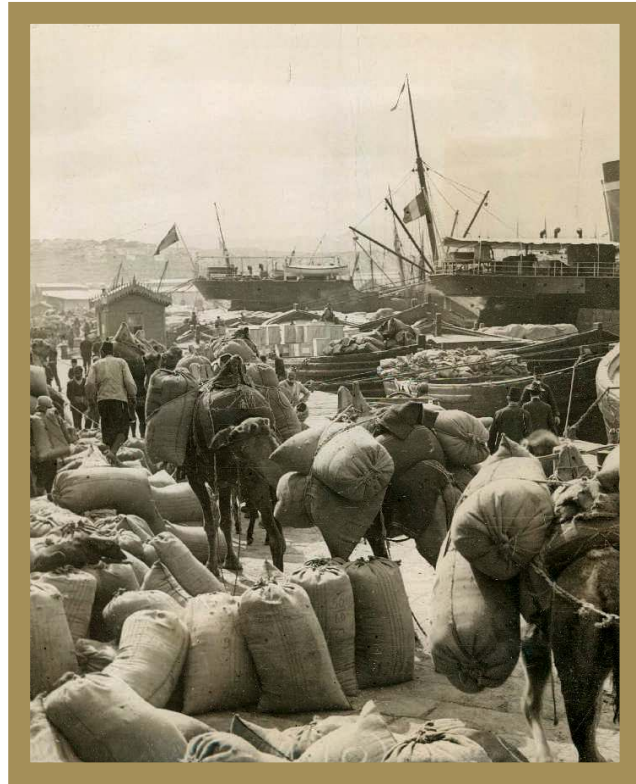
⁽²⁴⁾ Ahenk, August 20, 1909.



After a while, the Boycott Association published the names of the Greek merchants and agents at the Exchange and tried to expand the boycott⁽²⁵⁾. The Köylü newspaper also criticized the use of Greek language during the transactions and deals at the Exchange⁽²⁶⁾.

Another issue under debate was the situation of the brokers. It was claimed that brokers manipulated the merchants in every way as they wished and determined the prices of products. It was also alleged that the brokers were not licensed and qualified enough. All of these impaired the reliability and future of the Exchange⁽²⁷⁾. Products with high volume of trading, such as dried fig, seedless raisins, olive oil and acorn, were not listed at the Exchange⁽²⁸⁾. These products were traded at Fig Bazaar (Yemiş Çarşısı), where the traditional trade of İzmir took place intensively.

Fig and raisins were excluded from the Exchange on purpose and consciously. The wealthy fig merchants worked hard on the way to improve their monopoly and finally established the İzmir Fig Corporation in 1912, which was called “The Fig Trust” by the public⁽²⁹⁾. The producers who attempted to form an organization based on national economy against this trust initiated the movement of becoming a cooperative by organizing local fig congresses and thus paved the way to cooperative banking⁽³⁰⁾.



The Pier of İzmir (1910s)

(25) Ahenk, July 24, 1910.

(26) Köylü, July 25, 1910.

(27) “Aydın Vilayeti Meclis-i Umumisinin 1325 Senesi mukarreratı”, p. 43, (BOA), ŞD, 1438/7.

(28) See, “Borsanın Suret-i idare ve muamelatı Hakkında İzahat”, Salname-i Vilayet-i Aydın, 1326, pp. 177-183.

(29) Sabri Yetkin, “Kooperatif Aydın İncir Müstahsilleri Anonim Ortaklığının Doğuşu”, p. 37.

(30) Sabri Yetkin, “Ege Bölgesinde İlk İncirciler (Ziraat) Kongresi ve Türkiye’de Tarım Satış Kooperatiflerinin Doğuşu”, Çağdaş Türkiye Tarihi Araştırmaları Dergisi, S. 4 - 5, pp. 111 - 119.

In 1912, the Assembly of Provincial Authorities agreed upon the establishment of only one exchange where the agricultural products grown in the region could be traded⁽³¹⁾. The decision of the Assembly was welcomed by the press and columnists wrote articles supporting this decision⁽³²⁾. On the other hand, it was claimed that the Exchange building was insufficient and that a new building had to be built. Thus, Ahenk newspaper dated July 8, 1912 broadcasted the news with the headline “The New Exchange Building”, in which it pointed out the necessity of a larger exchange building. The new building would consist of separate sections for stocks and bonds, grain, fig and raisins. So, the commercial life of İzmir would have a decent structure and organization. It was asserted that the revenues of the Exchange would be enough to cover the cost of the construction and a committee was formed for the construction and inspection of the building. The committee consisted of the following people; Cemal, Hacı Osman and Mordehay Levi, who were the members of the Provincial Council, the director of Anatolian Bank, the chairman and vice-chairman of Chamber of Commerce and a member, Caferizade Kemal and İskenderoğlu Yovan from the Municipality, merchants named Benadova and Misak Morokyan, an engineer named Nuri from the Provincial Directorate of Public Works⁽³³⁾.



Ahenk Newspaper

⁽³¹⁾ Ahenk, March 5, 1912.

⁽³²⁾ Ahenk, March 6, 1912.

⁽³³⁾ Ahenk, July 8, 1912.



Although four years had passed, the progress for the construction of the Exchange was not a satisfactory one. In a newspaper article published on August 11, 1916, it was stated that an exchange building suitable for the commercial potential of İzmir was a necessity and that the Governor initiated the efforts to realize this. After the Governor himself did some inspections to have the Exchange built in a short time, he stated that the land of the old cemetery just behind the Second Kordon and Fig Bazaar was suitable. After the site for construction was determined, the Exchange building was designed to be built similar to the ones in Europe and the Budapest Commodity Exchange was taken as a model. However, the construction could never get a start⁽³⁴⁾. The major problem was that the Exchange did not have enough money. Some of the reasons for the Exchange being in financial difficulties were as follows: the first reason was that the Exchange was not functional enough as desired, thus, the income was not satisfactory. Secondly, those were the years that the Empire was at war. The İzmir Commodity Exchange had been deeply affected by the war and naturally the volume of trade had dropped sharply.

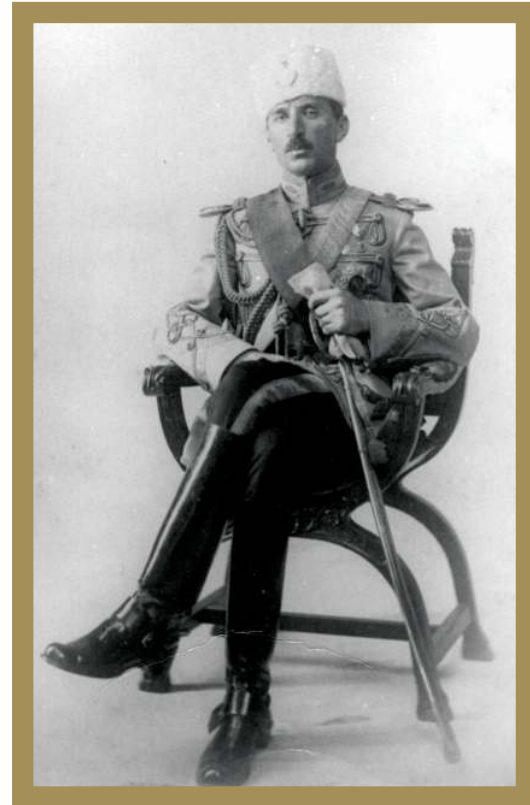
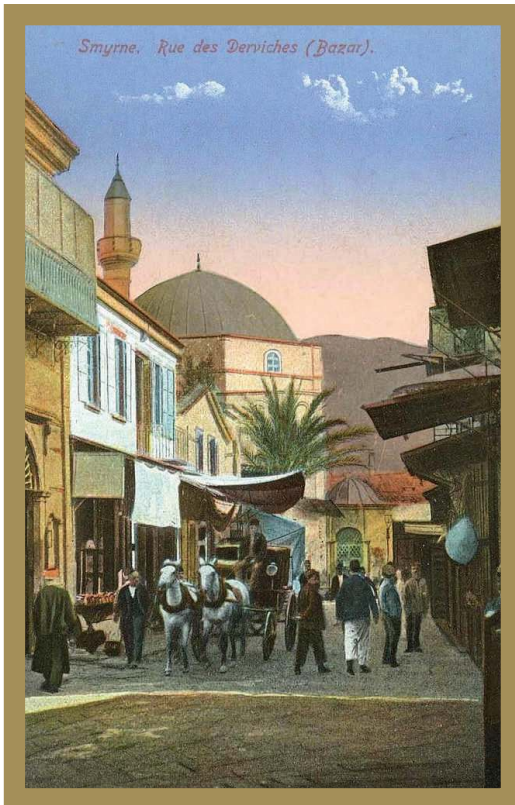
⁽³⁴⁾ Ahenk, August 11, 1916.



The last effort for the Exchange was made by the merchants and brokers doing business at the Exchange during the period when İzmir was under Greek occupation. The entrepreneurs applied to the Administrative Council and demanded the construction of an exchange building suitable to the commercial structure of İzmir and suggested that 2 Kuruş (Piasters) be charged from every sack of product traded at the Exchange to finance the new building⁽³⁵⁾. The Administrative Council deemed the offer suitable and supported the idea that from every sack of product, the seller and the buyer each would pay 1 Kuruş, which is totally 2 Kuruş⁽³⁶⁾. Unfortunately, these efforts also remained inconclusive.

b) The Years of War and the Exchange

İzmir was one of the most important centers for The Committee of Union and Progress, which aimed at forming the cooperation of national merchants and make them dominant over the economic life. According to the census between 1913 and 1915, İzmir was the second biggest city after İstanbul with regards to commerce and industry⁽³⁷⁾.



Rahmi Bey

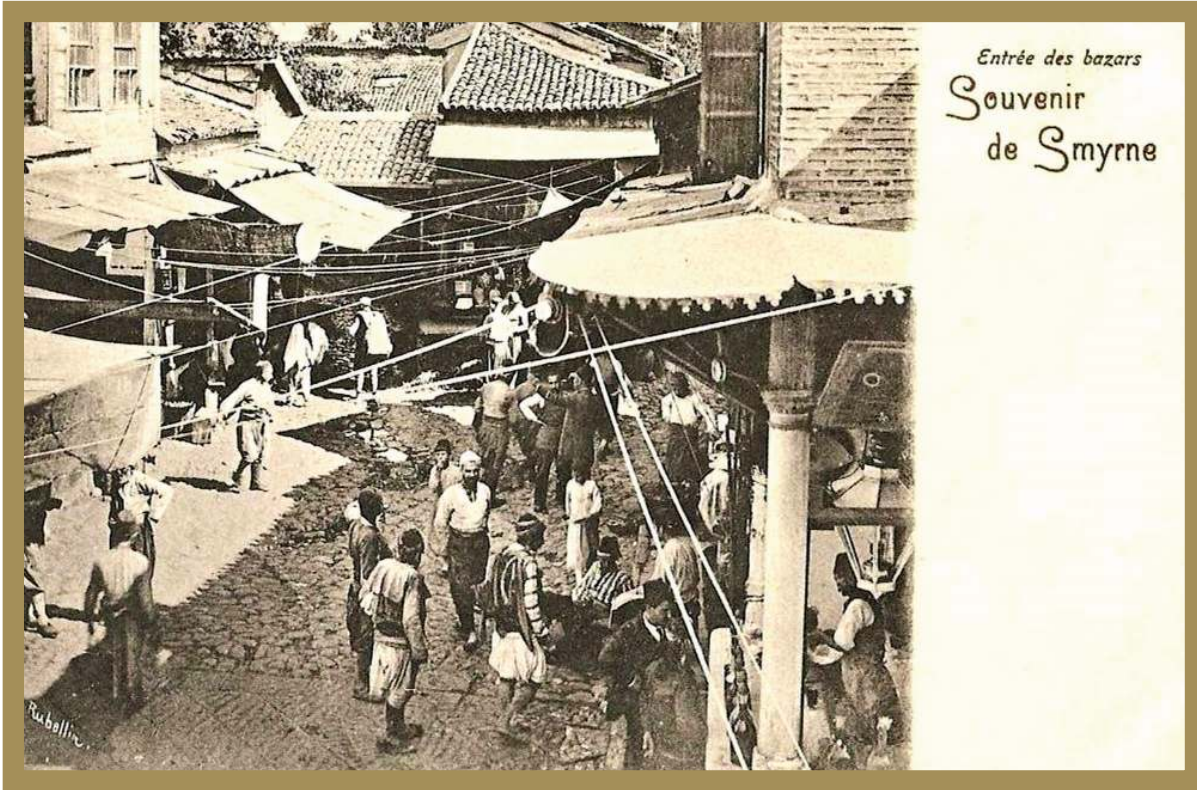
⁽³⁵⁾Ahenk, February 27, 1920.

⁽³⁶⁾Ahenk, March 5, 1920.

⁽³⁷⁾Ökçün, Osmanlı Sanayii...



The Committee of Union and Progress was aware that they needed to have a stable management with a strong power of sanction. After launching a coup against the Sublime Porte (in Ottoman Turkish, Bab-ı Ali) and seizing the political power, the Committee of Union and Progress got a foothold to realize the political, administrative and economic ideals for İzmir. Within this framework, Celal Bayar, the Secretary of the Party was sent to İzmir. Rahmi Bey was appointed to the Governorship of İzmir to carry out the projects in connection with administration and economy.



Rahmi Bey, who was an influential figure within the body of the Committee of Union and Progress, left his mark on every development in İzmir from the date he came to office on October 12, 1913 until he was dismissed on October 24, 1918. As Melih Gürsoy stated, it was the Governor Rahmi Bey who made every endeavor to let the Turkish businessmen take charge of the commercial life of İzmir. Rahmi Bey exerted his own authority to appoint Mahmut Bey of Alanya as the Chairman of Chamber of Commerce and prioritized the Turkish businessmen in commercial affairs⁽³⁸⁾. Despite all these efforts, the Chairman of the Grain Exchange in 1914 was still a non-Muslim named Tuzakoğlu Efendi⁽³⁹⁾.

⁽³⁸⁾Gürsoy, *Bizim İzmir'imiz*, p. 228.

⁽³⁹⁾H. Rifat, *İzmir 1914...*, s. 117.

The policy of National Economy, which started just after the announcement of the Second Constitutional Monarch, began to come to fruition in 1914, and a great number of Turkish businessmen played a significant role in the economy of İzmir. Especially the Balkan Wars provided the Turkish merchants with an opportunity to increase in number considerably⁽⁴⁰⁾. The Guide for Islamic Merchants and Tradesmen revealed this case clearly. Published with the support of Governor Rahmi Bey, after listing the names of pharmacies, pharmaceutical warehouses and spice stores, doctors, hotels, guest houses, bailees and merchants in İzmir in this booklet, Turkish people were advised to do business with each other.



Nevertheless, when the World War I started, it had both positive and negative effects on the efforts on this matter. The war contributed to the Turkish merchants to come into more prominence. But in later years of the War, when there was not



⁽⁴⁰⁾Ege Tecim ve Endüstri Büyük Kılavuzu, İzmir, 1937, p. 530.



sufficient commodity to be traded, this advantage became useless. Enemy navies easily sailing in the Aegean Sea and threatening the port of İzmir resulted in changing the direction of trade to Bandırma, which was a safer port at the time. Agricultural products like fig and raisins were transported to Bandırma by rail and then to İstanbul by boats or barges⁽⁴¹⁾. In this shipment, wagons and packages were provided by the government. Allegation of corruption in shipment was quite common. While some made huge amounts of money, some others suffered a great deal of loss and had to close down their business⁽⁴²⁾. In addition to this, the ban on the export of some products in December 1914 left the merchants trading these products in the lurch. “The List of Prohibited Goods” was as follows; wheat, flour, semolina, maize, beans, chickpea, lentil, peas, horse bean, kidney bean and the other pulses and potatoes, rice, olive oil, onion, salt, molasses, honey, pastrami (a kind of dried beef), sausages, all kinds of animal feeding stuff, chemical products, soap, leather, fur, materials of construction, minerals, petrol, cotton, opium poppy, acorn etc⁽⁴³⁾. In 1916, the conditions of the War were getting harsh, thus, the Ministry of Catering enlarged the content of the List of Prohibited Goods⁽⁴⁴⁾.



The Turkish Army entering İzmir

(41) Kamil Dursun, *İzmir Hatıraları*, p. 79.

(42) Vedat Eldem, *Harp ve Mütareke Yıllarında Osmanlı İmparatorluğunun Ekonomisi*, Ankara, 1994, p. 57; Yaşar Aksoy, *Bir Kent Bir İnsan İzmir'in Son Yüzyılı*, S. Ferit Eczacıbaşı'nın Yaşamı ve Anıları, İstanbul, 1986, p. 131.

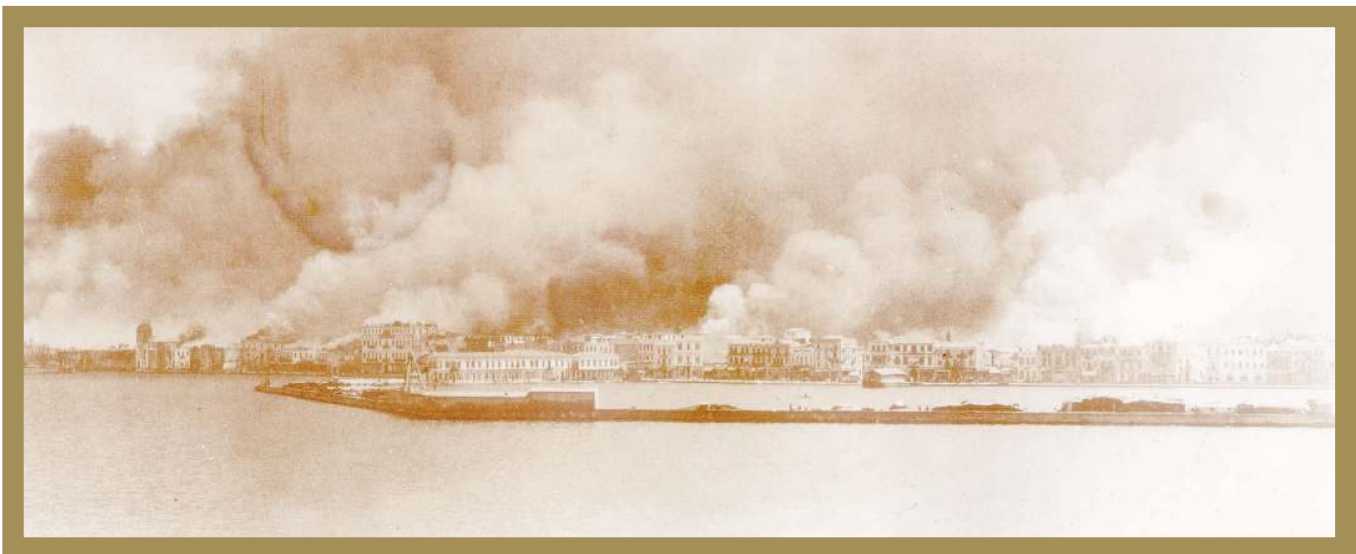
(43) Ahenk, December 26, 1914.

(44) Ahenk, October 2, 1916.

The years of war shook the already meager economy deeply. As the great majority of the male population was recruited, agricultural production declined immensely during the war years. Between 1914 and 1918, wheat production decreased 47%⁽⁴⁵⁾.

The İzmir Commodity Exchange, which was already weak-functional, became totally dysfunctional after these adverse events. In such an atmosphere, it was quite natural for the Exchange to become dysfunctional due to centralized supply and restrictions and bans on some exported goods.

The end of World War I was the worse precursor of things yet to come for the merchants in İzmir. The Greek occupation, which started just after the short-lived truce negotiations, was the beginning of annoying and troublesome days for the merchants at the İzmir Commodity Exchange. The Rums, who outnumbered at the Board of the Executives, gained full control of the Exchange and gave no chance for the Turkish Businessmen to survive. In “Greek Guide” published by G. N. Mihail in 1920, the Chairman of the Exchange was stated as a Turk, which was only for show. According to this guide, members of the Board were as follows; chairman - Mustafa Nuri, secretary - Engerlioğlu, book keeper - S. Onasis, clerk - Ferid Efendi, member - Köpasoğlu, member - Hüseyin Galip, member - Bohor Roditti, member - H. Kazazyan, member - T. H. Yuannidis⁽⁴⁶⁾.



The fire of İzmir

⁽⁴⁵⁾Korkut Boratav, *Türkiye İktisat Tarihi, 1908 -1985, İstanbul, 1988, p. 24.*

⁽⁴⁶⁾ G. Mihali, *İzmir 1920.*



PART - II -

- A -

THE İZMİR COMMODITY EXCHANGE DURING THE FIRST YEARS OF THE REPUBLIC

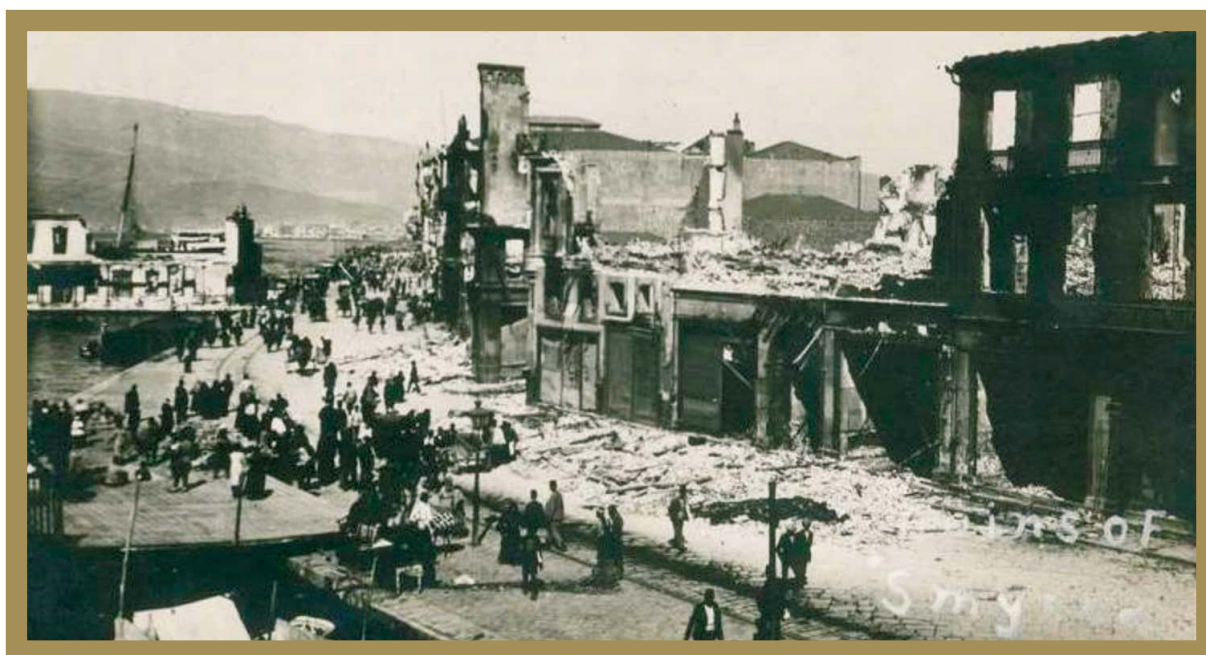


THE İZMİR COMMODITY EXCHANGE DURING THE FIRST YEARS OF THE REPUBLIC

In the days following the salvation of İzmir, the city was shaken with two great events, which stamped the economic and social life; the great fire which changed the physical structure of the city and the population exchange which uniformed the ethnic structure. The Great İzmir Fire started in the Armenian neighborhood on September 13th, 1922. Strong winds caused the fire to spread rapidly and damaged everything from Basmahane to Punto (today's Alsancak).

Almost all the buildings which reflected the European side of İzmir were damaged in the fire. Hotels, theatres, cafes, the Post Office, especially the consulate buildings of France, England and Italy on Kordon, many churches notably Aya Fotini, Armenian and Greek hospitals, the buildings of banks- namely Anatolia, Salonika, Ottoman and Rome, the Passport Office, schools, inns, caravanserais, commercial buildings, warehouses were all terribly damaged and turned into piles of debris in three days.

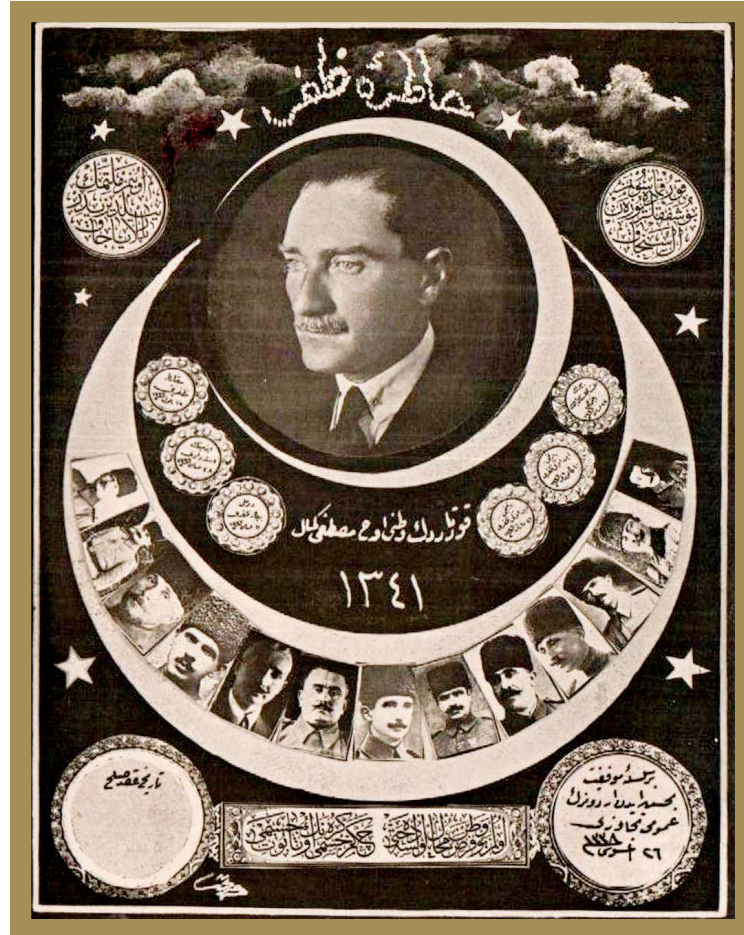
While gaining political independence on the one hand, Turkey also went through hard times on the other hand. Insufficient capital, decrease in population, the opposition of conservatives and radicals, the characteristic of legal infrastructure and most of all the destruction of long-lasting war placed the greatest impediments in front of the country. The İzmir Economy Congress, which was held in these circumstances, meant a new pursuit of direction to the economic life of the country.



The Pasaport and the environs after the fire

- A - THE İZMİR ECONOMY CONGRESS

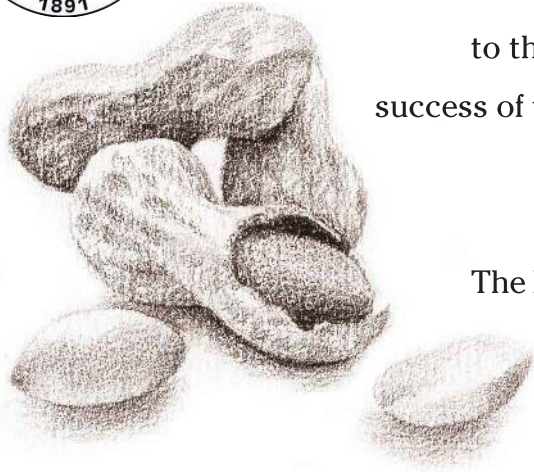
It was decided to hold an economy congress in order to determine the ways and methods for the economic development of Turkey. The Ministry of Economy deemed suitable to hold the congress in İzmir, and farmers, merchants, industrialists, companies, banks and other economic foundations were invited⁽¹⁾.



A commemorative photo of the Victory. The cadre of the War of Independence

The congress was held at Hamparsomyan Stores, which were the ex-warehouses of Ottoman Bank on the Second Kordon. Also, an exhibition was planned to open to exhibit the agricultural and industrial products of the country. For “Samples Exhibition”, Merchant Cemal, Balcıade Hakkı, doctor-bacteriologists Memduh, broker Hüsnü Fehmi and Chemist Ferit Bey were commissioned. Cemal Bey, who was also the Chairman of İzmir Commodity Exchange, took charge in the organization board of the Samples Exhibition as well. Cemal Bey made public announcements and invited mainly the businessmen and industrialists of İstanbul

⁽¹⁾ Gündüz Ökçün, *Türkiye İktisat Kongresi 1923 - İzmir, Haberler - Belgelere - Yorumlar*, Ankara, 1982, p. 1.



to the İzmir Economy Congress and Samples Exhibition⁽²⁾. The success of the exhibition within the Congress paved the way for ideas to traditionalize such an exhibition.

The İzmir Economy Congress started following Atatürk's opening speech on February 17, 1923. In his speech, Mustafa Kemal Pasha emphasized the importance of the national capital and mentioned about measures to be taken to decrease the non-Muslims' influence and effectiveness in the economy. As Yahya S. Tezel expressed, the high point in the agenda of the Congress was related to the foreign capital; "Turkish people are always friends with those who do not bear enmity to their religion, nationality and land. They are not against the foreign capital. However, they do not have any relation with those who are not in conformity with their language and law in their own country... never desire middlemen in any kind of relation⁽³⁾."



The Hamparsomyan Stores, where the İzmir Economy Congress was held

⁽²⁾ Ökçün, *Türkiye İktisat...*, p. 215-216.

⁽³⁾ Tezel, *Cumhuriyet Döneminin...*, pp. 149 - 150.

Interpreting this article of the Economic Pact, Tezel said; “The disturbance derives from the metropolitan capitalists and the non-Muslims who stand between Muslims and Turks who have to do business with them. The Rums, Armenians and Jews must fade from the scene and we must do business with the Europeans directly⁽⁴⁾.” Referring to the İzmir Economy Congress, Yakup Kepenek said; “The main ideology of the İzmir Economy Congress is that the Turks are to be considered at the heart of the economy in future⁽⁵⁾.”



The demands and wishes of the merchant groups were discussed under 20 headings and about 130 articles, and most of them were accepted by a large majority. The fact that the merchant groups desired to have independent organizations was reflected in the decisions of the congress as follows: As elections and appointments

⁽⁴⁾Tezel, a.g.e., p. 151.

⁽⁵⁾ Yakup Kepenek, *Türkiye Ekonomisi*, İstanbul, 1994, p. 32.



to the boards of the commercial chambers were greatly exposed to the pressure and influence of the government officials, merchants considered these institutions as something out of their own will. For this reason, it was suggested that the selection committee to choose the members of the board was to be appointed directly by merchants. It was demanded that the Chamber of General Commerce and Industry Congress, which consisted of all the representatives of chambers and commerce, be held every year. The sole decision taken about commodity exchanges was that the chambers of commerce were authorized to establish product and grain exchanges and to have sources of income to make publications on economy⁽⁶⁾.

Apart from this, in the section containing six demands under the heading “Foreign Exchange and Stock Exchange Transactions”, cash and bond exchanges were brought forward. In Article 1, the nationalization of the foreign exchange centers and especially those of the cash and bond exchanges, preventing the anti-Turk political schemers in these places and the rehabilitation of exchanges were resolved. In Article 2, it was solicited to establish stock and bond exchanges in big commercial centers other than İstanbul. As you will see in the following pages, the İzmir Commodity Exchange also made efforts to establish stock and bond exchange within its own body.



The Harbour of İzmir during the first years of the Republic

⁽⁶⁾Ökçün, Türkiye İktisat..., s. 419.

- B - THE İZMİR COMMODITY EXCHANGE AFTER THE OCCUPATION

The effectiveness and operations of the Turks at the Exchange decreased immensely during the occupation years as they were precluded from doing business and the Exchange became an activity center for the Greek and other foreign merchants. After the salvation of İzmir, when the Armenians and Rums fled the city, it hung in limbo. Çağlar Keyder made the following ascertainment about İzmir and its surroundings after the Greek occupation: “Fig and raisins, which were the most important agricultural export products after cotton and tobacco, lost their relative importance. One of the reasons for this was that the Rums who controlled the market of these two products had to flee from Turkey after the war. The second reason was that fig and raisins necessitated a capital investment which could become lucrative only in long-term. This case caused most petty farmers to fall under the hegemony of commercial capital. The principal providers of capital were the Rums and Armenians who worked as sub-contractors for the great export companies. Deaths due to the war and the massive population exchange in 1923 disrupted the operation of the commerce temporarily. The province of İzmir had already been ruined to a great extent. As the city had shouldered the real burden of the war, it was not easy to turn back to the previous conditions⁽⁷⁾. ”

Adverse conditions had deep impact on the İzmir Commodity Exchange as well. The Turkish merchants who laid claim to the İzmir Commodity Exchange published a notice and made announcements that they would hold elections for the board of directors of the Exchange, thus, all the relevant persons were invited to the Exchange to carry out the necessary procedures until October 1st⁽⁸⁾.

Meanwhile, the decrease in the number of the Exchange subscribers did not escape the attention. The number of registered brokers of the Exchange in 1923 was 36, 24 of whom were Turkish, 9 Jewish, 2 Arabs and 1 French. 31 of these brokers dealt with the trade of grains, cotton and beeswax⁽⁹⁾. For this reason, the attendance to the election was expected to be low.

⁽⁷⁾ Çağlar Keyder, *Dünya Ekonomisi İçinde Türkiye 1923-1929*, İstanbul, 1932, p. 50.

⁽⁸⁾ Şark, September 29, 1922.

⁽⁹⁾ 1923 Senesi İzmir Vilayeti İstatistiği, 2. Book (Ed. Erkan Serçe), İzmir, 2001, p. 221.



In 1923, the Chairman of the Board of Executive Directors was Karacaovalı Ali Bey, and the book keeper was Alaiyelizade Kadri Halim Bey. Buldanlı Kadri, Dramalı Muhittin, Simsarzade Hasan Fehmi and Gevgilili Ahmet Bey officiated as members of the Board. The Exchange Commissar was Halit Bey⁽¹⁰⁾. The decrease in the number of the members of the Exchange and the city's losing its vitality revealed the need for some urgent precautions to be taken inevitably. Hence, in an announcement made by the Board of Directors of İzmir Commodity Exchange on



The new buildings in fire-stricken areas

October 9, 1922, it was declared that;

1-According to the Article 25 of the Regulations of İzmir Commercial and Industrial Exchange, all kinds of grains, raisins, fig, tobacco, poppy seed, wool, sugar, coffee, rice etc. have to be traded at the Exchange. Non registered brokers are urgently required to apply to the Exchange for registration. Brokers without a license will not be allowed to do business.

2- Transactions at the Exchange Hall will be carried out from 8 a.m. till 12 and from 2 p.m. till 6 p.m. Monday, Thursday and Friday will be holiday⁽¹¹⁾. In an article written by Hidayet İsmail, one of the columnists of the newspaper Agriculture

⁽¹⁰⁾ İzmir Vilayeti 1339 Senesi İstatistiği and Anadolu, July 22, 1924.

⁽¹¹⁾ Ahenk. October 9, 1922.

and Commerce, the situation of the Exchange was revealed clearly. Hidayet İsmail stated that only grain, flour and cotton were traded at the Exchange and attributed this constraint to the poor physical conditions of the building and lack of enough space:

“The building which was previously intended and specially built as the Exchange Building was seized and used as the Post Office during the Greek occupation, which deprived the Exchange from a regular building. For this reason, the transactions of equities, foreign exchange and raisins weren't possible. As soon as a decent building is found, the transaction of these products will be initiated.”

Hidayet İsmail, who stated that the revenues of the Exchange included subscription fees of the merchants registered, itinerant brokers' entrance and desk fees, the commission of the Exchange and the others, gave the figures of the registered merchants and brokers as follows; Merchants: First rate -113, second rate -169, third rate -34. The Exchange brokers-38, itinerant brokers-16.

In the same article, it was also expressed that a committee, consisted of members of Chambers of Agriculture and Commerce, members of the Exchange and the Municipality, gathered under the chairmanship of the Governor at the time and demanded that raisins, opium poppy, olive oil be traded at the Exchange right away without wasting any time and fig and acorn be included after a spacious building was provided for the Exchange⁽¹²⁾. Nevertheless, it was soon understood that it was not so easy to realize these decisions.



(12) Hidayet İsmail, “İzmir Ticaret ve Sanayi Borsası”, *Ziraat ve Ticaret Gazetesi*, No:7, April 5, 1340 (1924), pp. 99-101.



a) The New Regulations of the İzmir Commodity Exchange

The regulations which were enacted in 1895 to regulate the operations of the İzmir Chamber of Commerce and Industry failed to satisfy the needs in many ways in the Republic period, in late 1920s. Instead of enacting a new regulation for the İzmir Commodity Exchange, the regulations of the İstanbul Commodity Exchange were preferred to be adapted. The Administrative Body of İzmir Commodity Exchange at the time consisted of the following members; Alaiyelizade Halim, Hacı Süleymanzade Rahmi, Buldanlı Kadri, Dramalı Muhittin, Mustafa Zühtü, Broker Fehmi and Cemil Beyzade Ferit⁽¹³⁾. The New Regulations considered the Exchange among the institutions such as “permanent and temporary exhibitions, fairs, markets and warehouses” established by the İzmir Chamber of Commerce and Industry. In other words, the Exchange was considered as an organ of the Chamber. Possessing the understanding and tradition of independent operation, the management board of İzmir Commodity Exchange did not welcome the new regulations, which made it accountable to the İzmir Chamber of Commerce and Industry. The new regulations not only made it a mandatory provision to be registered to the İzmir Chamber of Commerce and Industry to become a member of the Exchange but also two of the members out of nine would be appointed to the board of executives of the Exchange by the Chamber. Additionally, it also imposed obligation that income and expense reports prepared by the Exchange would be audited and approved by the Chamber and then by the Ministry of Commerce and Industry⁽¹⁴⁾. Apart from these, there were so many provisions that prevented the free operation of the Exchange without the approval and permission of the Chamber.

The elections at the İzmir Commodity Exchange were renewed within the new framework stipulated by the Ministry of Commerce and Industry. Filibeli Cemil Beyzade Ferit, Çeşmeli Remzi, Ak Osmanzade Mehmet, İzmirli Talat, Hacı Süleymanzade Rahmi, Alaiyelizade Kadri Halim, and three other persons, namely Balcızade Hakkı, Cevahircizade Şükrü and Aydın İzzet from the İzmir Chamber of Commerce and Industry formed the new board of directors of the İzmir Commodity

(13) Anadolu, 8 August 1924.

(14) Yanık Yurt, 9 November 1925. “İzmir Borsası Talimatnamesi”, Ziya Lütfi, İzmir Mıntıkası Ticaret ve İktisadiyatı, Sene 930 - 931, İzmir, pp. 342 - 353.



The İzmir Post Office. It was built for the Exchange, but used as the Greek National Bank during the occupation of İzmir.



Exchange. The Board of directors took office on August 20, 1925 and Balcıade Hakkı was appointed as the Chairman, and Filibeli Cemil as the Vice Chairman and the operation of the Exchange was redesigned⁽¹⁵⁾.

After overcoming some of the legal obstacles, it was time for the management of the Exchange to deal with the issue of building. Until the occupation, the Exchange served at the building which was used as Parcel Post Office during the occupation and had to move into Karpoza Factory opposite the Customs. The building at which the Exchange served until the occupation was used as Parcel Post Office with the invasion of İzmir by the Greek and the Exchange had to move into Karpoza Factory opposite the Customs. The major problem of the Exchange to be able to handle the trade and transactions of raisins, fig and acorn was that of a spacious building. As an interim remedy, the management applied to the Government for the allocation of the adjacent building to the Exchange. The Government acceded to the request and allocated the building for a fee to the İzmir Commodity Exchange to be used as “The Fig Exchange”. In May 1925, the building was hired by the Exchange and became operational⁽¹⁶⁾.

b) Raisins and Fig Traded at the Exchange

During the Ottoman period, the trade of raisins took place at the Yemiş (Fig) Market and there were infractions of rules. Raisins became a listed product at the Exchange in July 1924. The Raisins Exchange was at Kançibanoğlu Inn, opposite the Anatolian Printing House, around the Yemiş (Fig) Market.



⁽¹⁵⁾İzmir Ticaret Borsası Yönetim Kurulu Karar Defteri [(İTB) YKKD], 20 - 21 August 1925.

⁽¹⁶⁾(İTB) YKKD, 21 May 1925 ve 3 July 1925.

It was clear that trading of the raisins at the Exchange was welcomed by merchants. But some merchants complained about the insufficiency of the building⁽¹⁷⁾.

After the raisins started to be traded at the Exchange, the management initiated the actions to trade fig at the Exchange. During those days, there were five major firms dealing with fig trade, about ten exporters and forty brokers. The efforts of the Exchange were also supported by the fig growers. However, the dispute emerged between the merchants and fig growers delayed the trading of the product at the Exchange. Whereabouts in İzmir to establish the Fig Exchange was another issue under debate. Finally, the first product of the Fig Exchange, whose official opening ceremony was held on August 3, 1925, was brought to the Exchange on August 22. Traditionally, the day on which the first fig was brought to the market used to be celebrated as Fig Festival, thus, after the establishment of the Fig Exchange, it was organized by the Exchange for the first time and celebrated with zeal and enthusiasm.



The Agricultural School of İzmir

⁽¹⁷⁾ Anadolu, 26 - 30 July 1925.



But the arguments about the trading of fig at the Exchange never came to an end. The director of the Smyrna Fig Paker Ltd implied that the Fig Exchange was unnecessary by saying, “What kind of problems might be solved by trading the fig at the Exchange? Fig could be sold at the right price and at any time easily”. Giraud's broker Selim Mizrahi complained about the insufficient capacity of the building and after claiming that the trading of fig at the Exchange wouldn't be possible, Ernest Baladur said; “A folk's three hundred sacks of fig might contain several varieties. Is it possible to offer this to the customer at the Exchange with only one sample? The trading of fig at the Exchange will be harmful, not useful”⁽¹⁸⁾.



Fig Contest

The major obstacle for the fig to be traded at the Exchange was lack of space. Hence, fig producers objected to the opening of the Fig Exchange in the center of the city as it would be difficult and costly for them to transport the product there. Taking the fig producers' concerns into consideration, the management of the Fig Exchange decided to ban the method of “koliva”, which is the purchasing and selling transactions of figs by exhibiting the samples, just like raisins and grain. Buyers and sellers were to go to the warehouses and inspect the figs there and then bring the samples to the Fig Exchange and bargain a price⁽¹⁹⁾. Despite all these efforts, it took quite a long time for the fig to be traded on the Exchange.

⁽¹⁸⁾Anadolu, 30 July 1925.

⁽¹⁹⁾(İTB) Y.K.K.D. August 26, 1925.

c) *The Issue of Brokers at the Exchange*

The regulations for brokers issued in 1882 during the Ottoman Empire, though outlining the general lines for the brokers, were not detailed enough to define the authorities and roles of the brokers at the Exchange clearly. Brokers operating at the Exchange played the role of the buyer or seller depending on the merchant he was working with. In this way, the transactions at the Exchange were directed and manipulated as the brokers wished. Although this issue was also raised during the Ottoman period frequently, it had never been solved.

On the days decision was taken to open the Fig Exchange, the management board of the İzmir Commodity Exchange discussed the issue of the brokers again, and reviewed making the distinction between buyer and seller brokers for the interests of trade and the country and fully justified the decision of the Chamber of Commerce and Industry on this matter. But, considering the insufficient number of brokers, especially Turkish ones, the decision to make a distinction was postponed until the sufficient number was reached⁽²⁰⁾.



Simsarzade Hasan Fehmi

Another aspect of the issue was the case of the non-Turkish brokers registered at the Exchange. The idea for the nationalization of the Exchange fully was often mentioned as of 1923. In most articles in the newspaper Türk Sesi, there were complaints about the Jewish brokers, especially about the ones dealing with the trade of raisins and fig, and it was claimed that they were uncontrolled and the Exchange was in the exclusive possession of them.

⁽²⁰⁾ (İTB) Y.K.K.D., July 22, 1925.



The same newspaper also emphasized the necessity of increasing the number of Turkish brokers and the Turkish merchants' support for them⁽²¹⁾.

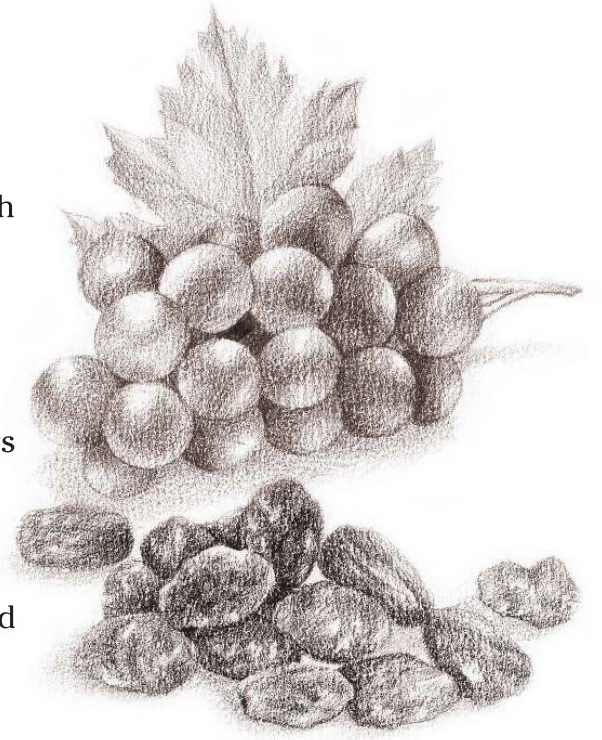


A view of İzmir from the Asansör (lift)

According to the new regulations of the Exchange implemented in May 1925, only Turkish brokers could do business at the Exchange. As stated in the announcement issued by the management of the Exchange, no foreigner would be allowed to work as a broker within fifteen days as of August 8th. This development was the first step towards “completely Turkifying” the Exchange. The second step was brought forward by the anti-Jewish newspaper named “Yanık Yurt”, published in İzmir: “The Jewish brokers at the Exchange - even if they are Turkish citizens- must be cleared up”. On the same days, Zeynel Besim, the editor-in-chief of the “Yanık Yurt” newspaper claimed that only one-tenth of the brokers were Turkish and the biggest obstacle to increase the number of the Turkish brokers was the Jewish ones and said:

(21) M. Esad, “Musevi Simsarlar”, *Türk Sesi*, February 5, 1923; M. Esad, “Yine Yahudi Simsarlar”, *Türk Sesi*, February 14, 1923.

“It is a pity that Turkish farmers growing figs on Turkish land of Turkish İzmir bring their products to the Turkish Fig Market and have to sell them to Turkish merchants with the help of Jewish brokers. And the Turkish merchants have to buy the products grown on Turkish land by the Turkish farmers with the help of Jewish brokers.” The solution which was not offered directly by Zeynel Besim was revealed between the lines of his article; “buyer and seller brokers must be separated and the Jewish brokers must be eliminated⁽²²⁾.”



After some similar criticism and reactions, the Commissar Nasıh, the Chairman of the Chamber of Commerce and Industry Alaiyeli Mahmut, the Director of Commerce Ziya and two members of the Exchange formed a committee. The committee decided to evaluate the conditions of separating the buyer and seller brokers and to appoint a Turkish assistant to each Jewish broker⁽²³⁾. It should be noted that the decision taken by some members of the Exchange and directly aimed at the Jewish brokers



A fig processing plant

⁽²²⁾ Zeynel Besim, “Açık Mektup”, Yanık Yurt, September 7, 1925.

⁽²³⁾ Yanık Yurt, September 8, 1925.



was not widely acclaimed by the Board of the Exchange. Thus, the Vice Chairman of the Exchange Filibeli Ferit, members of the Board Hacı Süleyman Rahmi and Çeşmeli Paşazade Remzi gave their resignations⁽²⁴⁾.

Halil Midhat from the Anatolian newspaper pointed out correctly that the reasons behind all these confusions at the Exchange lied under the restrictions brought by the new regulations⁽²⁵⁾. It was quite natural that the İzmir Commodity Exchange would raise its voice against these limitations stipulated by laws. The issue of Jewish brokers and separating the buyer and seller brokers conduced to the emergence of discomfort derived from the new regulations.



*The Secretary General of the ICE
(1928-1943), İhsan Ayyıldız*

The relations between the management of the Exchange and centrally appointed exchange commissar had been problematic from the very beginning⁽²⁶⁾. The first conflict emerged with Nasıh Bey's excessive intervention while the budget of the Exchange was being prepared. Subsequently, the argument to separate the brokers and assign a Turkish assistant to the Jewish brokers deepened the conflict. The development which broke the ties was the proposal to establish a foreign exchange office within the Exchange.

d) The Efforts to Establish the Foreign Exchange Office at the Exchange

Stocks and Bonds Exchange (Esham ve Tahvilat Borsası) was the first institutionalized exchange in İstanbul during the Ottoman Empire. The İzmir Commodity Exchange was restricted with trading of agricultural products. Foreign exchange transactions in İzmir, where the commercial and financial activities were

⁽²⁴⁾ Anadolu, September 9, 1925.

⁽²⁵⁾ Halil Midhat, "Borsa İşleri", Anadolu, September 11, 1925.

⁽²⁶⁾ Haydar Rüştü, "Borsa İşleri", Anadolu, September 18, 1925.

intense, were carried out by goldsmiths and money brokers, which often caused serious arguments. Together with the force of the conditions and needs, a French citizen called Kosta Bahadur, who was a goldsmith and also dealing with stocks and bonds in İzmir, made some efforts to establish an exchange under the name “The Ottoman Stocks and Bonds Exchange.” Kosta Bahadur's efforts were in vain and useless and raised doubts as he was a French citizen⁽²⁷⁾.

The idea of opening a foreign exchange office had been on the agenda since the very beginning of the first days of reorganization of the Exchange in the Republic Period. The Board of the Exchange made a decision to open up a foreign exchange office⁽²⁸⁾. The decision was conveyed to the Ministry of Commerce for approval⁽²⁹⁾. Upon the approval of the decision by the Ministry, the Board of Executives decided to operate the foreign exchange office on the upstairs of the Fig Office and assigned the Exchange commissar Nasih Bey to carry out the necessary proceedings⁽³⁰⁾. After a few days, Kemal Adil Bey was appointed to the Secretariat with a salary of hundred Liras and Cemil Bey, to the statistics clerkship with a salary of eighty Liras⁽³¹⁾.



The building near the Meyveter Customs used as the Exchange building during the first years of the Republic

⁽²⁷⁾Ahenk, November 11, 1897.

⁽²⁸⁾(İTB), Y.K.K.D., August 24, 1925.

⁽²⁹⁾Anadolu, September 7 1925.

⁽³⁰⁾(İTB), Y.K.K.D., September 14, 1925.

⁽³¹⁾(İTB), Y.K.K.D., September 16, 1925.



The Kordon in the first years of the Republic

The issue of opening up a foreign exchange office revealed the discrepancy between the Board of the Exchange and the commissar. According to Zeynel Besim, Nasih Bey never abstained from provoking the Board of the Exchange rashly, and the Board tried to cast the commissar and the clerk away. Unfortunately, these two powers, who were supposed to work in coordination, made almost every endeavor to go into a conflict with each other. Due to conflicts and discrepancies, the future of the foreign exchange remained uncertain. With the participation of Kemalettin Bey, who was appointed to the Exchange Commissary, and the Commerce Director Ziya Bey, the Executive Board of the Exchange held meetings to discuss whether the regulations of the İstanbul Stocks and Bonds Exchange suited to the İzmir Commodity Exchange and finally assigned a committee under the chairmanship of Kemalettin Bey to make new regulations. After a while, the Exchange Commissar Kemalettin Bey made a statement that everything, except the regulations, was ready on this matter and it only needed the approval of Ankara, the capital⁽³²⁾.

(32) "Kambiyo Borsası nihayet açılacak mı?", *Anadolu*, December 15, 1925.

The answer from Ankara was totally disappointing. According to the Ministry of Finance, foreign exchange transactions at the commodity exchanges were unfavorable and the present regulations required amendments, thus, it was declared that the establishment of the foreign exchange office was abandoned⁽³³⁾.

e) The İzmir Commodity Exchange under the Management of Filibelizade Ferit Bey

The problems encountered at the Exchange did not come to an end with the resignation of Commissar Nasih Bey. The related rules of the regulations which rendered the Management of the İzmir Commodity Exchange subject to the Chamber of Commerce unconditionally, and the attitudes of the merchants dealing with the trade of newly listed products of the Exchange, such as raisins and fig, were the main reasons of the ongoing problems at the Exchange. In addition to these, there was still dispute about the separation of buyer and seller brokers⁽³⁴⁾.



The raisins brokers in the old Exchange building

⁽³³⁾ "Kambiyo Borsası'nın küşadından sarf-ı nazar edildi", *Anadolu*, December 20, 1925.

⁽³⁴⁾ *Yanık Yurt*, October 6, 1925.



The Board of Management of the ICE in 1928

After the resignation of some members, decision was taken to call an election to renew the management board of the Exchange. The election was held between 14 and 17 of November 1925. The new executive board consisted of; Filibeli Cemalzade Ferit, İzmirli Talat, Alaiyelizade Halim, Çeşmelizade Remzi, Dramalı Muhittin, Zaimzade Adil. And the substitute members were as follows: Hacı Süleymanzade Rahmi, Hacı Hüseyin, Zihneli Sait, Mehmet Nuri, Ak Osmanzade Ahmet, Menemenli Hıfzı and Cevahirzade Şükrü⁽³⁵⁾.

The new board of management held its first meeting on November 19th and Filibelizade Ferit Bey was chosen the chairman and Buldanlı Kadri Bey, the vice chairman⁽³⁶⁾. In place of Commissar Nasıh Bey, who was given three months off, Kemalettin Bey, the manager of the Insurance Directorate of Commerce Department was appointed the commissar of the Exchange. On December 2nd, the dispute occupying the agenda of the İzmir Commodity Exchange for quite a long time came to an end with the election of the new board of management and the commissar⁽³⁷⁾.

The new management, which took office in 1925, subsisted for long years without much change. The management under the chairmanship of Filibelizade Ferit struggled greatly to gain an "Exchange Palace" befitting to İzmir. The new

(35) "Borsa İntihabatı Hitam Buldu", *Anadolu*, November 18, 1925 ve "Yeni Borsa Heyeti'miz taayyün etti", *Yanık Yurt*, November 19, 1925.

(36) (İTB), Y.K.K.D., November 19, 1925 and *Yanık Yurt*, November 20, 1925.

(37) *Anadolu*, November 5, 1925 and (İTB) Y.K.K.D., November 22, 1925.



The staff of the Exchange in the first years of the Republic

management also decided the trading of acorn at the Exchange⁽³⁸⁾. The official opening of the acorn exchange was initiated on January 31, 1926⁽³⁹⁾. The new management aimed at the trading of all export products at the Exchange. To realize this objective, decision was taken in June 1926 to trade silk cocoon and raw hide. With this decision, the number of listed products reached thirty, excluding tobacco whose trade was controlled by the state monopoly (called Reji), and in this way almost all the exported products started to be traded on the Exchange⁽⁴⁰⁾.

Another issue that the Board dealt with was the amendment of the Exchange Regulations in accordance with the local needs of İzmir. Ferit Bey initiated the efforts on this subject at the Ministry of Commerce. A commission was formed of Dramalı Muhiddin, Cevahircizade Şükrü, Commerce Director Ziya, and the Exchange Commissar Kemaleddin Bey to decide on the necessary amendments in the Exchange Regulations. The draft prepared by the committee was discussed and accepted at the meeting held on March 31st, 1926. With these amendments to the regulations, the Exchange was struggling to free itself from the tutorship of the Chamber of Commerce and stand on its own feet. However, the proposal was not approved by the Ministry of Commerce.

⁽³⁸⁾(İTB), Y.K.K.D., January 20, 1926 and Yanık Yurt, December 3, 1925.

⁽³⁹⁾Anadolu, February 2, 1926.

⁽⁴⁰⁾(İTB), Y.K.K.D., August 11, 1926 and Hizmet, July 22, 1926.



Raisins Hall (1930s)

The Ministry of Commerce found it objectionable to manage the grain and mercantile exchanges with different regulations, thus, made efforts in the direction to govern them by the same regulations. In the first years of the Republic, the number of exchanges mushroomed in major centers. Mercantile Exchanges were opened in Bursa in 1924, in Konya, İstanbul, Manisa, Eskişehir in 1925, Denizli, Trabzon, Giresun, Tekirdağ, Mersin, Edirne in 1926, in Ankara and Kırklareli in 1927⁽⁴²⁾. In the official writing sent to the exchanges, the Ministry gave orders to the chairmen to work together with the exchange commissars to amalgamate the rules into a single one⁽⁴³⁾. However, the efforts did not come to a conclusion in a short time, and the related regulations were finally enacted in 1943.

To find a radical solution to the issue of brokers, the İzmir Commodity Exchange enacted the Brokers Regulation. The new regulation, though not changing the definition of brokers, required that brokers were not allowed to trade on their own behalf (proprietary trading) and the necessary qualities and qualifications to be a broker were redefined. Thus, to become a broker, you had to be a Turkish Republic citizen, be over 21 years old and have no criminal record. And also the brokers were required to speak and write in Turkish and to be a graduate of either high school or commercial secondary school. The brokers without the above mentioned qualifications had to be given an exam by a committee formed by the

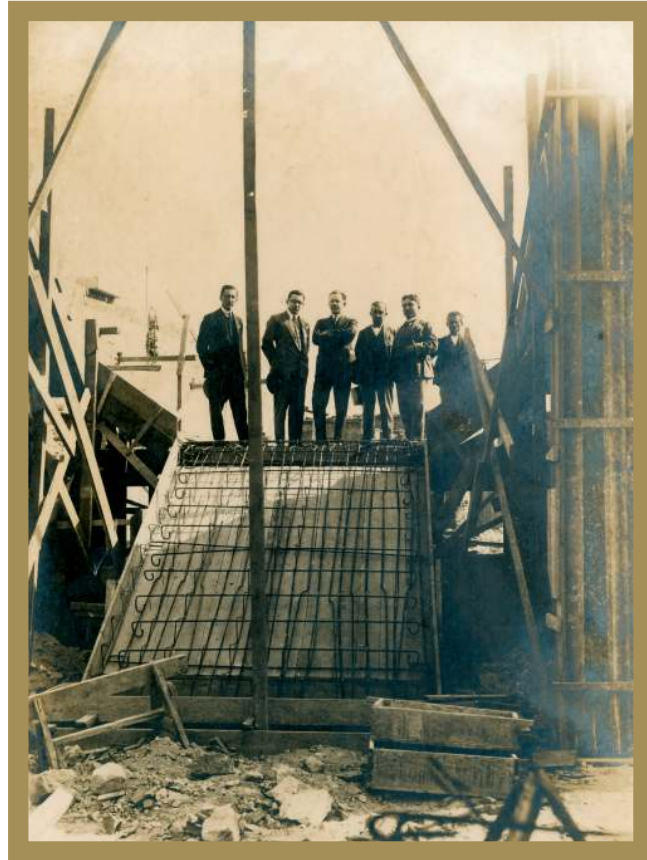
⁽⁴²⁾ *Hizmet*, July 18, 1926.

⁽⁴³⁾ “Borsa Simsarları Talimatnamesi”, *Hizmet*, September 26, 1926.

Exchange and the exam results had to be approved by the Ministry of Commerce. In an article of the regulation, it was stated that the exam would cover speaking, writing and reading skills in Turkish.

The prerequisite for speaking, writing and reading skills in Turkish was intended especially for the Jews⁽⁴⁴⁾. Following the years the regulations took place, almost all the Jewish brokers were given an exam by a committee and unsuccessful ones were banned from doing business at the Exchange until they passed the exams. Soon after the regulations were put into effect, thirty eight brokers were expelled from the Exchange⁽⁴⁵⁾.

Another provision of the regulations made it obligatory for the transactions to be carried out by the brokers. Some merchants reacted against this case, so they applied to the Ministry of Finance and demanded free trading at the Exchange. The Ministry sustained the claim and allowed the merchants to do direct business at the Exchange. This time, the brokers applied to the Commissary, and claimed that many brokers would lose their jobs and asked for suspension of the practice. The



The construction of the Exchange Palace

Commissary stated that they would consult the Ministry of Commerce⁽⁴⁶⁾. The board of directors of the Exchange held a meeting to discuss the issue and resolved that doing direct business without brokers at the Exchange caused some irregularities and confusions and resulted in the detriment of the producers. Consequently, it was resolved that the transactions be carried out by the brokers again⁽⁴⁷⁾.

(44) "Borsa Simsarları Talimatnamesi", *Hizmet*, September 26, 1926.

(45) (İTB), Y.K.K.D., November 6, 1926 and *Hizmet*, October 19, 1926.

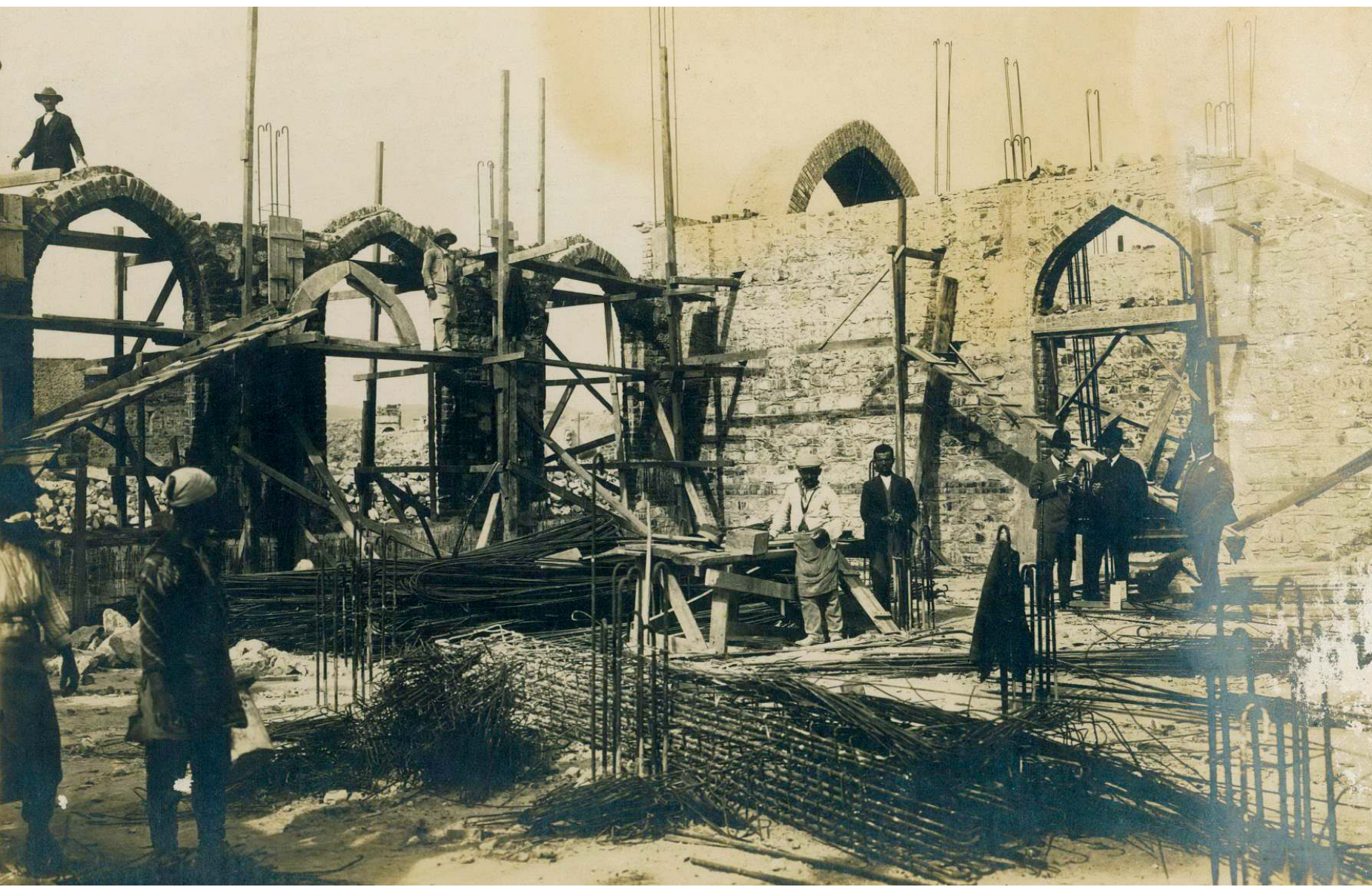
(46) *Hizmet*, March 9, 1927.

(47) (İTB), Y.K.K.D., March 7, 1926.



f) The İzmir Commodity Exchange Gained its Own Building

The İzmir Commodity Exchange, which became operational at Nişli Hacı Efendi's building in 1892, made so many attempts to own a building proportional to its trade volume, but was unable to realize this dream and had to give service here and there, mostly in wretched conditions, in scrappy buildings as a tenant. Forced to evacuate the building during the Greek occupation, the Exchange was moved into the Karpoza Factory opposite the Customs. After the salvation of İzmir, it moved into the Akasoğlu Inn, but to solve the problem of building, which increased with the listing of raisins and fig, the management of the Exchange applied to the government and two buildings were allocated to be used as Raisins and Fig Exchanges.



The construction works of the Exchange Palace

Despite the positive approach of the government, not owning its own building and operating in different buildings was still a huge problem. To find a radical solution for the problem of building, the Management submitted a claim to the Municipality for some of the lots in fire destroyed areas, close to the commercial center. The Municipality accepted to give the about one thousand and nine hundred square meter lot of the building, which was once used as a silk thread factory, on the Second Kordon, on the city block no: 2 for ninety thousand liras to the Exchange. About thirty thousand liras of this amount was paid by the Exchange in cash and the rest was loaned from a bank and the merchants went surety for it⁽⁴⁸⁾.

The amount charged by the Municipality meant a huge one for the Exchange. For this reason, the management of the Exchange applied to the Municipality and requested a reduction⁽⁴⁹⁾. The mayor Aziz Bey, who desired to reconstruct the fire stricken areas in a short time, accepted to allocate the lot for five Liras a square meter, considering that the Exchange was a public service corporation.

Wishing to complete the construction of the building as soon as possible, the board of the Exchange decided to include the fund in the budget, which would be valid as of August 1st. The sum necessary for the construction was planned to be obtained by raising the share of the Exchange on transactions, without borrowing on interest. The sum allocated was about ninety five thousand Liras for the budget in 1926-1927. But, as it was estimated that it would cost nearly two hundred thousand Liras, the practice of obtaining the money would also be carried for the next season. Meanwhile, the initial draft plan of the new building was prepared and it was decided to tender it for a contract⁽⁵⁰⁾. Decision was taken to appoint Mecit Bey as the construction controller to ensure the construction of the building⁽⁵¹⁾.

Tahsin Sermet Bey, who was also the architect and constructor of the buildings of İzmir National Library and İzmir National Cinema built in later years, designed the Exchange building in a short time. In the meeting held in October 1926, the management decided to organize a large and elaborate groundbreaking ceremony⁽⁵²⁾.

⁽⁴⁸⁾ Anadolu, November 9, 1925.

⁽⁴⁹⁾ Anadolu, November 9, 1925.

⁽⁵⁰⁾ (İTB), Y.K.K.D., July 21, 1926 and Hizmet, July 22, 1926.

⁽⁵¹⁾ (İTB), Y.K.K.D., July 25, 1926 and Hizmet, July 26, 1926.

⁽⁵²⁾ (İTB), Y.K.K.D., November 22, 1926.



The newspapers in that period described the ostentatious ceremony as follows; for the groundbreaking ceremony of the Exchange to be built on Grand Gazi Boulevard, two large tents were pitched and ornamented with flags. The chairs reserved for the guests were almost full and the common people, aware of the importance of the Exchange building in İzmir's commercial and social life, jam-packed the area. The Governor Kazım Pasha, the commander Fuat Pasha, the congressman Osmanzade Hamdi, the lieutenant governor Halit, the mayor Aziz Bey and almost all the directors of the official institutions in İzmir, the managers of Turkish and foreign establishments, merchants, brokers and the common people joined the ceremony, which was scheduled to begin at 3 p.m.



The marble bust of Mustafa KemalPasha by the sculptor Azizzade Mustafa

The ceremony commenced with Filibeli Ferit Bey's opening speech, the Chairman of the Exchange. After setting forth the reasons for the construction of the Exchange Palace, Ferit Bey continued his speech by pointing out the grandeur of the success bestowed by the Republic and praised the President Gazi Mustafa Kemal Pasha. Towards the end of his speech, Ferit Bey thanked the Prime Minister İsmet Pasha, the Governor Kazım Pasha, the Mayor Aziz Bey, the Exchange Commissar Kemalettin Bey and all the members of the Board of the Exchange for their invaluable and extraordinary contributions to the construction of the Exchange Palace and thereafter requested the Governor to lay the foundation stone.

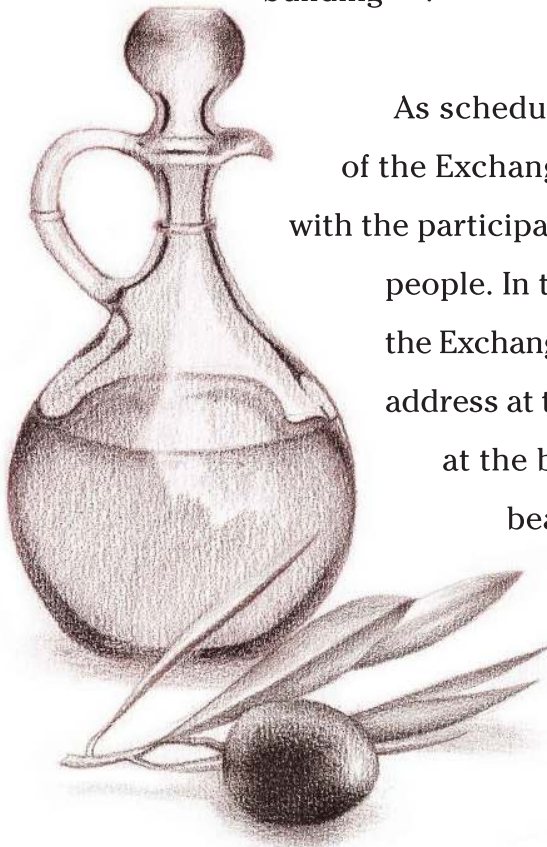


The final stage of the construction of the Exchange Palace



The Governor Kazım Pasha made a speech emphasizing the importance of the Exchange in the economy of İzmir and said that, “The İzmir Commodity Exchange Palace is the stronghold of the economy of İzmir” and after describing the Exchange as, “an initiative born of the economic spirit of the mighty Republic and the grand nation”, he laid the foundation stone amidst cheers of “Long Live the Republic”⁽⁵³⁾.

In the months following the ceremony, while the construction of the Exchange was in progress, the management of the Exchange had some troubles with the building they were in. For this reason, the construction work was speeded up by obtaining funds from various sources. In June 1928, the construction had almost finished except for some minor incomplete parts, which the constructor promised to finish soon, and it was inspected and taken over by the Board of the Exchange on June 11th, 1928⁽⁵⁴⁾. On the inscription plate above the entrance gate of the building was written “Exchange Palace 1928” in old letters of the alphabet in use⁽⁵⁵⁾. For the interior decoration of the building, a marble bust of Atatürk, which was ordered by Filibelizade Ferit Bey, the Chairman of the Exchange, and designed by sculptor Azizzade Mustafa in İstanbul, was erected in the entrance hall of the building⁽⁵⁶⁾.



As scheduled by the Board of the Exchange, the opening ceremony of the Exchange Palace was realized on Monday at 10.00, July 23rd 1928 with the participation of more than a thousand special guests and common people. In the ceremony, first Filibelizade Ferit Bey, the Chairman of the Exchange made a long speech and made quotations from Atatürk's address at the İzmir Economy Congress saying that “A Turk Victorious at the battle field, successful at the political table” can never be beaten in economy and he continued his speech as follows;

“Gentlemen, today we have added another huge and strong example to the economy of our beloved country.

(53) *Anadolu*, November 26, 1926 and *Hizmet*, November 26, 1926.

(54) *(İTB)*, *Y.K.K.D.*, July 12, 1928.

(55) *(İTB)*, *Y.K.K.D.*, April 14, 1924.

(56) *(İTB)*, *Y.K.K.D.*, July 17, 1928.

This building, the construction of which started about two years ago and now you have honored the opening ceremony, is a new monument in Turkish people's commercial life. The one who showed the greatest endeavor and strength to build this monument and who made financial sacrifice and who will eternize it is the Turk.”

Ferit Bey stated that the Exchange Palace cost 289.237,78 Liras including the land, construction, electricity, central heating, telephone, furniture and insurance costs and there were some other expenses to be made. The Chairman of the Exchange concluded his speech by saying:

“Gentlemen, there were times we faced negative criticism intending to prevent our desires. There were times we were told either behind our back or in our face that we won't be successful. But, despite all these efforts, our management,



The Chairman of the Exchange Filibelizade Ferit and the architect Tahsin Sermet



depending on the financial support and courtesy of our members, worked in great determination. Sometimes we had to make personal and financial sacrifices of thousands of Liras to be able to complete the Palace.”

After Ferit Bey's address, the Governor Kazım Pasha made an impromptu speech and compared the economy during the Ottoman and the Republic Periods, pointing out that “military victories have to be supported by economic victories.” After concluding his speech, the Governor yelled, “Long live the Great Gazi, long live the Turkish Nation” and cut the ribbon and inaugurated the Exchange Palace. Afterwards, the Governor wrote his feelings in the diary of the Exchange.



Ferit Bey making his speech at the opening ceremony of the Exchange

There is a sentence bearing the signature of the “Governor of İzmir Kazım Pasha” on one of the pages of the diary which said:

“We feel joyful and proud about the opening of The Exchange Palace, which is finally the gorgeous manifestation of determination and great ambition. There is a great difference between the feelings while laying the foundation of the magnificent building two years ago and now inaugurating it. While the friends of the Almighty Republic and the Great Leader are building the institutions of national economy, I am proud to witness the trace of them on the gorgeous Exchange Palace.” The first transaction at the Exchange was realized at the raisins hall. The raisins delivered to the merchants Hıfzı and Şükrü Beys by Hüsnü Efendi from



The Governor Kazım Dirik making his opening speech

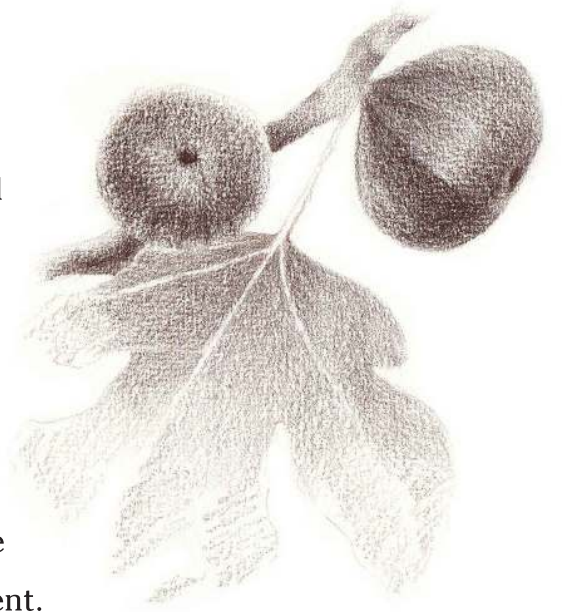


Menemen, and Cevahir and Abdullah Efendi was purchased by F. Solari Corporation for 100 Kuruş⁽⁵⁷⁾.

Published in 1937, Ege Tecim ve Endüstri Büyük Kılavuzu (the Grand Guide of Aegean Commerce and Industry) described the Exchange Palace as follows:

“Among the official and semiofficial buildings, İzmir has the right to be proud of the Exchange Palace and its Management.

The Exchange Palace is the most beautiful and gorgeous building on the very beginning of Gazi Boulevard facing the sea... The building at that time (the Ottoman Period) was in a wretched building on the Kordon. Even one of the transaction Halls of the new building is four times bigger than the previous one⁽⁵⁸⁾. ”



The opening ceremony of the Exchange Palace

(57) See, Hizmet, July 24, 1928 and Anadolu, July 24, 1928.

(58) Ege Tecim ve Endüstri Büyük Kılavuzu, p. 410.



The staff of the Exchange Palace during the opening ceremony



The guests at the Exchange Palace just after the opening ceremony



The guests at the Exchange Palace just after the opening ceremony



The Board Members of the Exchange thank to guests honoring the inaguration of the Exchange Palace – July 23th, 1928

- C - GREAT ECONOMIC DEPRESSION AND THE İZMİR COMMODITY EXCHANGE

After the announcement of the Republic, the year 1928 was one of the golden years of İzmir with respect to commerce. The total export revenue of Turkey in 1927 was 158.420.998 Liras. The share of İzmir in the total export was 92.170.557 Liras, which was about 59% of the export of the country. The share of agricultural products was increasing each year⁽⁵⁹⁾. The approximate value of agricultural products exported from the İzmir Port in 1927 was as follows: raisin - 20 million Liras, fig - 11 million Liras, cotton - 1.5 million Liras, acorn - 3 million Liras, olive oil - 9 million Liras. Most of the products grown in İzmir and its surroundings were traded on the Exchange. The numerical list of the merchants, brokers, and corporations registered at the Chamber of Commerce in the same year was as follows⁽⁶⁰⁾:

First Class Merchants	148
Second Class Merchants	131
Third Class Merchants	384
Fourth Class Merchants	732
Total	1395

195 of the merchants were wholesalers and retailers, 91 of them were importers, 70 of them were exporters.

Official Brokers :	First Class	62
	Second Class	37
	Third Class	14
Private Brokers :	First Class	70
	Second Class	248
	Total	30
Companies :	Commandite Co.	436
	Unlimited	2
	Cooperative	10
	Limited	29
	Domestic Inc. Co.	48
	Foreign Co.	555
	Total	

⁽⁵⁹⁾ M. Zeki, *Mintıkamızın Kitabı, İzmir*, pp. 6 - 7.

⁽⁶⁰⁾ *Anadolu*, August 18, 1929.



In 1929, the number of merchants registered at the Chamber of Commerce rose to 2363, the number of official brokers registered at the Exchange rose to 202, private brokers to 115, corporations to 561⁽⁶¹⁾. All these indications were evaluated as positive signs by the Exchange and gave courage to build a new exchange building, which was quite costly. The Exchange Management did not hesitate to incur a debt as they purchased the land of the building at quite a reasonable price from the Municipality. Nevertheless, just after the construction of the Exchange building was completed, first the small scale crisis with the resignation of Filibelizade Ferit, the Chairman of the Exchange, and then the Great Global Depression put the Exchange into a difficult financial situation.

The newspapers dated July 24th, 1928 gave full coverage to the inauguration of the Exchange and extolled the efforts, but also pointed out to the forthcoming elections of the board members. In a long and detailed article published in the Anatolian newspaper, which acted as the spokesman of the Republican People's Party in İzmir, dealt with the subject and mentioned about the complaints about the present management of the Exchange. In later articles of the newspaper,



⁽⁶¹⁾ Anadolu, August 18, 1929.



Gazi Bulvarı (1930'lar)

it was made clear that the criticism directed at the Management of the Exchange was actually aimed at the Chairman, Filibelizade Ferit. Especially drawing attention to the fact that the Chairman Filibelizade Ferit Bey was a flour merchant, the paper implied that he prevented the bread and flour prices from falling⁽⁶²⁾. At a first glance, the problem seemed to have arisen from Filibelizade Ferit Bey's business affairs, soon it was understood that the facts of the issue had wider dimensions than a mere criticism. For the first time in its history, since 1923, the managing board of Republican People's Party (CHP) in İzmir gathered to take up its position in the elections and to discuss and designate the members of the board of the Exchange. Though the managing board of the CHP came together on July 28 and designated the candidates, they did not release it to the public. But they made their preferences felt through the news published in Anadolu newspaper. According to the paper, Muhiddin from the previous management, broker Fehmi and someone whose name was not mentioned were not among the nominated candidates of the CHP. It was rumored that Filibelizade Ferit Bey would most probably be among the candidates,

⁽⁶²⁾ *Anadolu*, July 20, 1928.



but it was emphasized that even if he were reelected, he would resign. In this case, it was pointed out that İzzet Bey from Aydın would have a strong support of the voters⁽⁶³⁾.



In another article published in Anadolu newspaper, it was claimed that the elections were intended to be held haphazardly, and some members were trying to make use of the positive atmosphere created with the official opening ceremony of the Exchange Palace. Giving more coverage to the issue of flour and wheat merchants, the paper alleged that the price of bread would never fall as long as the members of the board of the Exchange consisted of flour and wheat merchants, however low their number was. Stating that each member of the Exchange was respected, the paper required the present members to be satisfied with the pride and honor of having the Exchange Palace built and advised them to leave their seats to those who would do the business better⁽⁶⁴⁾.

On the day the elections would be held, CHP announced the nominees for the Board of the Exchange: 1- Alaiyeli Halim, 2- Aydınli İzzet, 3- Zaimzade Adil, 4- Merchant Ahmet Muhtar, 5- Rıza Beyzade Saadullah, 6- Yağcı Emirlerzade İbrahim,

⁽⁶³⁾Anadolu, July 20, 1928.

⁽⁶⁴⁾Anadolu, July 20, 1928.

7- Nalbandzade Hulusi, 8- Çeşmelizade Remzi, 9- Selamizade Ziya, 10- Çömezzade Mustafa, 11- Sabri, Chairman of the Brokers, 12- Ali Nazmi of Nazilli, 13- Mazhar Nurullah, 14- Filibelizade Ferit. The Party's list of the nominees did not include the previous Vice Chairman Dramalı Muhittin and the broker Reşat Bey. And also, by placing the name of Filibelizade Ferit at the bottom of the list, the Party revealed its hesitation and drawback about this nominee⁽⁶⁵⁾. The newspaper Hizmet put the name of Filibelizade Ferit at the top of the list and supported him openly⁽⁶⁶⁾.

At the elections, Alaiyelizade Halim, Çeşmeli Remzi, Zaimzade İzzet, broker Çömezzade Mustafa, broker Selamizade Yusuf, Ziya and Felibelizade Ferit were elected for the Board of the Exchange by absolute majority of votes cast⁽⁶⁷⁾. The Board members were supposed to hold a meeting within one or two days for the distribution of tasks, but it was postponed. Although the reason of the procrastination was stated as the Exchange Commissar Kemalettin Bey's trip to İstanbul, the real reason was the fear that former chairman Filibelizade Ferit Bey could be chosen the chairman again. Nonetheless, it was also rumored that Filibelizade Ferit Bey would



⁽⁶⁵⁾ Anadolu, July 31, 1928.

⁽⁶⁶⁾ Hizmet, July 31, 1928.

⁽⁶⁷⁾ Anadolu, August 1, 1928.



resign from the Board as he had moved his business out of İzmir⁽⁶⁸⁾.

On August 16, 1928 the newspapers announced that Filibelizade Ferit Bey had resigned, and that Cevahircizade Şükrü Bey would most probably be appointed as the Chairman. Meanwhile, the news that the Exchange would be put under the order of the Chamber of Commerce sparked a debate⁽⁶⁹⁾. As a result, the board meeting, which was finally held on August 22, 1928, elected Cevahirzade Şükrü Bey as the Chairman, and Alaiyelizade Halim Bey as the Vice Chairman. According to the Hizmet newspaper, CHP's wish had been granted with the election of these people⁽⁷⁰⁾. As stated above, the elections of 1928 were troublesome. And, contrary to the previous elections, most of the trouble was caused by the intervention of CHP. The intervention of CHP at the elections of the members of the board could be traced throughout the “One-party Period.”

The panic which started at the New York Exchange turned into a worldwide economic depression in a short time and starting from the USA, it caused the investments to come to a halt in almost all the countries of the world. Unemployment increased, production and revenues decreased immensely.



Prices started to go down fast everywhere, thousands of corporations went bankrupt and international trade almost stopped. Most countries had to retire into their own shells.

The Great Depression exercised the control over Turkey in a short time. Together with the depression, bankruptcies started in the country, companies and industrialist who took out a loan to increase the production and farmers were unable to pay their debts. The unemployment especially in major harbor cities like İstanbul, İzmir and Samsun increased⁽⁷¹⁾. Agricultural products could not be

⁽⁶⁸⁾ *Anadolu*, August 5, 1928.

⁽⁶⁹⁾ *Anadolu and Hizmet*, August 15, 1928.

⁽⁷⁰⁾ *Hizmet*, August 23, 1928.

⁽⁷¹⁾ Çağlar Keyder, “İktisadi Gelişmenin Evreleri”, *Cumhuriyet Dönemi Türkiye Ansiklopedisi*, Vol. III, p. 1068.

exported due to reduction in the purchase of the goods by the Europeans, so the prices fell sharply and the Aegean Region was the most adversely affected region of all in Turkey.

The press of that period dwelled insistently upon the reasons of the Depression, its development, and effects on İzmir. The reasons of the depression were generally attributed to the domestic affairs, and the newly initiated state control over the economy was severely criticized, but unfortunately the worldwide economic depression was ignored. However, the agricultural production amount was not much different from the years before the depression. The problem was the falling prices of the products caused by the decrease in demand. Naturally, in this case, one of the deeply affected institutions was the Exchange, where the products were sold and most of its revenues were obtained in this way. Upon examining the annual trade volume of the quotation lists and indexes at the İzmir Commodity Exchange, it will be easily understood that the economic outlook in that period was not bright at all⁽⁷²⁾.

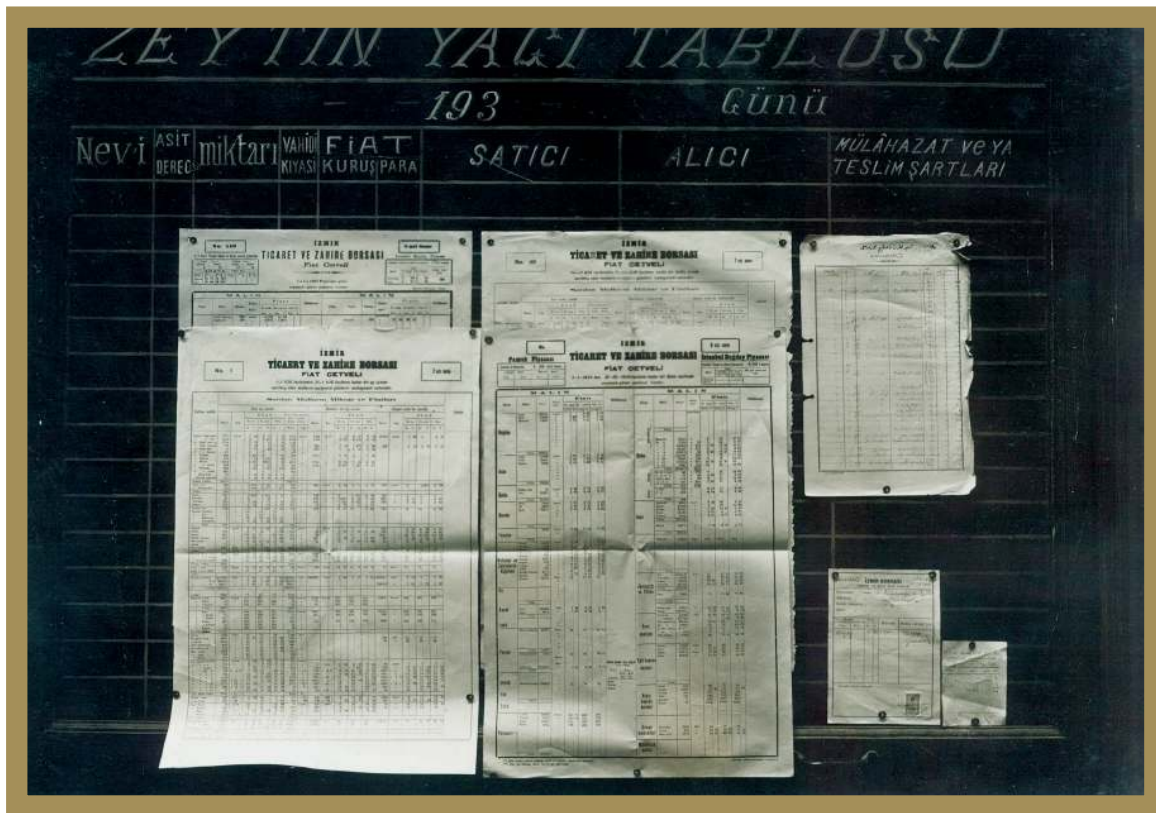


Statistics reveal that the products which were seriously affected by the depression were raisins and fig. The raisins, which were the most demanded

⁽⁷²⁾ Indices refer to see, Erkan Serçe - Sabri Yetkin, 120. Yılında İzmir Ticaret Borsası Tarihi, İzmir, 2011, pp. 239-243.



agricultural product in foreign markets between 1923 and 1929, became completely non-marketable as of 1930, which caused the collapse of the economy in the Aegean Region. The major reason of this was England's pulling out of the market to a large extent. Especially the decreasing value of the English pound affected the raisins and fig markets directly, and this resulted in drop in their prices. When the newspapers of that period are examined, it can be observed that the news about recession at the Exchange, low prices, unsold commodities, the boredom of the merchants, the wretched condition of the farmers often took wide coverage.



Olive oil board at the ICE (1935)

To overcome the recession in the markets, everyone came up with new ideas and looked for ways to find a solution and take precautions. In 1930, as the prices were too low, the Government ordered that some of the raisins be purchased by Tekel (Monopoly)⁽⁷³⁾. But it was impossible for this practice to be a permanent one as Tekel bought the raisins cheap and also demanded some certain qualities. It was frequently mentioned in the papers that the producers were not satisfied with the price policy of Tekel. To raise the prices to a satisfactory level, grape

⁽⁷³⁾ Anadolu, February 10-13, 1930.

producers often came together and sought for ways, and also applied to authorities to find a reasonable solution⁽⁷⁴⁾. In the meantime, everyone blamed each other because of the depression. While the merchants were mentioning about too much yield of the crop, the farmers were complaining about the agents. The agents complained about the producers asking for a high price, and the producers complained about weather conditions, lack of storehouses for their unsold products⁽⁷⁵⁾.



Cotton ginning

The Board of the Exchange made a series of efforts to overcome the disturbance caused by the depression. Considering the very low prices and the panic accompanying it, the Board shortened the transaction hours at the Raisins Hall. The Entrance of unauthorized persons to the hall was banned, producers were allowed in just for 5 or 10 minutes to bring in their samples and give orders to their brokers. Sellers were banned from visiting the purchasers' desks and taking samples. And also, it was forbidden for the brokers' assistants to interfere with

⁽⁷⁴⁾ *Halkın Sesi*, July 16, 1933.

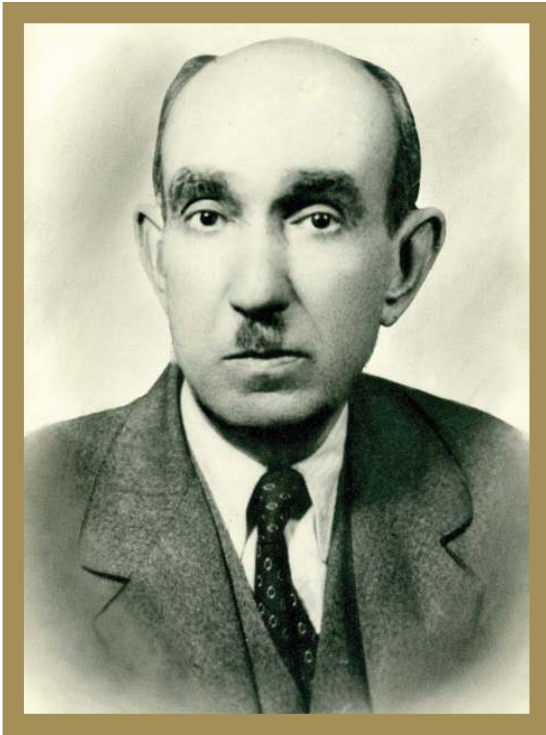
⁽⁷⁵⁾ *Halkın Sesi*, July 16, 1933.



the bargains and to state their opinions and it was strongly stated that the brokers, agents, secretaries and their assistants who acted against the rule would be banned from the Exchange⁽⁷⁶⁾.

Although the amount of the commodities traded at the Exchange was the same, the drop in prices decreased the share of the Exchange. Some merchants and brokers were unable to pay their membership fees and rent on their offices. This situation harmed immensely not only the targeted financial budget but also made it hard for the Exchange to pay off its debt. While the management of the Exchange was making every endeavor to lessen the financial crisis it faced, the Great Depression was deepening day by day.

In mid-1930s, the Exchange almost went bankrupt and was unable to make any payment as a result of the financial crisis it was in. The Exchange, which was on the verge of losing its building, was saved by the intervention of the Ministry of Economy and Finance.



Şükrü Cevahircioğlu (1928-1935)

One of the subjects that the Exchange dwelled on most during the years of the depression was that of the illegal commercial activities which were carried out outside the Exchange. Some Exchange officials were appointed to ban and prevent the trade of grain especially at Kestanepazarı (Chestnut Market) and its surroundings⁽⁷⁷⁾.

It was certainly unavoidable for the Board of the Exchange not to be shaken by the financial crisis it was in. Hence, the Chairman of the Exchange Cevahircizade Şükrü Bey, who had been

⁽⁷⁶⁾ (İTB), Y.K.K.D., October 15, 1933 and Yeni Asır, October 17, 1933.

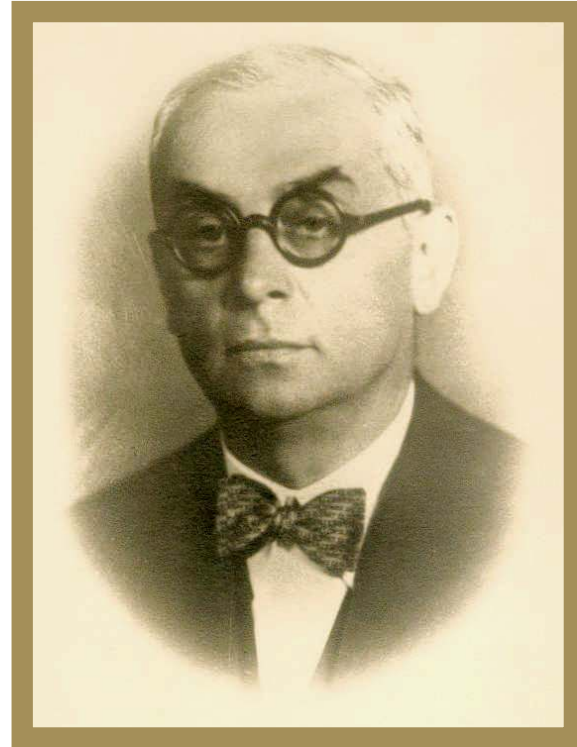
⁽⁷⁷⁾ (İTB), Y.K.K.D., April 28, 1929 and October 12, 1930.

reelected in August 1930, resigned from his post on grounds of “health and personal reasons” and İzmirli Talat was elected the Chairman at the Board meeting held on December 28, 1930⁽⁷⁸⁾. But Talat Bey's chairmanship did not last long. After Hacim Muhittin (Çarıklı) Bey, the Chairman of the Executive Board of CHP in İzmir, announced that “the party won't nominate anyone”, the management of the Exchange elected Cevahircizade Şükrü Bey as the Chairman again⁽⁷⁹⁾.

As mentioned above, the Exchange had been greatly influenced by the depression. The report prepared by the statistics office of the Exchange in 1933 revealed the situation in numbers clearly. The trade volume, which was about 50.000 Liras in 1927, dropped as low as 15.000 Liras in 1932⁽⁸⁰⁾. Naturally, the budget of the Exchange shrank evenly.

The Government was in search of ways to safeguard the presence and prosperity of the financial institutions throughout this period. The attitude of the

Government was that of a statist approach in industry, in infrastructural investments, in public services. Despite the precautions taken in agriculture to safeguard farmers, the foreign-dependent structure of the agricultural production hindered the success in this field. For this reason, governments closely interested in the marketing of the agricultural products adopted the process of fixing the export prices of products at the highest level. There were also some efforts for the standardization of the agricultural products to be in high demand.



Celal Bayar

⁽⁷⁸⁾ (İTB), Y.K.D.D., December 28, 1930.

⁽⁷⁹⁾ (İTB), Y.K.D.D., August 27, 1931.

⁽⁸⁰⁾ Anadolu, February 9, 1933.



Nurullah İzmirlioğlu

In his speech addressed to the press at the İzmir Commodity Exchange, Celal Bayar stated that agricultural products would be standardized in order to be marketed at their deserved prices in foreign markets. Hence, a committee of German specialists was invited to İzmir to inspect the standardization of the raisins and fig. The studies of the German specialists were conceived as the intervention of the Government to exert control over the export of the raisins, which led to great deal of unrest in the markets.

At the end of the Raisins Congress held by the Ministry of Economy, the following four ordinances were taken for the standardization:

- 1- Seedless raisins are to be sold free from residues
- 2- The type numbers from 7 to 12, which are the exported ones, will be standardized.
- 3- Color and size standardization, the permissible level of insects and moisture will be determined by September the latest by the committee formed according to the regulations.
- 4- Raisins will be exported either in sacks or boxes of certain sizes. The control will be carried out in the presence of the officials of the Ministry⁽⁸¹⁾.

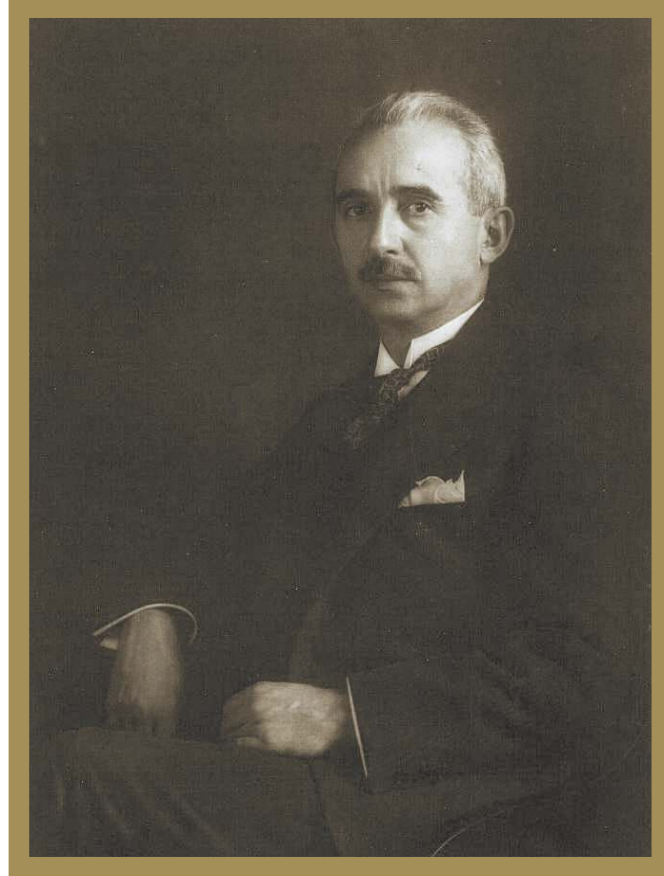
The sale of the standardized products started in September, 1937 and in this way, the export of raisins under state control was realized. When the

⁽⁸¹⁾ *Yeni Asır*, March 14, 1937.

standardization of the raisins bore favorable results and was sought after in foreign markets, the Ministry of Economy decided to standardize the acorn and wheat before putting them on the market⁽⁸²⁾. The latest standardized agricultural product was fig. The fig could only be standardized in 1942 and started to be traded at the Exchange⁽⁸³⁾. It is observed that, during the same period, the trading of tobacco at the İzmir Commodity Exchange was also discussed but a consensus could not be reached⁽⁸⁴⁾.

Another step taken to improve the facilities offered by the Exchange was the establishment of an analysis laboratory. The idea of founding an analysis laboratory was brought to agenda during the construction of the Exchange Palace, but the idea could not come true due to the Great Economic Depression, which led to a great deal of cut in the budget. The analysis laboratory was activated in 1933 upon the pressures of the European purchasers⁽⁸⁵⁾.

Leaving the days of depression behind slowly, the Exchange started to overcome financial difficulties. When the budgets of the years between 1928 and 1939 are inspected, it is clearly understood that the revenues of the Exchange were declining and the expenditures were brought down. As of 1936, decreasing effects of the Great Economic Depression, the positive reflection of the increase in the share of the Exchange from one per thousand to one and a half and other precautions contributed to the



İsmet İnönü

⁽⁸²⁾ *Anadolu*, March 4, 1938.

⁽⁸³⁾ *Anadolu*, July 5, 1942.

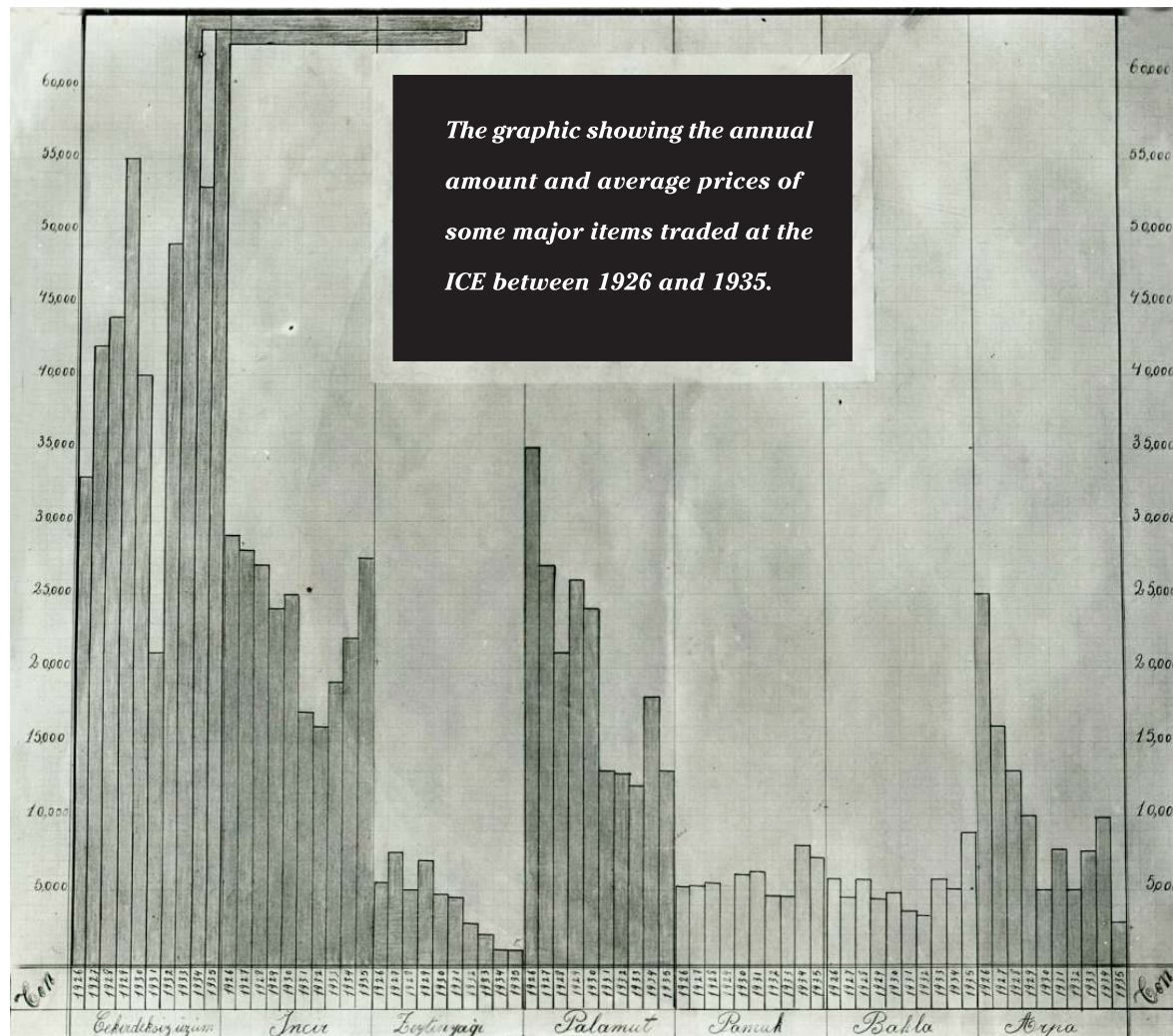
⁽⁸⁴⁾ *Yeni Asır*, January 19, 1939.

⁽⁸⁵⁾ *Anadolu*, March 17, 1933.



increase in the revenues and this resulted in the expansion of the spending capacity. Paying off the mortgage debt loaned from Emlak and Eytam Bank was surely the most important relieving development for the Exchange⁽⁸⁶⁾.

Free from any debt, the Management of the Board rolled up the sleeves to fulfill all the needs in the building; the building was to be renovated completely and enlarged with additional buildings. The additional buildings were going to be erected on the lot just behind the building, which would cost 20.000 Liras and some halls were to be enlarged⁽⁸⁷⁾. Although the foundation pits were excavated for the additional buildings in May 1939, they couldn't be completed as the World War II broke out⁽⁸⁸⁾.



(86)Yeni Asır, December 15, 1938.

(87)Yeni Asır, December 20, 1938.

(88)Anadolu, July 1, 1939.

- D - THE İZMİR COMMODITY EXCHANGE DURING THE YEARS OF WORLD WAR II

Turkey sustained the economic structure inherited from the Ottoman Empire with some minor changes until 1930, but after this date it headed towards a systematized economy based on the idea of a statist economy. In 1938, the Second Five-Year Development Plan was put in practice, but the economic program had been dealt with an approach excluding the possibility of war. Although Turkey did not involve in this war actively, it felt the heavy burden of the war, which led to various changes in the country.

The military recruitment of most of the male adults resulted in considerable decline in the production. During the years of the war, the wheat production dropped almost 50%. Planning efforts and investment programs which had started before the outbreak of the war had to be postponed due to extra expenditures on defense budget. Those were the objective conditions which made the years of war an economic downturn period⁽⁸⁹⁾.

Throughout the years of war, Refik Saydam and Şükrü Saraçoğlu Governments represented two different approaches towards the problems of the war economy.



Elections at the ICE (1930s)

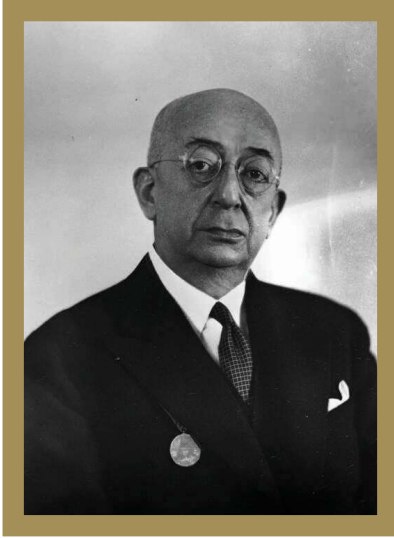
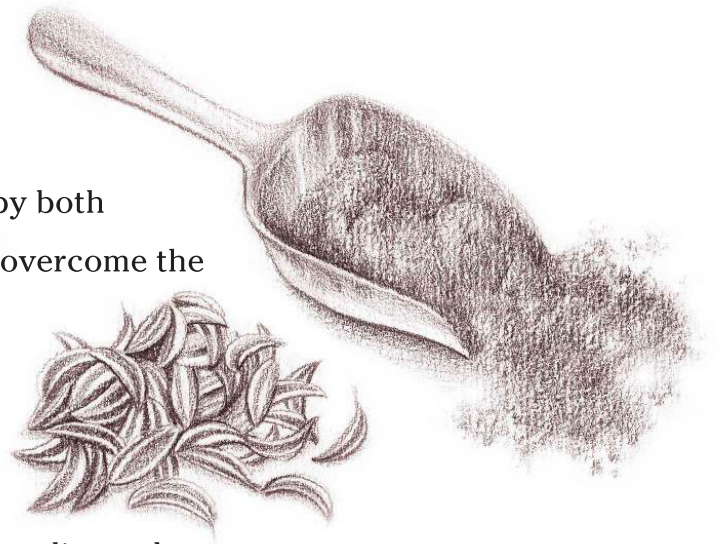


A ceremony in front of the ICE in the early 1940s. The Governor Fazlı Güleç, the Mayor of İzmir Reşat Leblebicioğlu and facing back, the Minister of Commerce Behçet Uz.

⁽⁸⁹⁾Borataş, Türkiye İktisat..., p. 63.



It is claimed that the economic problems faced by both governments were the same. They both tried to overcome the unavoidable inflationist pressure on the masses caused by sharp decreases in the production and manufacture and to provide food, shelter and heating to the people. As the governments became helpless at finding a radical solution to eradicate the ailment of inflation and low production, they mainly dealt with soothing the effects of the illness⁽⁹⁰⁾.



Refik Saydam

Refik Saydam Government acted quickly to nationalize the institutions which had not been done so up to that time. Most of the foreign companies were nationalized by acquisition through purchase and handed over to the municipalities they belonged to, thus, the government interventionism on economy was intensified.

The first step of the Refik Saydam Government was the Law of National Protection enacted on January 18, 1940⁽⁹¹⁾. The authority granted by law to the Government included the whole economic life. The government had the right to determine what and how much to produce in industrial and mining establishments, and which methods to follow in order to reach this aim. It was also stated that the institutions or companies which did not follow the regulations and procedures fixed by the Government would either be confiscated or run by the State upon indemnity payment. The Government also had the right to hire all kinds of engineering and transportation vehicles in the country. All the interventions in this regard were related to the production, and directed at keeping the production at the level which could meet the demands of the war. The agricultural sector also had its share by similar interventions⁽⁹²⁾. In this respect, the government had the right to determine which crop to be raised in which areas, and to hire and be

⁽⁹⁰⁾Boratav, *Türkiye İktisat...*, p. 65.

⁽⁹¹⁾Cemil Koçak, *Türkiye'de Milli Şef Dönemi*, Vol. II, İstanbul, 1996, p. 373.

⁽⁹²⁾Timur, *Türk Devrimi...*, p. 175.

engaged in farming on non-cultivated lands over the size of 500 hectares. Besides, the government could act as a purchaser and seller in foreign markets, take measures to prevent black marketeering. In addition to this, the government would exercise authority to control the prices on the markets⁽⁹³⁾.

With the enforcement of the law, the provisions whose effects were mostly felt in commercial and social life were the ones related to the control of prices and regulating international trade. The Commerce Office, which was accountable to the Ministry of Commerce, had the duty and right to deal with internal and external trade for the good of the public and national defense, to make suggestions to the government about fixing the prices, to establish partnerships with individuals and institutions to increase the production, to act as a distributor and to build warehouses to store the commodities⁽⁹⁴⁾. The office was established on June 24th, 1938 and its main duties were to fix the prices of grains, especially the wheat, and their derivatives, to process and standardize them so that they could be easily exported⁽⁹⁵⁾. Though the office was founded on the basis of protecting the rights of farmers by regulating the grain market through the purchase of the Government,



Fevzipasha Boulevard

⁽⁹³⁾See, Metin Tire, *II. Dünya Savaşında Milli Koruma Kanunu*, İzmir, 1990, (DEÜ AİTTE, unpublished).

⁽⁹⁴⁾ See, *Düstur*, (3. Tertip), Vol. XXII, Ankara, 1959, p. 274.

⁽⁹⁵⁾*Düstur*, (3. Tertip), Vol. XIX, Ankara, 1956, pp. 1486-1493.



the practice was just the contrary throughout the first years of the war and the wheat was underrated and bought at a lower price (and usually by force) by the government⁽⁹⁶⁾.

When the above mentioned practice led to black market and some complaints, Saraçoğlu Government loosened the price control with the decision taken on July 15, 1942. According to this decision, small farmers would sell the 25% of their agricultural products to the Office at the price fixed by the government, and medium farmers 35%, big farmers 50% and they would be free for the rest of their products. Besides, the Ministry of Commerce declared that the grain purchase prices had been increased by 50%⁽⁹⁷⁾. According to the news reported by the Ticaret newspaper, this decision was welcomed by the markets. It was believed that the practice of free market economy and curb market price for the other products would wipe out the black market⁽⁹⁸⁾.



The cover of the magazine "İktisadi Yürüyüş" issued in 1943.

The İzmir Commodity Exchange acknowledged it as a mission to keep the prices of products at a reasonable level and to prevent artificial increases through speculation, and also decided to extend prohibition by the municipality of the practice of advanced sale on broad bean at the Exchange to the other commodities⁽⁹⁹⁾. The management of the Exchange announced that those expecting gains through the price increases by speculation would be severely punished according to the regulations of the Law of National Protection⁽¹⁰⁰⁾. The municipality of İzmir

would take the responsibility to monitor the practice at the Exchange and an official from the municipality would be present at the Exchange for this duty⁽¹⁰¹⁾.

⁽⁹⁶⁾Timur, *Türk Devrimi...*, p.181.

⁽⁹⁷⁾*Düstur*, (3. Tertip), Vol. XXIII, Ankara, 1960, p. 1641 and *Ticaret*, July 17, 1942.

⁽⁹⁸⁾*Ticaret*, July 16, 1942.

⁽⁹⁹⁾(İTB), *Y.K.K.D.*, August 11, 1942.

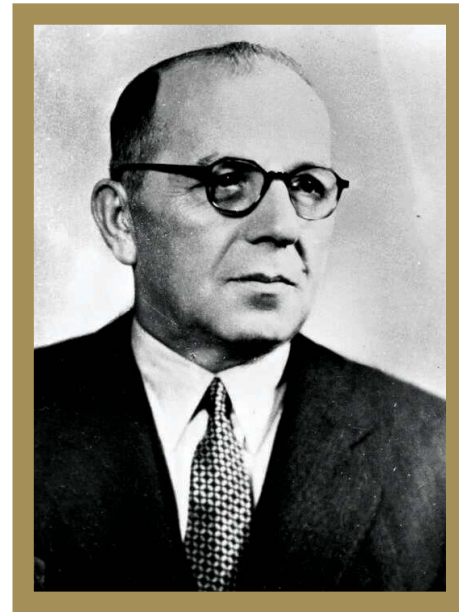
⁽¹⁰⁰⁾*Ticaret*, August 1, 1942.

⁽¹⁰¹⁾*Anadolu*, August 1, 1942.

The İzmir Commodity Exchange did not abstain from cooperating with the municipality on this issue. The management of the Exchange sent the lists of the traded foodstuffs to the Municipality every day⁽¹⁰²⁾. The Municipality kept the business of control at the Exchange seriously. Giving justification that foodstuffs which changed hands at the Exchange led to the increases in prices, the Municipality sometimes halted the transactions of the grain at the Exchange. After a while, the Municipality went a step further and allowed the sale of a product at the Exchange only once and fixed maximum profit limits based on the prices at the Exchange. According to this plan, 5% profit limit was specified on the wholesale of the commodities purchased at the Exchange, which included the expenditures made by the wholesaler⁽¹⁰³⁾. Except for the raisins, the İzmir Commodity Exchange lived the dullest period in the August of 1942.



Cevdet Alanyalı (1940-1948)



Şükrü Saraçoğlu

With the opening of the markets for raisins and fig, the transactions at the Exchange gained speed. But, when the market intervention of the Municipality increased day by day, the Exchange lost its buoyancy again. It should be noted that the practice of “wealth tax” during the same period also had a negative impact on the markets. The decision of the Government to free the sale of grains, flour and the manufacture of pasta as of January 1943 lent a helping hand to the Exchange and allowed to breathe again. To make use of this opportunity, the management

⁽¹⁰²⁾(İTB), Y.K.K.D., September 26, 1942.

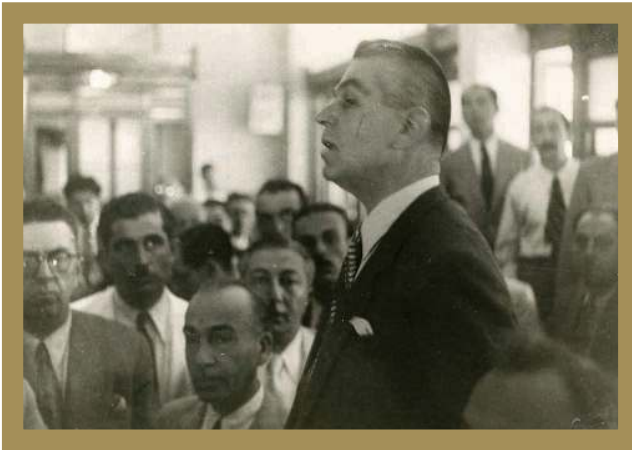
⁽¹⁰³⁾Ticaret, December 2, 1942.



reduced the amount of grain to be traded at the Exchange to one sack⁽¹⁰⁴⁾.

The Law of Wealth Tax implemented by Şükrü Saraçoğlu Government in November 1942 applied to mainly the wealthy bourgeois and secondarily the farmers, growers, tradesmen and salaried class; it specified an extra tax determined by certain committees, collected once a year and without a right of objection. Those who had tax obligation had to pay it in a month or else were sent to the camps, and then were subjected to work in the town of Aşkale. Though the law made no discrimination, more than half of the tax collection was paid by the minorities and in this way the “Wealth Tax” took its place in our history of economy as a kind of tax based on race and religion.

When the Wealth Tax was abolished in the beginning of 1944, 114.000 taxpayers had paid 315 million Liras⁽¹⁰⁵⁾. Revenues from agriculture, which were exempted from the Wealth Tax on a large scale, were reached through the enforcement of Tax on Agricultural Products in 1944⁽¹⁰⁶⁾. The implementations of the Government concerning the economy during the years of war faced strong opposition from commercial and industrial circles. To fight and prevent this opposition, these classes were subjected to a new kind of organization. The Law of Chambers of Commerce and Industry, the Chamber of Artisans and Commodity Exchanges was the result of these efforts⁽¹⁰⁷⁾.



The Minister of Commerce Dr. Behçet Uz at the opening ceremony of the fig and raisins markets at the ICE in 1942.

The law which blocked the private enterprise, but allowed activities within the limits drawn by the Ministry, which carried the Government inspection to the advanced stage and woven a web of bureaucratic guardianship had a corporate feature⁽¹⁰⁸⁾. Samet Ağaoğlu, who worked for the Ministry of Commerce at that time,

(104) Ticaret, January 26, 1943.

(105) Boratav, Türkiye İktisat., pp. 66-67.

(106) Boratav, Türkiye İktisat., p. 67.

(107) Timur, Türk Devrimi., p. 209.

(108) Timur, Türk Devrimi., p. 209.

stated that the law was enacted as a result of “the Prime Minister Şükrü Saraçoğlu's desire to imitate National Socialism and to discipline the business life of industrialists and merchants⁽¹⁰⁹⁾. ”

At the meeting chaired by Cevdet Alanyalı just after the law was approved by the Government, the Exchange management agreed on the prohibition of the trade of quoted commodities outside the Exchange, within the İzmir municipal boundaries and all people, institutions and organizations dealing with trade were obliged to register at the Exchange within fifteen days⁽¹¹⁰⁾.

The issue of subsidy got worse in the beginning of 1943. With the decree issued in May, 1943 the amount that the government confiscated was increased⁽¹¹¹⁾. In addition to grains, the government broadened the scope and included the pulses. Despite the rumor that the sale of grains would be set free in İstanbul, İzmir and Ankara, it was continuously postponed. It was a widespread belief that the prohibition resulted in black market and high cost of living. Grain trade could hardly recover towards the end of 1945. After months of recession at the İzmir Commodity Exchange, the atmosphere suddenly changed when the Ministry of Commerce allowed the export of chickpeas, lentil, peas, kidney beans and corn on foreign currency⁽¹¹²⁾.

The export of raisins and fig often encountered problems during the World War II as the biggest buyers of these products took part in the war. In December 1943, 1/3 of the 20 thousand tons of fig was still unsold although five months had passed since the harvest, which led to loss of



quality, exquisiteness and some extra costs. Families working at fig processing factories for a living were also having hard times.

(109) (İTB), Y.K.K.D., July 20, 1943 and Halkın Sesi, July 20-21, 1943.

(110) Şevket Pamuk, “İkinci Dünya Savaşı Yıllarında Devlet, Tarımsal Yapılar ve Bölüşüm”, Türkiye’de Tarımsal Yapılar 1923-

(111) 2000, Ankara 1988, p. 106.

(112) Ticaret, December 10, 1945.



In 1945, the exporters in İzmir tried to take some precautions to regulate the raisins and fig market. Firstly, the amount of raisins to be sold to England were shared among the exporters and a list was prepared for this. But it was claimed that there were some injustices in the list and that the exporters to Germany were treated unjustly⁽¹¹³⁾. And also, the Board of the Union of Dried Fruit Exporters argued that there would be troubles in meeting the demands of England, so they put forward a proposal to the Ministry of Commerce to form a committee for the regulation of purchase of items to be done by the exporters. In accordance with



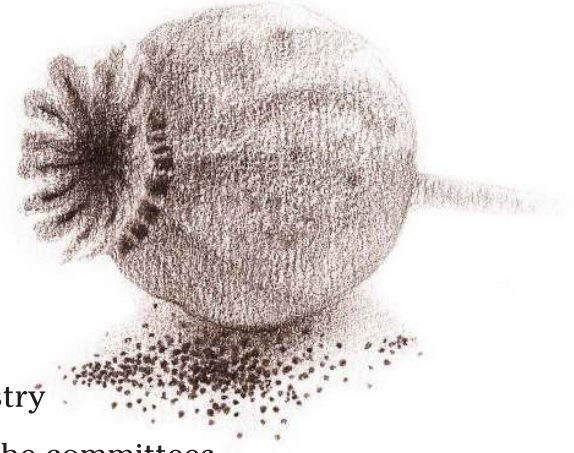
The Board of the Exchange (1943)

the order of the Ministry, who considered the offer reasonable, decision was made to carry out the purchase of raisins and fig by two committees. The raisins committee was formed of Selahattin Sanver, Ali Bayrak, Nihat Üzümcü, Mazhar İzmirlioğlu and Taranto

and the fig committee was made up of Şerif Remzi Reyent, Selahattin Sanver, Ali Bayrak, Mustafa Haydar Nazlı and Enver Bakioğlu.

The decision taken by the Dried Fruit Exporters and supported by the Ministry of Commerce caused great excitement at the Exchange, but met with protests by sellers. Producers and merchants who were against this decision showered messages of complaint to the President İsmet İnönü and made an agreement not to sell their products at a low price. The Ticaret newspaper stated that this decision, which had prevented free trade for five years, was the worst of all the decisions taken by the Ministry of Commerce and the justification of the decision was the belief that it would be impossible to find a strong buyer other than the English and the concern that it would be difficult to fulfill the commitments.

⁽¹¹³⁾Ticaret, October 11, 1945.



The major reason of objection to this decision by the farmers was the worry that the products would be sold at a low price by claiming that the expenditures were very high⁽¹¹⁴⁾. The objection to the decision, which was approved by the Ministry of Commerce that raisins and figs could be purchased through the committees, became stronger day by day. After some heated debates, decision was taken to abrogate the committees and to decontrol the trade at the Exchange, but the practice of apportion list was continued⁽¹¹⁵⁾.

It was a few years after the war that the raisins and fig market gained stability. Yet, the dispute especially over the raisins had arisen due to limited export possibilities.



It was indispensable *Customs Warehouses (1940s)*

that any economic fluctuation in England, which was the major buyer of the product, would surely affect the Aegean raisins market negatively. Hence, when England was tardy in importing raisins in 1948, it led to a sharp and considerable fall in prices⁽¹¹⁶⁾. So, the Federation of Grape Growers accused the Exchange, the Exchange urged for the intervention of the Government, Tarih and Tekel commenced purchasing raisins, but the drop in prices could not be prevented⁽¹¹⁷⁾. The rise in the price of raisins was achieved only after England increased the import volume again in 1950⁽¹¹⁸⁾. These experiences proved that, as long as the English were the major importer of the raisins, and unless the market was enlarged, the troubles over the raisins issue would often be repeated.

(114) Ticaret, October 13, 1945.

(115) Ticaret, October 19, 1945.

(116) Yeni Asır, April 22, 1948.

(117) Yeni Asır, December 13-15, 1949 and March 21, 1950.

(118) Yeni Asır, April 30, 1950.



PART - III -

- A -

THE İZMİR COMMODITY EXCHANGE DURING THE MULTI-PARTY PERIOD



- A - THE ECONOMIC POLICIES IN TURKEY AFTER THE WAR

The unconditional surrender of first Germany and then Japan in 1945 meant the end of a six-year nightmare throughout the world. The war affected not only the countries actively taking part in it, but also, on a large scale, the ones which took pains not to involve. When the war finally came to an end, it left behind millions of dead and injured people, who constituted the qualified work force, war-ravaged cities, collapsed economies and distorted relations. Though Turkey was not among the participating countries which lost so many lives, the war seriously harmed the foreign relations and the economy of the country even after the war for some time.

Even though the war-time inflation led to rise in prices until 1943, they slowed down towards the end of 1943 and tended to drop by 1946. But these developments largely stemmed from the state intervention to the markets. In addition to this, when the war ended with the victory of the liberal democracies, the political regime in Turkey became disputable in a short time. The intraparty opposition movement led by Celal Bayar, Refik Koraltan, Fuat Köprülü and Adnan Menderes in Republican



Cotton transport at the Harbour of İzmir

Peoples Party presented the “Memorandum of the Four” to the party group on June 7th, 1945. In their memorandum, they called for the elimination of anti-democratic party regulations and practices, inspection over the Government by the Grand National Assembly and free elections. After their demands were rejected by the party group, they resigned and established the Democratic Party⁽¹⁾. At the extraordinary meeting of the CHP on August 10-11, 1946, most of the anti-democratic regulations and practices were removed.



Mehmet Nebioğlu (1948-1950)

Some concrete steps were taken to lessen the statist approach to economy. Tax on Agricultural Products, which used to cause opposition against the CHP among the farmers, was abolished in January 1946,⁽¹⁾. Also, in January again, the Law of Workers' Insurance was inured to the benefit of workers. The development which would have an earthquake effect on economy was the steps taken, which were known as the Decisions of September 7th. With the decisions taken, the Turkish Lira was devaluated, 1 US Dollar rose to 280 Kuruş (2.80 Liras). Some import restrictions were lifted so that luxurious and non-essential commodities could be imported. The sales of gold became free through Ziraat (Agriculture) Bank⁽³⁾.

Throughout the years of the War, the İzmir Commodity Exchange had to take up the challenges under the Chairmanship of Cevdet Alanyalı. The President of the Assembly was Selahattin Sanver. The members of the Assembly and the Board of Management did not change much. The first election at the Exchange after the War was held in April 1946 and professional committees were formed.

The Assembly of the Exchange was formed of; C. Alanyalı, M. R. Nebioğlu, N. Börekçioğlu, A. Tabak, Ş. Tuğlular and F. Simsaroğlu were chosen for the Union of Cooperatives, Cevdet Alanyalı, for the Chairmanship of Board of Directors⁽⁴⁾.

(1) Taner Timur, *Türkiye'de Çok Partili Hayata Geçiş*, İstanbul, 1991, p. 14-15.

(2) Eroğlu, *Demokrat Parti*,..., p. 14.

(3) Boratav, *Türkiye İktisat*..., p. 77.

(4) *Demokrat İzmir*, April 25, 1946.



In 1947, the provision limiting the working hours of the Exchange was abolished. Transactions, which exterminated at 12.30, were extended from 11.00 a.m. until evening as in the past⁽⁵⁾. This change could be considered as a sign of turning back to normal again at the Exchange. Observing the improvements at the Exchange, the Ticaret newspaper stated that “the boost at the Exchange reminded of the old days”⁽⁶⁾. The return to normal at the markets contributed immensely to the financial improvement at the Exchange. The statement of receipts and payments, which was required by law enacted in 1943, belonging to years 1944-1951 reveals this gradual improvement in the budgets.

The relative improvement in the financial position of the Exchange and the disappearance of the extraordinary conditions after the World War II gave the chance to reduce the ten percent commission of the Exchange to five percent⁽⁷⁾. This decision taken by the Board of the Executives of the Exchange was also approved by the Ministry of Commerce and came into effect in October. Besides, the issue of reducing the membership fees of the merchants and brokers, and office and desk fees of the Exchange agents were brought forward⁽⁸⁾. Financial improvements



(5)Ticaret, October 22, 1947.

(6)Ticaret, February 18, 1948.

(7)(İTB), Y.K.K.D., August 31, 1949, Demokrat İzmir, September 1, 1949 and Ticaret, September 1, 1949.

(8)Ticaret, October 21, 1949.

enabled the Exchange to increase the salaries of the personnel, which had not been raised throughout the years of wars.

When the commercial life started to give signals of turning to normal and the Exchange worked smoothly and efficiently, it was again felt that the Exchange building was not big enough. The insufficiency of the building was mainly felt at the transactions of the acorn. In 1944, a building was searched for this purpose, but when failed, the old acorn hall at the basement of the Exchange and the building next to it was considered. Also, in order to realize the transactions of all the listed products at the Exchange, efforts were made before the Ministry of Commerce and the Directorate of Mail and Telegraph to have the building evacuated, which was rented by the Directorate of Telegraph and Parcel⁽⁹⁾.

Liberalization in the economy and the signals of the markets to turn back to normal after the World War II contributed to stability and constancy at the Exchange under the Chairmanship of Cevdet Alanyalı. However, the sudden and unexpected death of Cevdet Alanyalı resulted in destabilization, and the dispute in every walk of life, which emerged together with the Democratic Party, could also be seen at the İzmir Commodity Exchange. After the death of Alanyalı, Mehmet Nebioğlu was chosen the Chairman. However, the sudden and unexpected death of Cevdet Alanyalı resulted in destabilization, and the dispute in every walk of life, which emerged together with the Democratic Party, could also be seen at the İzmir Commodity Exchange. After the death of Alanyalı, Mehmet Nebioğlu was chosen the Chairman⁽¹⁰⁾.

In March 1949, the terms of office for the Boards of Chambers of Commerce and the Exchange expired and the elections had to be renewed within a month⁽¹¹⁾. As the new law related to the chambers and exchanges was on the agenda of the Turkish Grand National Assembly at that time, the elections were postponed to be held after the law was enacted⁽¹²⁾.

⁽⁹⁾ (İTB), Y.K.K.D., November 3, 1944.

⁽¹⁰⁾ Ticaret, May 2, 1948.

⁽¹¹⁾ Yeni Asır, March 5, 1949.

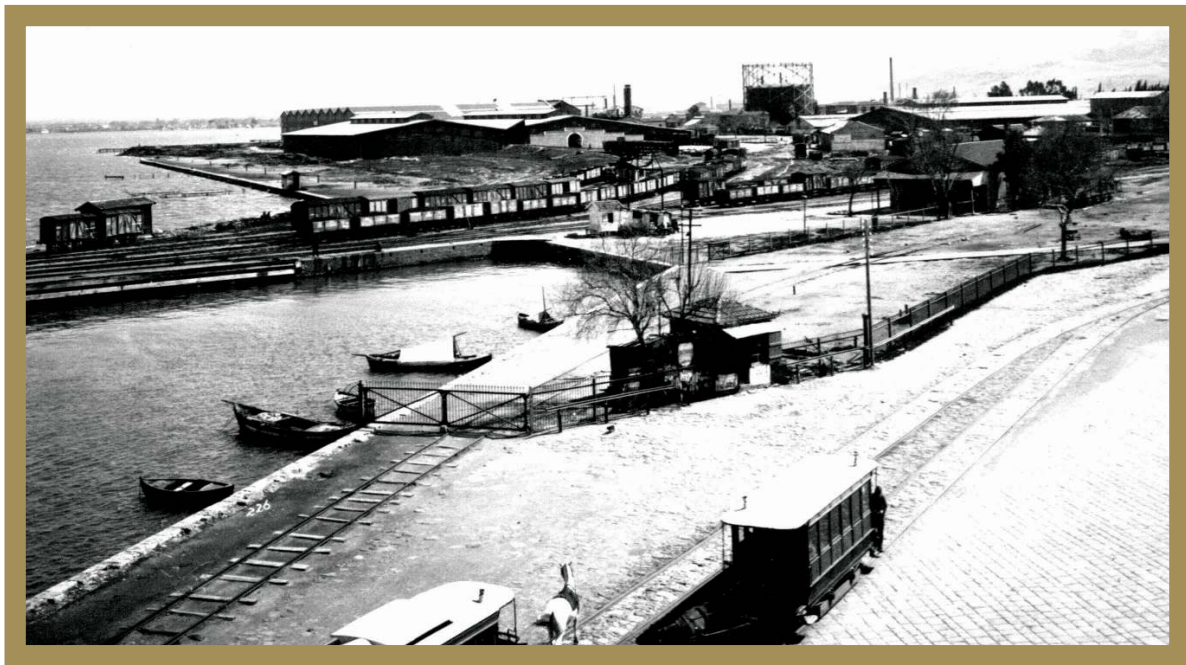
⁽¹²⁾ Yeni Asır, March 6, 1949 and Ticaret, March 6, 1949.



- B - THE LAW NUMBER 5590 AND THE UNION OF CHAMBERS AND COMMODITY EXCHANGES

In accordance with the law no.5590, which came into force during the World War II, had failed to satisfy the needs in search of new economic policies after the war. The law, which aimed at regulating the commercial activities and expenditures, and limiting the rate of profit with a centralized approach contradicted with the efforts to lessen the state control when the war ended. Pairing the chambers of artisans with the chambers of commerce and industry and not being able to define craftsmanship clearly caused inconsistency. There was a need to make a distinction between merchants and craftsmen⁽¹³⁾.

Action was taken upon the invitation of the Ministry of Commerce. It was decided to hold a meeting on March 5th in Ankara to discuss the amendments to be made in the law. Commercial committees which were formed in İstanbul, Ankara and İzmir were to reveal their suggestions and opinions in this meeting⁽¹⁴⁾. The Board of Directors of İzmir Commodity Exchange held a meeting on May 13th 1946 to discuss the general provisions of the law, but did not make any proposals⁽¹⁵⁾. The most important discussion during those days in commercial circles in İzmir was that the Chambers of Commerce did not care about the industrial affairs, and



(13)Ticaret, September 5, 1949.

(14)Yeni Asır, September 6, 1945.

(15)(İTB), Y.K.K.D., May 13, 1946.

(16)See, Ticaret ve Ziraat Gazetesi, July 26-28, 1951.

that there was an urgent need to establish a chamber of industry in İzmir. The new law was enacted on March 8th 1950 at the TBMM (Turkish Grand National Assembly)⁽¹⁶⁾. According to the law number 5590, “the commodity exchanges are the public establishments with legal entities dealing with the trade of commodities quoted at the exchange, and fixing and announcing their prices in accordance with the rules and regulations defined in the law.” (Article 32). Commodities are established by the Ministry of Commerce and Industry in places that commercial life necessitates. (Article 34) This article of the law, which was open to discussion, was later amended and stated that the operating areas of districts/towns were limited within their borders, and the operating areas of provinces/cities were limited or enlarged with the permission of the Ministry of Commerce and Industry.

The law allowed the election of the chairmen of chambers and exchanges to be held by the board of directors. (Article 44). The press at the time interpreted this change as full independence⁽¹⁷⁾. In this way, the direct control of the Ministry over the chambers and exchanges was lifted to a great extent and the control was limited with inspections only. The most striking amendment in the law was, without any doubt, the establishment of “the Union of Turkish Chambers of Commerce, Chambers of Industry and Exchanges” (Chapter V, Article 61-73).



Osman Kibar (1954-1960)

According to Law No. 5591, Article 61, it was stated that “the Union of Turkish Chambers of Commerce and Chambers of Industry and Exchanges are established with the permission of the Ministry of Economy and Commerce to maintain the

⁽¹⁶⁾See, *Ticaret ve Ziraat Gazetesi*, July 26-28, 1951.

⁽¹⁷⁾*Yeni Asır*, March 6, 1949.



development of the chambers and exchanges as stipulated by the regulations of the law. The Union is formed of general assembly and board of directors. The General Assembly is consisted of one or two persons chosen for three years from among the members of the chambers and exchanges in accordance with the regulations. The Board of Directors is composed of nine persons chosen for a year from among the members of the General Assembly of the Union.” With the amendment realized on April 17, 1986 councils of chambers and exchanges were included to the organs of the Union.



The inspection of the cotton samples at the Exchange Laboratory

The local chambers of commerce, chambers of industry and exchanges formed their executive bodies according to the new law and their delegates met at the conference hall of the Ministry of Economy and Commerce on February 6th 1952 and realized the “General Assembly of the Establishment” of the Union of Chambers and Exchanges⁽¹⁸⁾. Haydar Dünder, Rifat Yemişçi, A. Cemal Sipahioğlu and Hüseyin Oskan represented the İzmir Commodity Exchange at the meeting. The Chamber of Commerce was represented by Enver Bakioğlu, Mazhar Nurullah İzmirlioğlu, Selahattin Sanver and Hakkı Türegen, and the delegates of the newly established Chamber of Industry were Osman Kibar, Burhan Maner, Mücahit Büktaş and Turan Dirik⁽¹⁹⁾.

⁽¹⁸⁾Yeni Asır, July 22, 1951; see, İzmir Ticaret Borsası Tüzüğü, İzmir, 1951 ve

⁽¹⁹⁾ Y.K.K.D., July 26, 1951.





The meeting commenced with the opening speech of Muhlis Ete, the Minister of Economy and Commerce and then proceeded with the elections, at which Enver Bakioğlu, the delegate of the İzmir Chamber of Commerce, was chosen the Chairman of the General Assembly, and Sait Ege, the delegate of the Bursa Chamber of Commerce, was chosen the Vice Chairman. Haydar Dünder, a member of the İzmir Commodity Exchange, took office at the Board of the Executives. The Turkish Union of Chambers and Commodity Exchanges (TOBB) held its first Ordinary General Meeting on October 17th, 1952 and it has had a significant role in the economic and political life of Turkey.

In the meantime, the by-law of commodity exchanges and their unions was approved by the Council of Ministers, which paved the way to hold the elections for the new trade associations of the İzmir Commodity Exchange⁽²⁰⁾. At the elections, Haydar Dünder (the Chairman), Enver Bakioğlu, Ahmet Cemal Sipahioğlu, Osman Kibar and Haluk Faralyalı were elected to the Board of the Executives.

The most noticeable thing about the elections was that those taking part in the previous management did not take office at the new Board of the Executives. It could be inferred that this was the result of the anger felt for the CHP.



Livestock trade at the Exchange

(20)Yeni Asır, July 22, 1951; see, İzmir Ticaret Borsası Tüzüğü, İzmir, 1951 ve (İTB),



The members of the Board of the Executives formed in 1951 did not change until 1954, though the elections were renewed every year. In 1954, Osman Kibar became the Chairman of the Board of the Exchange and stayed in office until the military intervention in May, 1960⁽²¹⁾.

The Board of the Executives, which took over the management in 1951, set hands to the trade of fig and abolished the practice of analyze. The roundtable practice, which was initiated during the Second World War, became more functional and the new applications were welcomed by the commercial circles in İzmir⁽²²⁾. The legal authority granted by the new law enabled the talks to initiate with the Municipality to establish a livestock exchange, and the idea was deemed suitable and the procedures started to establish a livestock market and to build the livestock exchange building close to the Slaughter House⁽²³⁾.

Between the years 1951-1960, the transaction volume of the Exchange increased day by day, and parallel to these developments, efforts were made to increase the working capacity of the Exchange. The transaction volume, which was TL 182.771.000 in 1950, increased to TL 342.688.000 in 1955, TL 742.941.000 in 1960, and TL 1.010.500.000 in 1966⁽²⁴⁾. The İzmir Commodity Exchange, which had limited sources and budget and worked with a modest number of staff, had the opportunity to increase the number of the qualified personnel, and created the opportunity to have a faster communication in domestic and foreign markets, and also made contributions to vitally important public institutions. The official minute book of the Board of the Executives during that period is full of decisions to help establishments such as Ege (Aegean) University and Hospital, student hostels, primary and secondary schools in İzmir, the Red Crescent, and also financial support was given to poor children for their education.

The impact of the first military coup d'état of Turkey in 1960 was felt at the İzmir Commodity Exchange as in all other institutions. The transactions at the Exchange came to complete halt and it was impossible to communicate with the other exchanges as the telephone lines with İstanbul and other cities were

⁽²¹⁾Yeni Asır, December 1, 1954.

⁽²²⁾Ticaret, October 27, 1951.

⁽²³⁾Demokrat İzmir, April 22, 1951; (İTB), Y.K.K.D., December 28, 1951.

⁽²⁴⁾Ticaret Borsalarımız, (TOBB Publications), Ankara, 1965, p. 11 and 184.



Konak in 1960s

cut off⁽²⁵⁾. After the first troublesome days of the coup were over, financial markets recovered and the transactions at the Exchange turned back to normal again. But, with the Law No. 2, which came into force on June 15th 1960, all the organs of the exchange, including the Board of the Executives, were overruled. The governorship appointed a committee of five, which comprised of Ahmet Subaşı, Muammer Kayhan, Osman Sezik, Celal Akın and Mükerrerrem Sunter and formed the temporary administration. The temporary administration under the chairmanship of Ahmet Subaşı was responsible for the preparations of the general elections, which were scheduled to be held on July 26th⁽²⁶⁾. At the elections held at the end of July, the members of the Board of the Executives were as follows; Reşat Leblebicioğlu (the Chairman), Hikmet Kaşerci, Mücahit Büktaş, Sabahattin Tanık and Ümit Sanver⁽²⁷⁾. In place of Ragıp Sirmen, who resigned from his office, Sait Odyak was appointed⁽²⁸⁾. Reşat Leblebicioğlu, who served as the mayor of İzmir between 1941 and 1949, carried out his duty as the chairman of the Exchange until 1968. Hasan Güven was chosen the Chairman and stayed in office until 1984, except for the years 1972-1973. During the period of 1972-1973, Ömer Beşe served as the Chairman of the Executive Board.

⁽²⁵⁾ *Ticaret*, May 28, 1960.

⁽²⁶⁾ *Ticaret*, July 16, 1960 and *(İTB)*, Y.K.K.D., July 18, 1960.

⁽²⁷⁾ *Ticaret*, August 2, 1960.

⁽²⁸⁾ *(İTB)*, Y.K.K.D., September 1, 1960.



The book published by TOBB (the Turkish Union of Chambers and Commodity Exchanges) in 1968 evaluates the ten years of the Turkish commodity Exchanges between 1957 and 1966 and reveals the situation of the İzmir Commodity Exchange clearly. Making use of the book, the tables below - together with five other exchanges having the highest volume of trade - exhibit the volume of the transactions at the İzmir Commodity Exchange.

Table I:
The volume of trade in major exchanges between 1957 and 1966 (Thousand TL)

EXCHANGES	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966
Adana	237.596	354.528	453.520	381.905	447.055	437.091	525.589	654.481	702.846	800.028
Ankara	91.314	154.058	138.747	164.788	196.045	289.635	335.857	456.407	552.025	570.731
İstanbul	1.312.9	1.205.0	1.923.5	1.774.6	1.790.7	2.038.3	2.049.9	1.982.2	1.876.7	2.194.7
İzmir	697.187	508.597	759.655	742.940	740.605	869.322	882.011	847.371	923.790	1.010.4
Ordu	27.886	50.471	105.543	115.067	153.480	205.363	225.939	236.117	239.292	188.638

Table II:
The trade volume of cotton between 1957 and 1966 (Million TL.)

EXCHANGES	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966
Adana	173.4	263.4	358.0	282.7	367.0	345.0	393.8	474.0	480.1	526.6
İzmir	234.7	168.0	322.4	328.5	376.0	388.3	419.3	353.6	316.0	419.2
Ceyhan	70.0	49.2	95.7	100.9	121.8	120.0	144.4	129.4	153.4	147.8
Antalya	22.4	12.9	37.9	38.9	38.3	44.5	51.2	70.1	68.6	102.2
İstanbul	45.9	43.3	44.5	24.3	15.1	13.4	7.8	10.4	10.7	10.5

Table III:
The trade volume of wheat between 1957 and 1966 (Million TL)

EXCHANGES	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966
Adana	135.1	133.1	206.1	156.6	162.4	214.6	218.7	192.4	195.7	218.0
İzmir	48.2	30.3	48.3	51.4	76.7	113.2	101.8	100.0	121.4	105.2
Ceyhan	28.6	30.6	23.8	40.8	47.5	107.1	135.8	108.4	136.8	126.7
Antalya	25.2	26.7	17.9	37.2	52.0	26.4	90.1	65.5	79.2	79.6
İstanbul	27.5	20.7	30.1	37.5	40.7	51.3	61.8	81.6	72.9	73.3

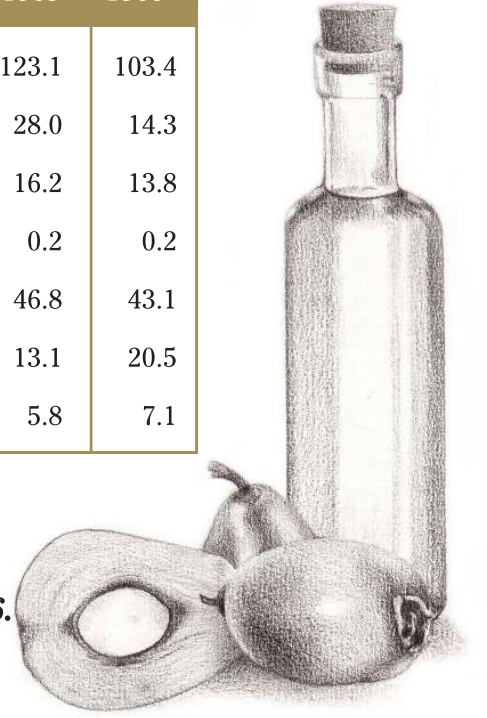
Table IV:

**The trade volume of raisins, dried fig and olive oil between 1957 and 1966
(Million TL)**

	EXCHANGES	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966
Raisin	İzmir	103.4	83.3	121.1	109.5	90.9	99.5	90.6	92.3	123.1	103.4
	Manisa	14.3	12.8	20.5	36.3	18.1	32.1	22.4	20.4	28.0	14.3
Dried fig	İzmir	13.8	11.9	15.6	20.3	13.8	19.2	20.7	16.5	16.2	13.8
	The other	0.2	8.9	6.3	4.7	0.3	0.1	-	0.1	0.2	0.2
Olive oil	İzmir	43.1	5.9	13.3	16.6	23.3	66.3	20.2	29.3	46.8	43.1
	İstanbul	20.5	1.1	12.1	13.8	11.9	16.1	8.5	11.0	13.1	20.5
	The other	7.1	2.8	5.1	4.9	7.1	8.7	10.3	5.1	5.8	7.1

Table V:

**The commodities traded at the Exchange between 1957 and 1966.
(Million TL)**



PRODUCTS	1957	1958	1959	1960	1961	1962	1963	1964	1965	1966
Cotton	234.7	168.0	322.4	328.5	376.0	388.3	419.3	353.6	316.0	419.2
Raisins	85.2	83.3	121.1	109.5	90.9	99.5	90.6	92.3	123.1	103.4
Wheat	48.2	30.3	48.3	51.4	76.7	113.2	101.8	100.0	121.4	105.2
Wheat flour	28.1	25.4	39.9	53.0	59.4	61.1	61.0	65.0	64.0	64.6
Meat	-	-	-	-	-	-	51.0	42.3	53.0	63.1
Cotton seed	37.5	31.1	24.5	21.4	19.0	18.0	41.4	29.1	78.6	65.2
Olive oil	66.0	5.9	13.3	16.6	23.3	66.3	20.2	29.3	46.8	43.1
Cottonseed oil	34.6	23.0	25.7	30.2	12.7	25.8	23.4	32.9	18.6	7.4
Dried fig	8.0	11.9	15.6	20.3	13.8	19.2	20.7	16.5	16.2	13.8
Acorn	21.8	22.6	28.0	27.7	11.0	10.0	4.9	5.6	7.6	4.6
Veg. margarine	-	0.4	0.1	0.1	-	-	14.1	26.1	24.4	33.9
Lamb	11.6	12.5	17.8	16.5	16.2	12.5	2.1	1.2	0.8	1.8
Pulp	6.8	9.6	8.7	2.2	6.1	7.4	11.8	10.3	10.5	12.2
Rice	14.2	3.3	15.7	11.4	5.4	2.9	2.0	6.9	6.2	10.2
Sesame	9.4	5.5	5.9	3.4	2.3	10.6	2.9	2.5	3.1	4.5
The other	91.1	75.7	72.7	50.7	27.8	34.0	14.8	33.8	33.5	58.3
TOTAL	697.2	508.5	59.7	742.9	740.6	869.3	882.0	847.4	923.8	1010.5



- C - THE CHANGES IN THE TURKISH ECONOMY AND THE İZMİR COMMODITY EXCHANGE



The view of the İzmir Bay from Eşrefpaşa (1960s)

The Law No. 5590 and the TOBB (the Turkish Union of Chambers and Commodity Exchanges) established according to this law became an object of criticism as of 1960s from time to time, and their incapableness was often debated. In 1962, with the description that “the Exchange regulations are unsatisfactory”, it was meant that the Exchange Regulations, which were prepared according to the needs of the past, failed to meet the demands of the present day. It was desired to amend the regulations and rules of the exchanges, which had become rather ineffectual, and to have an up-to-date statute after examining the ones in European exchanges thoroughly⁽²⁹⁾.

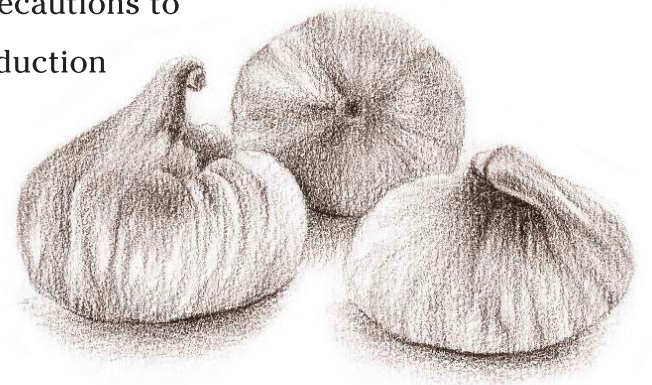
Another matter that the İzmir Commodity Exchange dealt with was the method of support purchase. The management of the Exchange was in favor of

⁽²⁵⁾ Ticaret, December 6, 1962.

carrying out the support purchase not only from the producers but also from the merchants. While the support purchases from the producers partially helped to balance the prices at the Exchange, it also led to the fall of prices, and also, the İzmir Commodity Exchange started to lose its importance day by day. With the practice of support purchase, the management claimed that the Government “protected not the product, but a privileged community, and in this way, it deviated from the main target⁽³⁰⁾. ” Hasan Güven, the Chairman of the Board of the Exchange insisted that TARIŞ had to operate at the Exchange for the stability, and even its presence at the Exchange would be sufficient and helpful⁽³¹⁾. Upon the complaints of the chambers of commerce and exchanges, it was decided to hold a meeting on March 22nd 1971 in Ankara to discuss the floor price and support purchase practices⁽³²⁾. However, all the efforts failed and the proposal to carry out the support purchase at the Exchange was rejected by the Government.

A severe criticism started soon after the First Erim Government, which was established after the military memorandum of 12 March 1971 and declared their economic program. The main principals of the First Erim Government's economic policy were as follows:

Mixed economy was to be adopted in reconstruction. A committee of land reform, which was accountable to the Prime Minister, would be established. The first step would be to bring in the “Legislative Proposal of Land reform” to the parliament, which aimed at defining and limiting the land to be allowed to families according to region and the kind of the soil. Taking precautions to coordinate the government institutions for better production methods and technics and increasing the volume of production, eliminating the contradictions between agricultural credits and price policy would be some of the priorities. Another important practice would be to adopt a system of agriculture tax. Agricultural incomes would be taxed based on minimum subsistence level.



⁽³⁰⁾ Ticaret, April 27, 1970.

⁽³¹⁾ Ticaret, September 2, and October 5, 1970.

⁽³²⁾ Ticaret, March 19, 1971.



The work on the reestablishment of the state economic enterprises and their affiliates would be evaluated in a short time and the decision taken would be put into practice⁽³³⁾.



The Basmane Square (1970s)

The management of the İzmir commodity Exchange felt uneasy about the First Erim Government's program. According to the Exchange, the statement in one part of the program that the cooperatives would be encouraged was in contradiction with the statement in another part of the program that mixed economy would be adopted by sticking to the principles of Atatürk. The management of the Exchange claimed that encouraging the cooperative system would lead to a limitation in the volume of business of the private sector, and this would not comply with the idea of mixed economy of the Government. It was also stated that it was a mistake to give priority to land reform and demanded that the problems of the private sector be dealt with first⁽³⁴⁾.

These ideas were not unique to the İzmir Commodity Exchange only. The Executive Board of the Turkish Union of Chambers and Commodity Exchanges engrossed a memorandum about the unsolved problems of the private sector to be presented to the President Cevdet Sunay. According to the statements made to the press, the memorandum, which was intended to be presented to the President

⁽³³⁾ Neşe Erdilek, "Hükümler ve Programları", C.D.T.A., Vol. IV pp. 1017-1018.

⁽³⁴⁾ Ticaret, April 7, 1971.

Sunay at the meeting on August 5th 1971 in Bursa, was the result of failures in solving the problems of the private sector, and no result was obtained from the applications to the authorities within the three years, and also many decisions were taken against the private sector in recent years⁽³⁵⁾.

In his statement to the press after the meeting with the President, Hasan Güven, the Chairman of the Executive Board of the İzmir Commodity Exchange and the chairman of the Turkish Union of Raisin Exporters, said that, “We asked the Government to give more importance to the private sector.” Hasan Güven also pointed out that, it had been stressed at the meeting with the President that the representatives of the Union of Chambers had not been not invited to the Nihat Erim Government's meetings, at which vital economic decisions were taken. Güven, declaring that the statist approach in a democratic regime would harm the Turkish economy, mentioned about the Consumer Protection Law and criticized the secret way it was handled and emphasized the need to confer on the ideas of various institutions on this subject⁽³⁶⁾.



The Board of Management of the ICE (1981-1984)

Upon getting negative reaction from the other financial institutions, the draft law prepared during the political and economic turmoil of that period was laid aside by the Melen Government, which was established after the resignation of the Second Erim Government.

⁽³⁵⁾ *Yeni Asır & Ticaret*, August 4, 1971.

⁽³⁶⁾ *Ticaret*, August 7, 1971.



The attitude that the İzmir Commodity Exchange adopted against the economic policies of the Erim government was repeated in the following periods. The coalition protocol of the First Ecevit Government, which was established under the coalition of CHP and MSP (National Salvation Party) on January 26th 1974, was also similarly criticized by the İzmir Commodity Exchange. The Board of the Executives of the Exchange stated that the economic policy declared in the coalition protocol tarnished the principals of mixed economy and listed the reasons of this tarnishing as follows: Discrimination against the private sector in terms of equality and freedom among the sectors, the issue of establishment of cooperatives, the matter of abiding the economic regulations, preferential investment areas, financial support and economic incentive measures, aiming to create preferential sectors in import, export and domestic trade, the issue of gravitating towards new countries in external economic relations, and unilateral changes to the terms and conditions of employment.

The Administrative Board of the Exchange also stated that the tax regulation which hindered investments had to be amended, and also banking and credit legislation, the understanding of foreign capital, the policy of energy, floor price system, capital market regulations, forest areas that lost their values, agricultural insurance, financing of exports and rehabilitating the transportation were some of the major points that needed to be revised⁽³⁷⁾. The Administrative Board of the İzmir Commodity Exchange made the following recommendations to the Ecevit Government:

“In general terms, the program aiming at revising the market incentive economy is not clear; the target is given, but means and methods are not stated. This program cannot be successful without a 10- year education and practice. Establishing cooperatives, even if there are some opportunities of training, is not a matter to convince the producers easily. We are not against cooperatives in the long run and a strong implementation. The rehabilitation of tax law and regulations, and customs will surely bear fruit. Although such matters cannot be solved by any government in a short time, we wish you success. The program of the Government put forth the need

⁽³⁷⁾ (İTB), Y.K.K.D., January 29, 1974.

to achieve cooperation among private sectors and organs. It is not possible to segregate industrial and service sectors.”

“Export sector could hardly become nationalized since 1923. Experiences cannot be obtained easily. Carrying out the export of agricultural products through cooperatives completely will deprive our country of a social deposit, our economy will suffer from a loss that can be made up with difficulty, and foreign markets will be lost. The Government should discuss these matters again, and take into account the suggestions prepared by the Exchange and present them at the meeting of the Ministerial Cabinet.”⁽³⁸⁾

The İzmir Commodity Exchange kept warning the Ecevit Government on the one hand, and also informed the main opposition party leader Süleyman Demirel on the other hand. A memorandum about creating public sector, empowering the cooperatives, floor prices and support purchase was planned to be presented to Süleyman Demirel on his visit to the Exchange on April 16, 1974⁽³⁹⁾.

a) The Second İzmir Economy Congress and the İzmir Commodity Exchange

The chambers of commerce and exchanges took close interest in the general economic condition of the country in 1970s. Forward plans were made, and efforts and research were carried out to realize them. The following seminars arranged by the Turkish Union of Chambers and Commodity Exchanges in 1974-1975 were the clear indication of these efforts:

- a- Developments in Social Security (September 1974)
- b- Capital Market (November 1974)
- c- The Changing World Economic Conditions, the EEC and Turkey (December 1974)
- d- Support Purchases (February 1975)
- e- Bank Credits and Interest Policies (March 1975)
- f- The Principals and Application of the Third Five-Year Development Plan (April 1975)⁽⁴⁰⁾

⁽³⁸⁾ İTB, Y.K.K.D., April 16, 1974.

⁽³⁹⁾ İTB, Y.K.K.D., February 9, 1974.

⁽⁴⁰⁾ İTB, Y.K.K.D., August 13, 1974.



The other financial institutions in İzmir also did their best to find a solution to the economic pursuit of the country. The İzmir Chamber of Commerce, the Aegean Chamber of Industry and the İzmir Commodity Exchange held a joint meeting on September 15, 1975 and resolved on working together to hold the Second Economic Congress of Turkey. The idea and proposal of the Second Economic Congress of Turkey needed to be adopted by and held under the chairman of the Government. To realize this, a committee formed of members of the İzmir Commodity Exchange, the İzmir Chamber of Commerce and the Aegean Chamber of Industry negotiated with the Government, and if failed, it was decided to hold a symposium in İzmir to discuss all the economic problems of the country. But the progress was very slow. The above mentioned institutions formed a joint committee and this committee carried out the preliminary preparations for the Second Economic Congress of Turkey. The preparations were scheduled to be finished by the end of May 1978⁽⁴¹⁾.

The institutions mentioned above agreed to expand their meetings to cover all the economic problems of the country and hold meetings every month on a regular base. But the indifference of the Government and also the instability prevailed throughout the country led to the procrastination of the Economic Congress for a long time. Due to the military coup d'état on September 12 1980, the Congress was finally held in İzmir in 1981.

In the meantime, the big exchanges of the country often came together and shared their ideas. The chairmen and general secretaries of the exchanges of İzmir, Ankara, Adana and İstanbul came together in Ankara and sought solutions to free the country from the bottleneck in the economy⁽⁴²⁾. The decision taken and applied by the Third Ecevit Government disturbed the business circles more and more and forced them to take a tougher line against the Government. The communiqué published by the Turkish Free Enterprise Council stated the socio-economic condition that the country was in. The Executive Board of the ICE

⁽⁴¹⁾ *Yeni Asır*, May 10, 1978.

⁽⁴²⁾ *Yeni Asır*, May 10, 1978.

described this communiqué as, “The interpreter of the Turkish private sector and real Atatürkists' ideas and feelings”, and it was decided to congratulate the president and members of the Turkish Free Enterprise Council and to invite them to the comprehensive meeting to be held in İzmir with the attendance of the members of the chambers and exchanges of the Aegean region⁽⁴³⁾.

b) January 24 Decisions and the İzmir Commodity Exchange

Towards the 1980, the İzmir Commodity Exchange started to raise its voice more about the problems of the country and painted a pessimistic picture. In his declaration about “the general outlook of the Turkish economy”, Hasan Güven, the Chairman of the İzmir Commodity Exchange, emphasized that the Turkish economy welcomed the 1980 with great problems, that the inflation and unemployment had increased, that the export had decelerated, that the foreign trade deficit had gone up, that protectionist trading policies in international trade and the energy problem had reached to a threatening level⁽⁴⁴⁾. In another speech that he evaluated the January 24 Decisions, Hasan Güven claimed that there was an urgent need for devaluation in Turkey and especially after the agreements made in 1979 with the IMF. And also violent price increases, the decrease in export and workers remittances, the stocks due to the difficulties in the export of agricultural products made the devaluation indispensable⁽⁴⁵⁾.

In the forthcoming days, Hasan Güven perpetuated his ideas claiming that Turkey had been wasting time and energy by seeking new systems and models, and insisted that the primary duty of the Government was to maintain and safeguard a reliable and steady atmosphere by freeing the economy and social groups of new expectations. At the monthly meeting of the assembly of the İzmir Commodity Exchange, Hasan Güven delivered a speech about “a general evaluation and suggestions on the results of application of economic stability precautions” and said that Turkey was in depression, and that's why the “Economic Stability Program”

⁽⁴³⁾ (İTB), *Meclis Tutanakları*, April 30, 1979.

⁽⁴⁴⁾ *Yeni Asır*, December 25, 1979.

⁽⁴⁵⁾ *Yeni Asır*, January 26, 1980.



was carried out and the “Financial Stability Program” that would support it was sent to the Parliament and finally he listed the problems of Turkey. Reminding that Turkey had been engaged in an economic contention, the rate of growth was almost zero, the number of unemployed people reached three million, the rate of inflation exceeded 80% and the production capacity was only 30%, Güven urged people to be more conscious and aware of the facts⁽⁴⁶⁾. Expressing the situation the country was in with the above mentioned statements, the Management Board of the İzmir Commodity Exchange sent a telegram of congratulations to Kenan Evren, the President of the National Security Council⁽⁴⁷⁾.

After the twenty-month management of the military government, the Chairman Hasan Güven's remarks about the general outlook of the economy attract attention in reflecting the atmosphere of that period. His speech could be summarized as follows:

“A new economic policy has been in practice in the country for 20 months. The aim of this policy is to stabilize the Turkish economy within the rules of free market and to realize a balanced and fair development. This system is not exactly liberal. Because, there are obstacles to achieve free market economy. These are the differences observed in different sectors and establishments in Turkish economy. Having a dual structure of public and private economy, their operating under different conditions, and also the monopoly in some products, intervention in foreign exchange rates, the self-enclosed economy, economic intervention of the Government that often exceeds the customary limits and the others all prove that the transition to free market economy will be slow. But the remarkable progress made is the success of the economic policies followed, which aimed at a healthy, balanced, strong and steady economy within a democratic system that houses personal liberty within the existence of the state and the joint interest of the nation.”

“Considering the negative economic conditions of the world economies, the destruction in the Turkish economy has been prevented, and the increase in national

⁽⁴⁶⁾ *Yeni Asır*, April 1, 1980.

⁽⁴⁷⁾ *(İTB)*, Y.K.K.D., September 6, 1980.

income, the volume of savings, export and workers remittances and the 16-percent-inflation rate are all the evidences of the improvements in the economy. The only alternative to the economic stability program, which commenced with 24 January Decisions and has been supported by the social and financial precautions after 12 September, is to provide incentives to meet the credit demands in a way to increase the possibilities of employment, economic investment which will reduce cost inflation, and enhance production and export without allowing for emission and state intervention. For this reason, every step and precaution to be taken, every decision to be taken has to back up the fight against inflation, and also has to increase investments, employment and export, encourage savings, make the operation of the free market economy easier and reduce the state interference.”

“Our major problem in terms of economy is inflation. The other problem is maintaining the necessary financial sources needed for investment and export. Besides, interest rates are the crucial points in the Turkish economy. Since 12 September, we have experienced a period in which the ones steering the economy do not have a political worry. Thus, economic diagnose, targets and strategies can be made and applied correctly and objectively.⁽⁴⁸⁾”



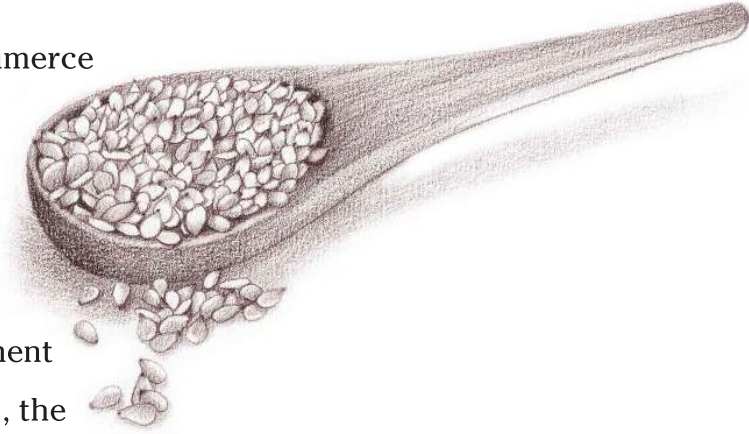
The Vice Prime Minister Kaya Erdem visiting the ICE in the end of 1980s

⁽⁴⁸⁾ (İTB), Meclis Tutanakları, September 28, 1981.



- D - THE İZMİR COMMODITY EXCHANGE AFTER 1980

The establishment of the Chambers of Commerce and Industry and the Commodity Exchanges had been debated without any result since 1960 and the first step to establish the TOBB that embodying them with the Law No. 5590 was realized during this period. After the amendment made with the Law No. 2567 on December 24 1981, the operating areas of the chambers and commodities, which were municipalities, were broadened. The duty terms of the members of unions, chambers and exchanges were lengthened from three to four years to enable them to work more efficiently, but the duty terms of the board of managers were limited with two years again. In addition to these, registration and annual membership fees for chambers and exchanges were redefined. The law experienced a fundamental change and gained a new shape with the Law No. 3277, dated April 17, 1986.



However, the people having a position at the executive boards of chambers and exchanges were prohibited from becoming members of political parties by the military council of the 1980 Coup D'état⁽⁴⁹⁾. This ban was lifted by the circular issued on April 4, 1986 by the Ministry of Industry and Commerce. The circular stated that the executive members of the chambers, exchanges and unions were free to subscribe to political parties, but they were not allowed to act together with political parties, unions and associations and engage in political relations with them⁽⁵⁰⁾.

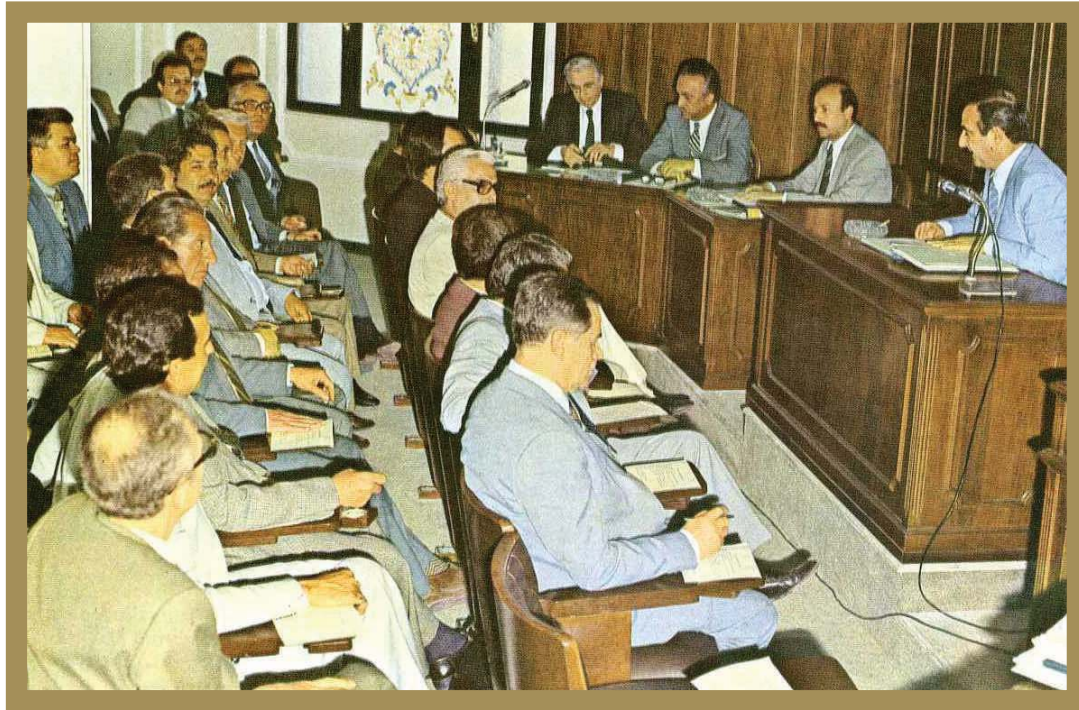
The İzmir Commodity Exchange kept on presenting reports about the Turkish economy and the sectors forming the Turkish economy and offered solutions, and also held meetings, organized symposiums, seminars and joined the ones in other places and made publications about these issues. Intending to warn and inform the related institutions, the İzmir Commodity Exchange also became a member of the

⁽⁴⁹⁾ (İTB), Y.K.K.D., August 16, 1983.

⁽⁵⁰⁾ (İTB), Y.K.K.D., May 13, 1986.

prominent financial institutions of the country and spared no sacrifice for the contribution to the economic development⁽⁵¹⁾.

Apart from becoming a member of the institutions that contribute to the economic improvement of the country, the İzmir Commodity Exchange has fraternized with organizations for economic and social development in İzmir and the Aegean region, and also collaborated with and become founder member of the foundations of Ege and 9 Eylül Universities. In addition, the Exchange has taken part in ventures to establish foundation universities by professional organizations⁽⁵²⁾.



The Assembly of the ICE (early 1980s)

⁽⁵¹⁾See, B.M.T., January 8, 1990, January 24, 1990; (İTB), Y.K.K.D., February 8, 1991, October 12, 1993 Y.K.K.D., July 18, 1995, October 10, 1995, January 16, 1996; (İTB), Meclis Tutanakları, May 24, 1993.

⁽⁵²⁾ (İTB), Y.K.K.D., July 29, 1993.



- E - THE İZMİR COMMODITY EXCHANGE BETWEEN 1960 AND 2012 IN NUMBERS

Since 1970s, the commodity exchanges and chambers have taken a close interest in the economic and social affairs of the country, and as a civil initiative, they started to have more influence over the governments. To be able to increase their influence, they had to improve their functionality and become stronger. The İzmir Commodity Exchange, which is the first exchange in Turkey, has been in an endless struggle befitting its dignity to increase the volume of transaction and the number of its members. The İzmir Commodity Exchange, working in accordance with this purpose, has achieved a growth parallel to the developments and improvements in the Turkish economy, and sometimes surpassed them. It would be exciting to examine the growth potential of the İzmir Commodity Exchange, which reached more than 6.9 billion Liras of transaction volume in 2012 and which has the characteristic of housing the single product exchanges especially for raisins and cotton.

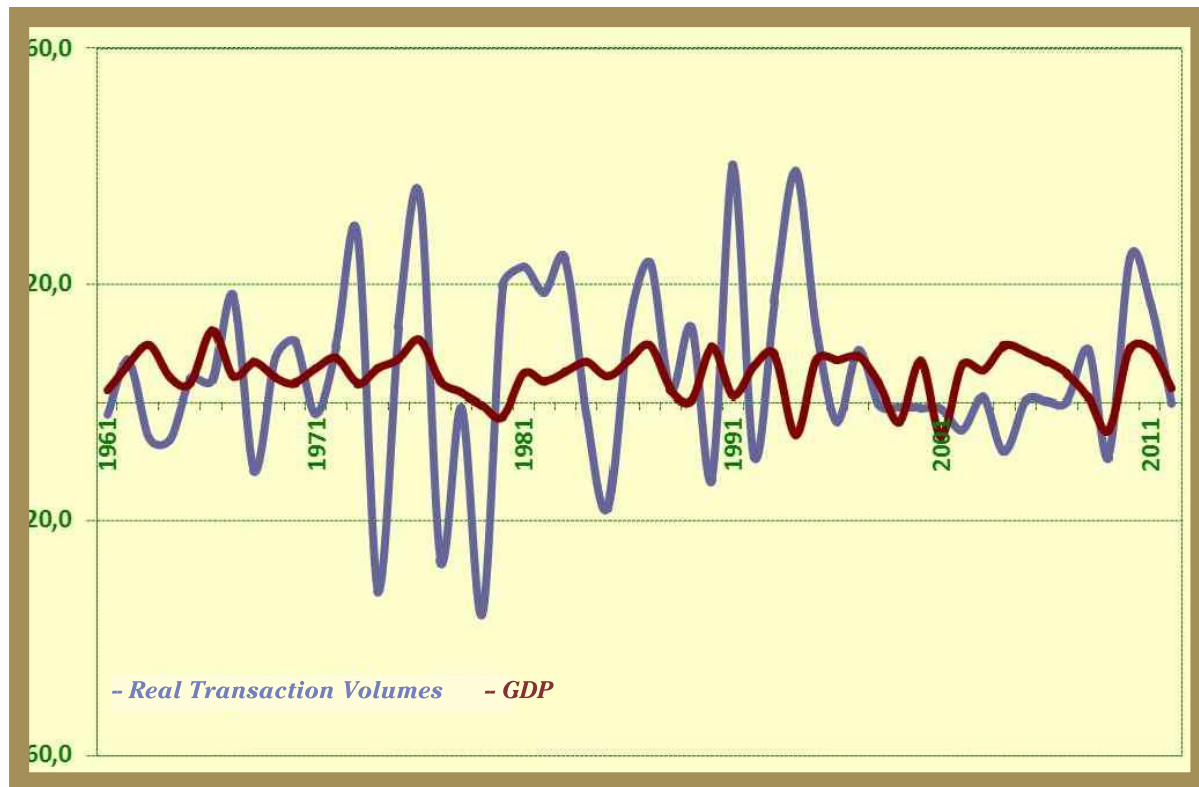
With respect to the annual bulletins and economic reports of the İzmir Commodity Exchange, we have presented five different tables below. The numeric data related to the transactions of the İzmir Commodity exchange goes back as far as 1960. For this reason, the starting point of the tables is 1960. The first table reveals the transactions between 1960 and 2012, the second one shows the trade volume of cotton, with which the ICE assumed the title of the first Single Product Exchange, the third, the fourth and the fifth tables present the transaction volumes of raisins, dried fig and olive oil. These three agricultural products have been the major products of the Aegean Region since 19th century and played the major role in giving İzmir the title as a port city. (For the tables, look at appendix: I, II, III, IV, V). Evaluating the data presented at the appendix, the following results are obtained. The transaction volume of the Exchange has experienced significant increases since 1960. The volume of trade, which was about 743.000 Liras in 1960, reached 6.9 billion Liras at the end of 2012. Due to high rate of inflation prevalent in the country for long years, it is difficult to do an extensive and healthy evaluation of the progress.

For this reason, the transaction volume of the Exchange was measured using the GNP deflator based on 1998, thus a healthier evaluation has become possible. According to the data obtained, real volume of transaction, which was about TL 98 million in 1960, surpassed TL 574 million in 2012. The data covering the years 1960 and 2012 proves that the transaction volume of the ICE increased about more than 6 folds.

One of the indications that display the striking development achieved by the İzmir Commodity Exchange is the rate of growth. According to our estimates, the transaction volume of the Exchange during the years 1960-2012 increased by 4.7% annually in real terms. The GDP growth rate for the same period was also 4.6%. Though it may vary according to periods, the performance exhibited by the Exchange and the country appears to be similar. The graphic number 1 shows this similarity.

Graphic 1:

The Real Growth Rates of the Exchange and the GDP (%)



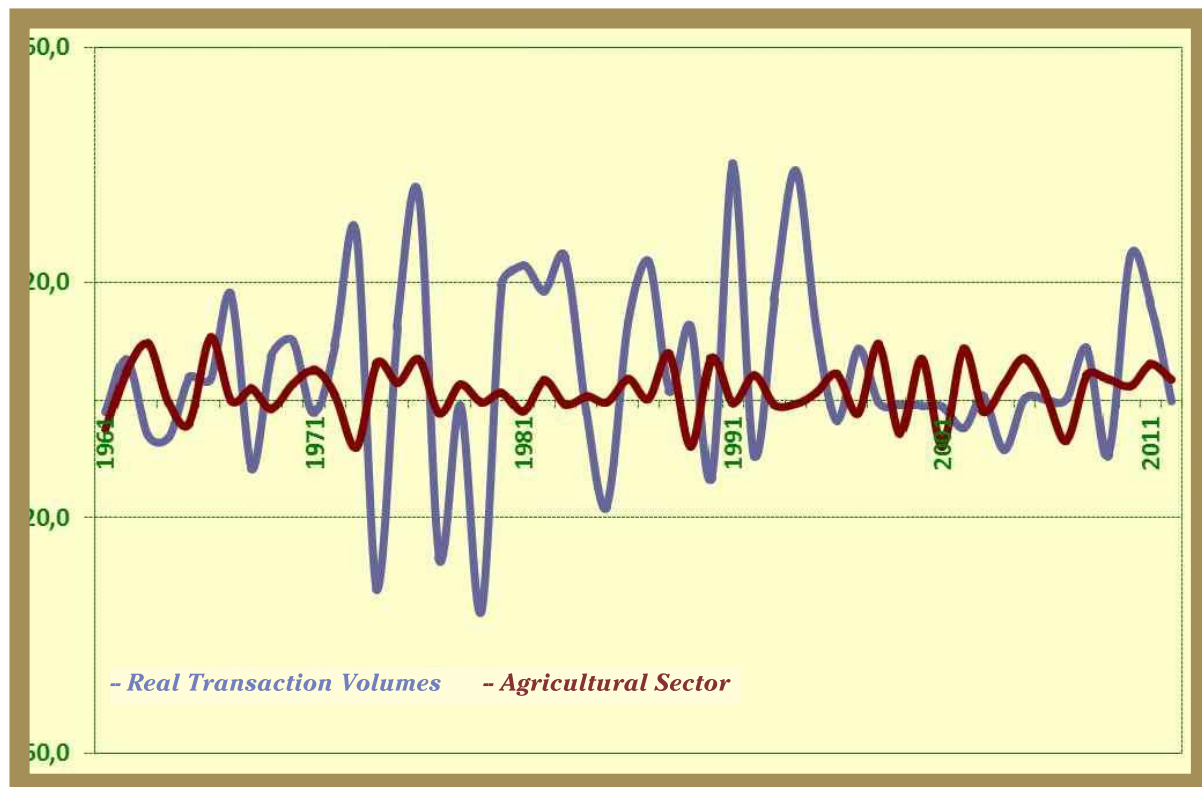
Upon examining the graphic, it will be understood that the growth rates of both the Exchange and GDP shows fluctuations. This situation is the result of constant



economic instability in the country. Though the fluctuation margin is great, it could be observed that the transaction volume of the Exchange is in the growth trend. When periodically evaluated, the transaction volume of the Exchange experienced noteworthy fluctuations especially between 1970 and 1995. The 1980-1995 period was the one that the greatest increase in the transaction volume of the Exchange was obtained. This was the result of trading more agricultural products at the Exchange and could be regarded as the reflections of the free market economy on agricultural sector. There were times when the transaction volume between the years 1995 and 2009 followed generally a horizontal progress. In 2010 and 2011, the transaction volumes of the Exchange reached the highest level in its history.

Graphic 2:

The Real Growth Rates of the Exchange and the Agricultural Sector



The reason of the fluctuation in the trade volume of the Exchange is, to a great extent, the dependency of the agricultural sector in our country on natural conditions and therefore, serious fluctuations emerge in agricultural production. As it could be seen in Graphic 2, the developments in agricultural production are observed a year later in the transaction volume of the Exchange. This may be due

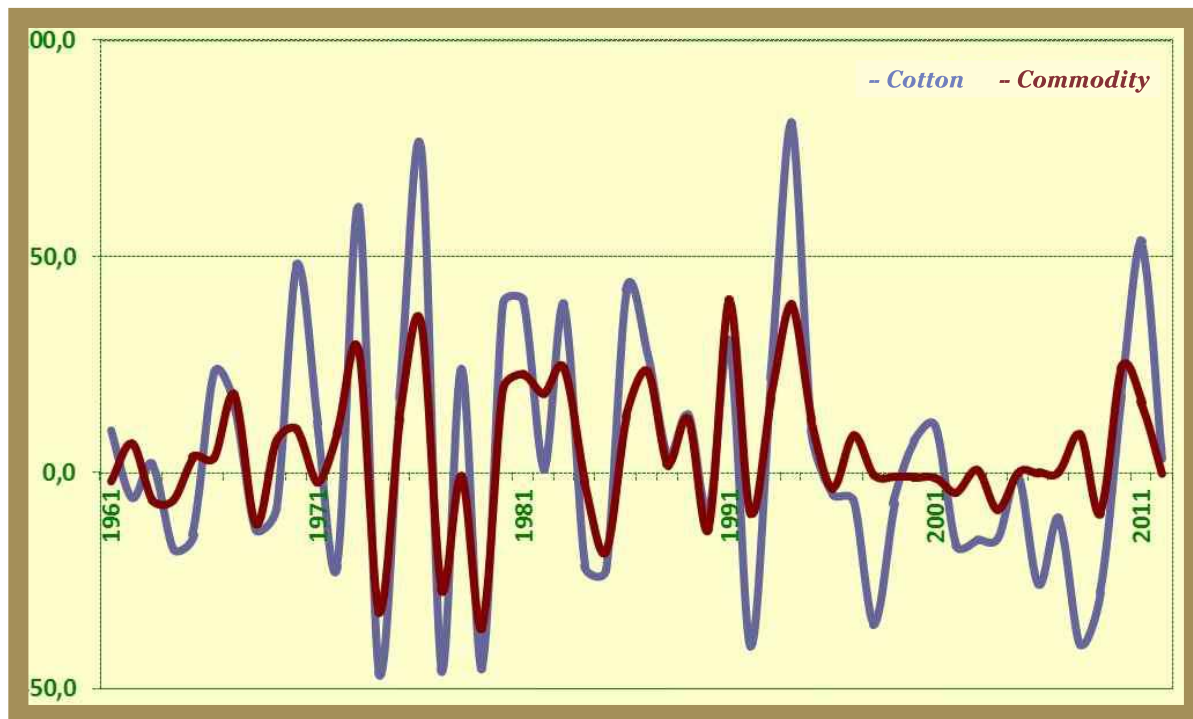
to the result of harvesting towards the last quarter of the year, and thus, the amount of harvest affects the transaction volume for the following year. In addition, the changes in the variation of agricultural production in İzmir also play a significant role in the fluctuation of the transaction volume of the Exchange.

The İzmir Commodity Exchange has vital importance in the marketing of the agricultural products grown in the Aegean Region. Hence, it would be wise to make analyses on product base to be able to evaluate the development realized by the Exchange better.

For this purpose, mainly the changes in the trading volumes of cotton, seedless raisins, dried fig and olive oil, which are the major products of the Exchange, are examined and evaluated.

Graphic 3:

The Growth Rates of Real Transaction Volumes of the Exchange and Cotton



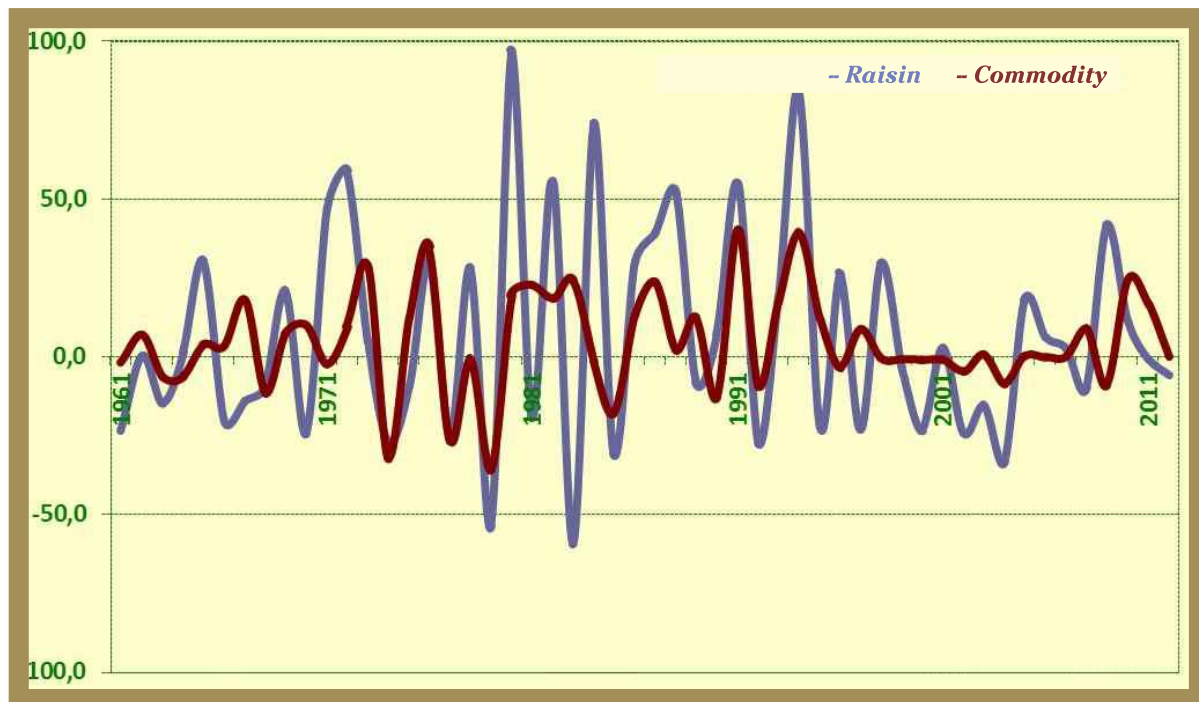
Upon examining Graphic 3, it could be stated that, there had been great fluctuations in the transaction volume of cotton between 1960 and 1980, though



this trend continued in 1980, the fluctuation margins shrank, and the transaction volume regressed after 1996. It could be observed that there was a high correlation between the transaction volumes of the cotton and the Exchange until 1996, but this correlation disappeared parallel to the decrease in the transaction volume of the Exchange. The main reason of the decline in the transaction volume of cotton is the speedy regression in the cotton growing areas and the decrease in the number of cotton farmers. Real transaction volume of cotton peaked in 1995, but in 2009 it hit the rock-bottom. Parallel to the increase in the production and prices of cotton in 2010, the transaction volume also increased.

Graphic 4:

The Growth Rates of Real Transaction Volumes of the Exchange and Raisins

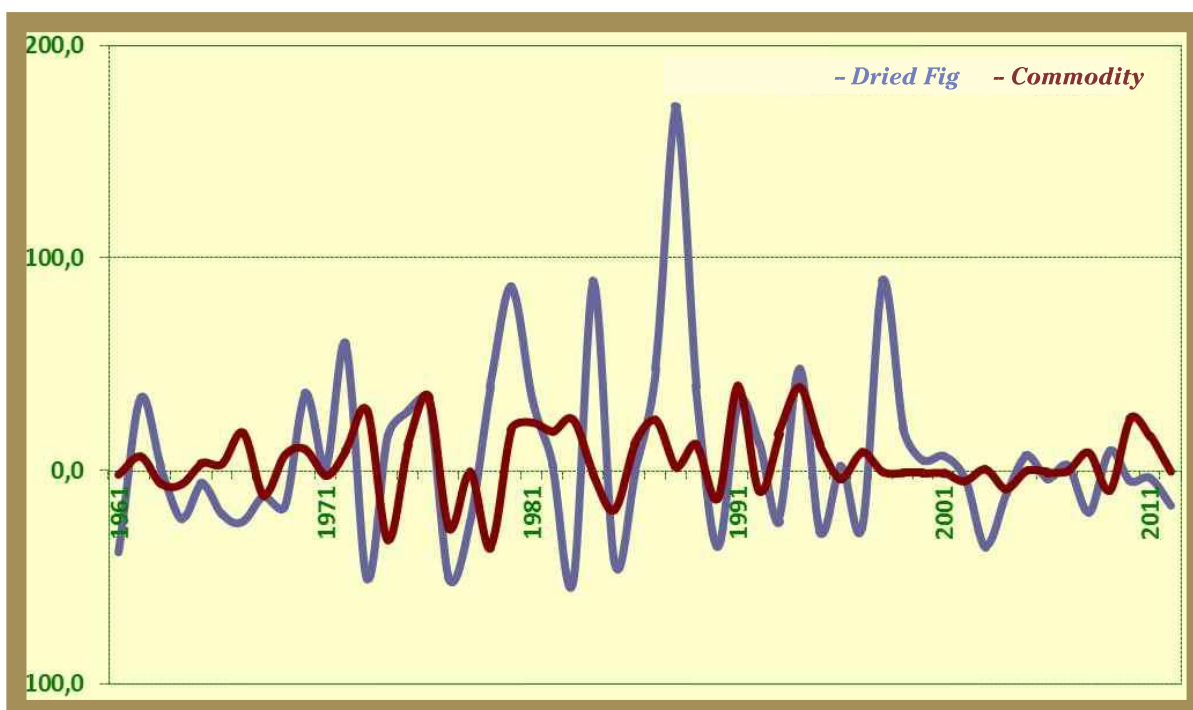


In graphic 4, the changes in the transaction volume of raisins are presented. Of the fluctuations in the transaction volume of raisins between 1960 and 2010, the ones in 1980s are more distinct. After this period, some smaller percentages of fluctuations are observed. Though annual real transaction volume of raisins presents dramatic fluctuations due to production amount and marketing strategies, it has

followed a relatively horizontal movement between 1960 and 1985. After this date up to 2001, the transaction volume of raisins increased to a great extent and reached approximately 150.000 tons a year between the years 1986 and 2001, but it regressed to 117.000 tons a year between 2002 and 2012.

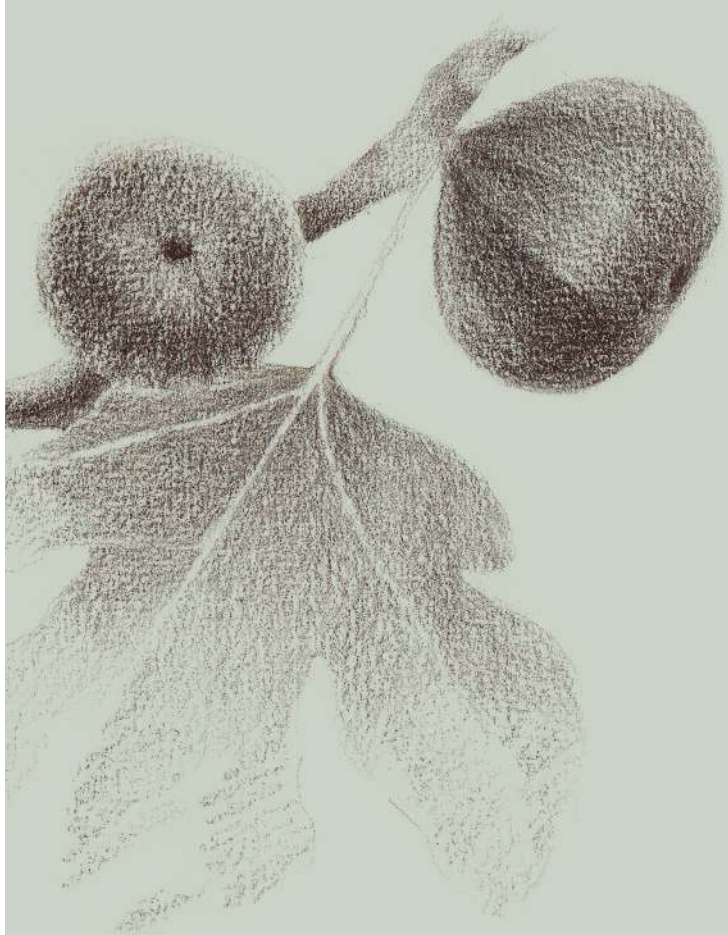
Graphic 5:

The Growth Rates of Real Transaction Volumes of the Exchange and Dried Fig



The transaction volume of dried fig, which is traded at the Exchange and unique to the Aegean Region, displayed constant and great fluctuations especially until 2000, due to inconsistency in the production as in other crops. During 2001-2012, it is observed that the fluctuation in the transaction volume relatively slowed down.

The annual trading volume of olive oil also displays considerable fluctuations. This is largely due to the periodicity tendency of olive trees. The trading volume of olive oil at the Exchange has increased to a great extent in recent years. Between 1960 and 2000, the share of the olive oil was 3.7%, but between 2001 and 2012, it was 7.9%.



- A -

**THE İZMİR COMMODITY EXCHANGE
IN THE 21. CENTURY**



THE İZMİR COMMODITY EXCHANGE IN THE 21. CENTURY



The ex-chairmen of the ICE: (from left) Engin Baraz, Ömer Beşe, Mehmetçik Paykoç, Remzi Kocakıran, Hasan Güven, Etem Özsoy, Şevket Filibeli.

Turkey faced two major crises in 2000s. All the working classes had to deal with the heavy load of the crises, but especially the people working in the agricultural sector felt the burden more. The stand-by agreement signed with the IMF in December 1999 and the Agricultural Reform Application Project signed with the World Bank in 2001 were the treaties determining the agricultural policies in Turkey. Negotiation Frame Document, which was signed in 2005 with the EU, brought much heavier conditions for the agricultural sector. Despite some changes in the political arena and except for some minor details, all these agreements were put into practice to a great extent.

The effects of the February 2001 crises on agriculture were totally destructive. The stability packet put into practice under the name “Transition to Stronger Economy Program” aimed at mainly accelerating the process which had started in 1980s. The main purpose was defined as “to form new and contemporary institutions which will abolish the practices of the past”. The program also defined the boundaries of the transformation in agriculture in Turkey. According to the program, among the reasons of having unsustainable internal debt in the Turkish

economy were “high cost and inefficient State Economic Enterprises” and “wrong agricultural support policies”. The distortion in the financial structures of state banks was the result of the responsibility given by the government to support the agricultural sector. Depending on these reasons, the program aimed at issuing the Sugar Law and Tobacco Law, and privatization of Tekel and Sugar Factories, as well as the privatization of State Economic Enterprises, and also reducing the quotas in agricultural products. Agricultural Sector Support expenditure in 2001 was only 1/8 of the previous year and 'direct support system' was put into practice in the same year. There was no change in the agricultural policies of the country after the AKP (Justice and Development Part) came to power alone in 2002. The most noteworthy development with respect to agriculture during this period was the start of membership negotiations with the EU and the efforts to make the agricultural regulations compatible with that of the EU's. Together with some State Economic Enterprises, a significant amount of the Sugar Factories of Turkey Inc. and Tekel was privatized, and 186 purchasing centers of the TMO (Soil Products Office) were sold.



The Assembly of the ICE (2000)



A - COMMODITY EXCHANGES IN 2000s

The Turkish commercial world met 2000s with the Law No: 5590 issued in 1950. The law, which was enacted to support and inspect the agricultural production after the war, did not wholly comply with the changing policies in 1980s. Many articles of this law had changed after some various amendments, and some of them had become inapplicable. Meanwhile, there were of course some important transformations in the functions and working guidelines of the commodity exchanges in developed countries. Consequently, the Law No: 5590 was replaced with the Law No. 5174 of the Turkish Union of Chambers and Commodity Exchanges issued on June 1st, 2004.

Table I:

The Transaction Volumes of Four Major Commodity Exchanges in Turkey

The name of the Exchange	İstanbul		İzmir		Konya		Gaziantep	
Year	Million TL.	The share in Turkey (%)	Million TL.	The share in Turkey (%)	Million TL.	The share in Turkey (%)	Million TL.	The share in Turkey (%)
2000	1,522	14.4	1,051	9.9	458	4.3	233	2.2
2001	2,528	14.3	1,592	9.0	549	3.1	381	2.2
2002	4,025	16.7	2,086	8.7	787	3.3	630	2.6
2003	5,689	17.7	2,590	8.0	1,120	3.5	814	2.5
2004	6,427	15.5	2,668	6.4	1,431	3.4	1,119	2.7
2005	5,626	11.5	2,867	5.8	1,453	3.0	1,138	2.3
2006	6,258	11.7	3,138	5.9	1,965	3.7	1,623	3.0
2007	7,512	12.3	3,336	5.5	2,320	3.8	2,125	3.5
2008	9,800	14.5	4,067	6.0	2,477	3.7	188	0.3
2009	8,567	11.2	3,890	5.1	3,074	4.0	2,475	3.2
2010	12,044	12.6	5,109	5.3	3,631	3.8	3,616	3.8
2011	10,584	9.3	6,462	5.7	4,718	4.1	5,361	4.7
2012	11,532	10.1	6,901	6.0	5,188	4.5	5,104	4.5

Source: TOBB & Exchanges

In 2001, there were 113 commodity exchanges in service in Turkey. 58 of them were in provincial centers and 55 of them were in town centers. The exchanges in town centers were established according to the Law No: 5590, Article 33, which stated that “Commodity exchanges are established by the Ministry of Industry and Commerce upon the commercial needs of towns”. Most of the exchanges are in the Marmara Region. The region has 27 exchanges and the Central Anatolia has 26 and the Aegean Region has 17 exchanges.

The transaction volumes of the commodity exchanges usually follow the fluctuations in the Turkish economy, and fall during periods of general crisis. Table 1 shows the course of the transaction volumes of four major commodity exchanges between 2000 and 2012.

From 1990s onwards, the commodity exchanges in Turkey got into action to keep up with the changes and developments in the world. Spot transaction of the agricultural products turned into futures transactions in 1994 under the leadership of the İzmir Commodity Exchange, but the Derivatives Exchange became operational only after a ten-year effort. Another important development was the shift from multi-product exchanges towards single product exchanges. Single product exchanges provide information about domestic and international markets and also remove different practices in the marketing of the same product. The idea of single product exchanges emerged in 1994 in order to decrease the intervention of the state in the agricultural sector and to boost the sales and



Ali Çoşkun, the former Minister of Industry and Commerce at the First Product Ceremony of the Exchange (2005)



improve the trade in the country with the collaboration of the FAO. With the support of the United Nations Conference on Trade and Development (UNCTAD) and the World Bank in 1996, pilot region applications for the “Project for the Development of Markets for the Agricultural Products” were initiated. For this purpose, 7 commodity exchanges were chosen, where cotton and wheat were selected as pilot crops. For cotton, İzmir, Adana and Şanlıurfa Exchanges; for wheat, Konya, Eskişehir, Polatlı and Edirne commodity Exchanges were deemed suitable⁽¹⁾.

Single Product Exchanges were intended to be established as joint stock corporations, operation areas of which would be regional, national or international, based on the Law No: 5174 of Turkish Union of Chambers and Commerce, and the Article 53 of Law of Chambers and Exchanges, and also based on regulations No: 25750 called “General Procedures and Principles for the Establishment, Operation and Inspection of Single Product Exchanges” which were promulgated in the official gazette on March 9, 2005. Commodity Exchanges would be a partner of single product exchanges or act as an agency according to a mutual agreement. Nevertheless, despite the various ideas and initiatives, the single product exchanges have not been realized yet.

- B - THE İZMİR COMMODITY EXCHANGE IN 2000s

a) Changes in the Administration

In 2000, the İzmir Commodity Exchange was under Hasan Özmen's, who had been in office since 1992, chairmanship of the board and he handed over the baton to Tuğrul Yemişçi in 2001. Şadi Katırcıoğlu was chosen as the chairman of the assembly in the same year. Aydın Kesen was the name who took office first by proxy, then as principal chairman of the board of directors when Tuğrul Yemişçi left his office after he was elected to the parliament in the general elections in 2007.

⁽¹⁾Ferda Keskin Önen, “Ticaret Borsalarının Türkiye Ekonomisindeki Gelişimi ve Performansı”, Dicle University Social Sciences Institute, (Unpublished Postgraduate Thesis), Diyarbakır, 2009, p, 10.

The elections at the chambers and exchanges, which were scheduled to be held in October 2008, were postponed for three months due to the delay in the restructuring process of these institutions according to the law of harmonization code of the European Union, also called NACE code⁽²⁾. Elections for the board of directors held in February 2009 blazed a trail in the history of exchanges in Turkey and Işinsu Kestelli was elected as the first chairwoman of the Exchange. Işinsu Kestelli, who first became a member of the board in 1995, was appointed as the acting chairwoman of the board of the directors, and in 2007, she took office as a representative in the Derivatives Exchange and then was elected as the chairwoman of the Derivatives Exchange. The members of the board of the İzmir Commodity Exchange under the chairmanship of Işinsu Kestelli were as follows; Barış Kocagöz, Ercan Korkmaz, Yalçın Yılmaz, Mehmet Koyuncuoğlu, Bülent Arman, Hakan Cay, Tayfur Akın, İlhan Zincircioğlu, Erol Avni Bozkurt and Derya Pala⁽³⁾.



The Board of Management of the ICE (2007)

⁽²⁾Yeni Asır, March 6, 2008.

⁽³⁾Ticaret, February 20, 2009.



b) The İzmir Commodity Exchange during the Crisis

The İzmir Commodity Exchange was under the shadow of crisis at the beginning of 2000. Transaction volume in Turkish Lira increased every year and every increase reached a record level⁽⁴⁾. However, it was obvious to the eyes that there were times that drops in the level of the increase of the transaction volume were observed. Undoubtedly, economic crisis and falling trend of the inflation were effective in the drop of the rate of increase in the transaction volume of the Exchange. On the other hand, it was noticeable that the rate of transaction volume of the İzmir Commodity Exchange was in falling trend throughout Turkey. The aforementioned change was not peculiar to the İzmir Commodity Exchange. The problem was related to the changing agricultural policies, decreasing cultivation lands, changes in the preference of crops and finally questioning the place and quality of commodity exchanges in Turkish economy. Thus, the İzmir Commodity



The Board of Management of the ICE (2011)

⁽⁴⁾ "Borsada tarihi rekor", Milliyet, January 5, 2000.

Exchange drew attention to the changes mentioned above continuously and sought ways to take the necessary precautions and to develop new projects for the adaptation of the exchanges to the new conditions. Of these projects, Derivatives Exchange, Single Product Exchange and Licensed Warehousing projects will be mentioned below. But first, the debate, which was centered around and carried out by the İzmir Commodity Exchange, about the qualities of exchanges in 2000s will be dealt with.



The former President Süleyman Demirel at the 105th Anniversary of the ICE

The development of electronic communication in 1990s brought about the questioning of the conventional commerce while transforming the traditional establishments and practices. Hasan Özmen, the chairman of the İzmir Commodity Exchange, called attention to the level that the electronic commerce reached and he emphasized the urgency of keeping up with the electronic era or else the exchange halls would lose their function by 2010. According to Mr. Özmen, exchanges were turning towards internet to decrease their expenditures. As an example,



The meeting of the Aegean Exchanges (2007)

the London Stock Exchange had closed its transaction halls and decided to carry out the transactions in electronic environment. A considerable amount of commodities in İzmir had already started to be traded on the internet. For example, the transaction of raisins decreased 40%. It was necessary and urgent to adopt the technological developments to the Exchange to save the cotton from the same faith⁽⁵⁾.

The problems that the İzmir Commodity Exchange faced were not limited only with technological developments and changing agricultural policies. Tuğrul Yemişçi stated that the amount of the commodities traded at the Exchange was decreasing, transactions outside the Exchange caused serious damage and loss to the Exchange, and to prevent all these drawbacks, it was necessary that all the members protected the institution and it was high time that the Exchange kept

⁽⁵⁾ Finansal Forum, November 29, 2000.



Işinsu Kestelli, the Chairwoman of the ICE

pace with the recent changes⁽⁶⁾. Meanwhile, the İzmir Commodity Exchange initiated a study about the problems in agricultural sector and identified ten problematic areas and offered solutions to the Government. The ICE claimed that all these problems could be solved permanently providing that all parties concerned collaborated to clarify the agricultural policies which had to be renewed by the end of 2004 and National Agricultural Conference had to be held soon⁽⁷⁾.

⁽⁶⁾ *Yeni Asır*, June 26, 2003.

⁽⁷⁾ See, Serçe - Yetkin, 120. *Yılında İzmir Ticaret Borsası Tarihi*, pp. 441-442. *Ticaret*, July 25, 2003.



The İzmir Commodity Exchange paid close attention to collaboration with all the exchanges in the Aegean Region to overcome these obstacles. The Law No: 5174 of the Turkish Union of Chambers and Commodity Exchanges let the percentage on registry fee precarious, which forced the Aegean exchanges to agree on two per thousand⁽⁸⁾. In 2007, 18 exchanges in the Aegean Region came together upon the invitation of Aydın Kesen, the Chairman of the ICE, and took decision to work together especially against the problems caused by draught⁽⁹⁾.

- B - THE OPERATIONS AND PROJECTS OF THE İZMİR COMMODITIY EXCHANGE

a) Derivatives Exchange

Parallel to the developments in global exchanges, the İzmir Commodity Exchange, which has always pioneered in its field of activity, decided to establish Futures Market for cotton starting from the beginning of 1990s to realize this aim. Thus, a meeting was held with the executives of the Capital Markets Board in December 1991⁽¹⁰⁾. The Board of Directors of the İzmir Commodity Exchange spared neither effort nor expense for the establishment of the Futures Market. To represent the ICE, Ramiz Eronat, one of the executives of the Board, attended the meeting about Futures Market held by World Bank on June 3-5, 1992 in Paris⁽¹¹⁾. A committee under the leadership of Hasan Özmen, the Chairman of the İzmir Commodity Exchange, was assigned to perform a study and examine the system in New York and Chicago Exchanges in the USA in 1995⁽¹²⁾. After this trip, the committee reached the consensus that it was utterly necessary to establish the Derivatives Exchange in İzmir. In order to be able to reach the desired target, physical conditions had to be improved for a more modern and functional institution and also some amendments had to be made in the regulations of the Exchange by

(8) *Dünya*, June 17, 2004.

(9) *Gözlem*, September 7, 2007.

(10) *İTB*, Y.K.K.D., January 9, 1995.

(11) *İTB*, Y.K.K.D., March 7, 1995.

(12) *İTB*, Y.K.K.D., April 7, 1995.

making use of the impressions and experiences obtained after the visit to the New York and Chicago Exchanges⁽¹³⁾.

First of all, it was necessary to equip the exchange floor with new computer system, to arrange the clearing house, to design the contracts, to prepare the regulations, to hold publicity campaigns, to train the personnel, agents and brokers and to create financial source. On the other hand, some legal arrangements and regulations had to be initiated to realize the activities of the Derivatives Exchange.



Signing ceremony of the main contract of the Derivatives Exchange

For this reason, on April 6th, 1993, a meeting was held with the Minister of State of the time, Tansu Çiller, and the second meeting was on May 15th, 1993 at the Commodity Exchange. The Deputy Chairman of the Capital Markets Board joined the second meeting, and from the statements he made, it could be clearly inferred that the Minister desired to accelerate the efforts to establish the Derivatives Exchange. The Ministry itself would, therefore, start the necessary amendments in the regulations accordingly⁽¹⁴⁾.

(13) (İTB), Y.K.K.D., January 9, 1995.

(14) (İTB), Y.K.K.D., May 24, 1995.



Joining the meeting of Economic Growth Foundation, the Prime Minister of the time, Tansu Çiller, ordered for 2 million dollars to be transferred from Vakıf Bank and demanded that the Exchange start to operate in two months. The two-million-dollar source was transferred in a ceremony held on June 6th, 1995 in Ankara in the presence of the Vice Chairman of Turkish Union of Chambers and Commodity Exchanges (TOBB), the Chairman of the İzmir Commodity Exchange, the General Manager of Vakıf Bank and a treaty was signed with Yatırım Bank A.Ş. to provide consultancy and training to the Exchange⁽¹⁵⁾. A committee from the Exchange was sent to London and visited the London Futures Exchange, the London Metal Exchange and the International Commodities Clearing House Ltd. Making every endeavor to establish the first Derivatives Exchange of Turkey, the ICE also sent committees to Poland, Malaysia, Singapore to study and examine the systems of global exchanges.



In order to establish the Derivatives Exchange within the body of the ICE, the regulations issued by the Ministry of Industry and Trade came into force on the date of August 30th, 1996. But the Capital Markets Board (SPK in Turkish) claimed

(15) (İTB), Y.K.K.D., July 7, 1995.

that these regulations were contrary to the law and went to court for the cancellation of them. Examining the case, the Turkish Council of State denied the Capital Markets Board's motion for a stay of execution and cancellation. On the other hand, in addition to the article No. 5590 of the TOBB (Turkish Union of Chambers and Commodity Exchanges) another clause was accepted by the Grand National Assembly of Turkey. In this additional clause, it was stated that: "In accordance with the stock exchange quotations and by taking the views of the related exchanges and unions, the Ministry of Industry and Trade has the authority to establish derivatives exchanges where option agreements and forward transactions can be carried out". This decree has smoothed the path of commodity exchanges to turn into or establish derivatives exchanges.

Meanwhile, the İzmir Commodity Exchange searched and investigated throughout various countries including the USA, Singapore and Spain for the best software for the Derivatives Exchange and finally signed an agreement with Infina Software Ltd in Turkey. Besides this, the development of basic facilities and back office infrastructure concerning membership, training, general publicity, promotion, inspection, barter, delivery and all kinds of other operational activities reached to the final stage. In August, 1997 the Chicago Board of Trade and the ICE signed a bona fide agreement to improve the derivatives exchanges and clearing houses in Turkey. The Futures Market Training and Consultancy Inc. (VİEDAŞ) was founded in collaboration with the İzmir Commodity Exchange, the Turkish Union of Chambers and Commodity Exchanges, İş Bank, Koçbank, Vakıf Bank and Güçbirliği Holding in order to carry out projects, training and promotion activities. The following year, another bona fide agreement was signed with the CBOT-Eurex LLC platform for integration, and some amendments were realized in the regulations of the SPK (Capital Markets Board). After the regulations issued in 2000, when the SPK pointed out the necessity of a corporation to embrace everyone, the VİEDAŞ halted its operations temporarily and studies were initiated to establish a new company. The Council of Ministers accepted and approved the establishment of



a derivatives exchange under the name of “the Derivatives Exchange Inc.” Hasan Özmen, the Chairman of the Board of the time, informed that the legal procedures had been completed and the endeavors to establish the company would be accelerated. The VİEDAŞ would be liquidated and in the company to be established with the partners designated by the SPK (Capital Markets Board), the İzmir Commodity Exchange would have a share of at least 17 %⁽¹⁶⁾. The IMKB (İstanbul Stock Exchange), the TOBB (Turkish Union of Chambers and Commodity Exchange), Takasbank (Settlement and Custody Bank Inc.), the Association of Capital Market Intermediary Institutions of Turkey, İş Bank, Vakıf Bank, Garanti Bank, Koç Bank, Türkiye Sınai Kalkınma Bankası (Bank for the Development of Industry), Sınai Yatırım Bankası (Industrial Investment Bank), Nurol Yatırım (Nurol Investment) and some foreign companies were among the shareholders of the company⁽¹⁷⁾. In a meeting held in the beginning of 2002, the Chairman of the Assembly of the ICE, Tuğrul Yemişçi declared that the work on establishing the Derivatives Exchange would be completed and become operational within a year⁽¹⁸⁾.

After eleven years of intensive efforts, the İzmir Derivatives Exchange Inc. was officially established on June 22nd, 2002. Kenan Tanrıku, the Minister of Industry and Trade, Sümer Oral, the Minister of Finance, the deputies of İzmir, Doğan Cansızlar, the Chairman of Capital Markets Board, Rifat Hisarcıklıoğlu, the Chairman of Turkish Union of Chambers and Commodity Exchanges, Sezai Peköz, the Vice Chairman of İstanbul Stock Exchange, the representatives of chambers



The laboratory of the ICE

(16) *Yeni Asır*, October 20, 2001.

(17) *Yeni Asır*, November 25, 2001.

(18) *Hürriyet*, January 17, 2002.

and exchanges in the Aegean Region attended the ceremony held at Hilton Hotel and eleven founding members signed the articles of the association. Şadi Katırcıoğlu, the Chairman of the Assembly of the İzmir Commodity Exchange, made the opening speech, in which he said; “We have dreamed about these days for eleven years. We are very happy and proud of bringing in a new system to the Turkish economy⁽¹⁹⁾”. In the first meeting of the Board of Directors of VOBAŞ (the İzmir Derivatives Exchange Inc.), Tuğrul Yemişçi was chosen as the Chairman⁽²⁰⁾.

Despite all these efforts and developments, the Derivatives Exchange could not become operational until 1995. On February 4th, 2005 the VOB (Derivatives Exchange) started transactions after Prime Minister Recep Tayyip Erdoğan rang the first gong. In his speech at the ceremony, the Prime Minister said that the VOB was a start, a milestone and highlighted that it would act as an insurance against the risks in the markets⁽²¹⁾.

Soon after becoming operational, the VOB proved its importance and grew by 17 folds just after the first six months⁽²²⁾. The VOB, which has become the favorite of investors seeking protection against risks such as low production yield and exorbitant prices, increased its trading volume by 6 folds when compared to the figures in 2006 and it was ranked as the fastest growing exchange by the Union of World Derivatives Exchanges. Işınsu Kestelli became the Chairwoman of the Board of Directors of VOBAŞ in 2007⁽²³⁾.

In an interview done with Işınsu Kestelli, the Chairwoman of the Board of Directors, she emphasized the position and importance of the VOB in the economy of İzmir and Turkey as follows; “*Despite being a very young exchange, the VOB has managed to attract attention in Turkish and international financial circles. Our Exchange is now more popular abroad than in Turkey. The prestigious institutions of the world make transactions and take positions at the VOB. It has contributed a great deal to the brand equity of İzmir. It has proved that a financial derivatives exchange can live to flourish. It has been a strong message against İzmir's image of*

(19) Ticaret, July 18, 2002.

(20) Yeni Asır, July 21, 2002.

(21) Yeni Asır February 5, 2005.

(22) Yeni Asır, August 8, 2005.

(23) Referans, September 6, 2007.



“retrograding city”. Thanks to the VOB in Turkey, hundreds of people are employed in brokerage houses. Together with the VOB in Turkey, financial instruments that could provide protection for investors and institutions against various risks are opened to trading. There emerged an exchange at which about 70 thousand investors have transactions, 98 brokerage houses do business and has a trading volume of TL 431 billion. I think the VOB has a great contribution to the target of becoming Turkey's financial center ⁽²⁴⁾.”

With the new capital market law announced and enacted in the official gazette dated December 30, 2012 and number 28513, an incorporated company was formed under the name “The Exchange İstanbul Inc.”, abbreviated as “BIST”, and the way to gather all the financial institutions under the same roof and to make İstanbul an international financial center was paved. The main contract of the BIST was signed on April 3, 2013 and with this registration, the legal entity of the İstanbul Stock Exchange (İMKB) and the İstanbul Gold Exchange (İAB) terminated. The Derivatives Exchange (VOB) also took part in this formation.



The Opening Ceremony of the Derivatives Exchange

⁽²⁴⁾ İzmir Ticaret Borsası Dergisi, January - March 2011, issue 73, p. 17.

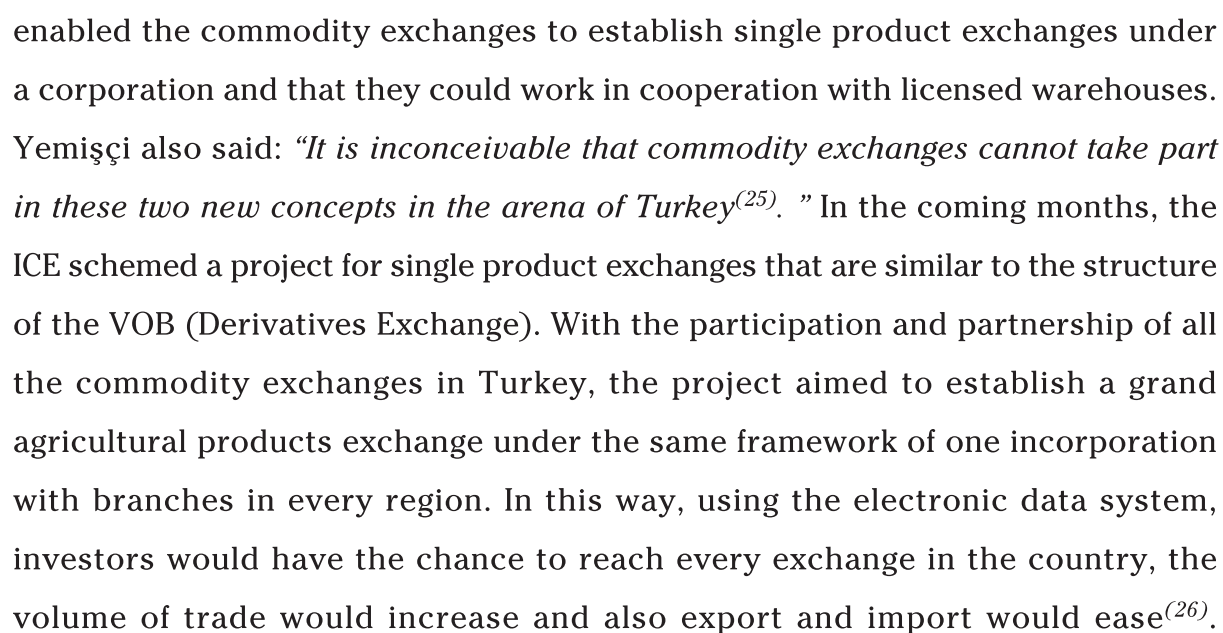
The Exchange İstanbul (BİST), which brought the İstanbul Stock Exchange (İMKB), the İstanbul Gold Exchange (İAB) and the Derivatives Exchange (VOB) together under the same umbrella, started its official operations after the ceremony held on April 5, 2013 with the attendance of the Prime Minister Recep Tayyip Erdoğan and the Vice Prime Minister Ali Babacan.

The İzmir Commodity Exchange, which had a share of 17% (TL 1.530.000) in the Derivatives Exchange Inc. (VOBAŞ), joined the Exchange İstanbul with a share of 8.5 per thousand (TL 3.597.489). The Chairwoman of the İzmir Commodity Exchange Işinsu Kestelli has been appointed as the Board Member of the Exchange İstanbul.

b) Product Exchanges and Licensed Warehousing

The success of the Derivatives Exchange in seven years has proved day by day that İzmir has a crucial and increasing importance in the world of trade and finance. However, it was an important defect not to be able to realize the transactions of agricultural futures and options contracts, which was a subject of much debate and occupied the agenda as of early 2000. Nonstandard products, lack of warehouses to store them and thus impossibility of maintaining spot markets were all obstacles of this inability. If agricultural products could be standardized and stored appropriately, bonds could be issued by these licensed warehouses. In this way, these bonds would be traded at single product exchanges that were intended to be established.

After the enforcement of Law No: 5174, the İzmir Commodity Exchange constantly emphasized the need for the establishment of a single product exchange. The administrators of the exchanges in the Aegean Region came together to discuss and evaluate the new regulations of the TOBB and Tuğrul Yemişçi, the Chairman of Assembly of the ICE of the time, remarked on the urgency of forming a product exchange by bringing together the commodity exchanges in the Aegean Region and having an incorporation established. Stating that the new law



Believing that the establishment of licensed warehouses was essential for the single product exchanges to become operational, the ICE started the attempts for licensed warehousing at the beginning of 2008. In his press announcement, Aydın Kesen, the Chairman of Board of the ICE, stated that they were planning to make use

(26) *Yeni Asır*, January 29, 2005.



The ICE Magazine

of the 9 hectares of land belonging to the Exchange in Görece, a town of Menderes and they intended to build warehouses on 2 hectares of this land⁽²⁷⁾. The Ministry of Industry and Finance approved the projects of the ICE for the Single Product Exchange and Licensed Warehousing in June, 2008⁽²⁸⁾. Due to high cost of financial investment for licensed warehousing and risk of low profit, some investors and institutions were indecisive about joining the project, which caused delays in the realization of Licensed Warehousing and the Single Product Exchange.

Işinsu Kestelli, the Chairwoman of the Board of Directors of the ICE underlined the importance of substantial subsidies to make the system more attractive for the investors and the income and corporate tax exemptions of Licensed Warehousing until the end of 2014, partial exemption in VAT and stamp tax. Meanwhile, the ICE was working on the improvement of the licensed warehousing

⁽²⁷⁾ Referans, February 26, 2008.

⁽²⁸⁾ Yeni Asır, July 30, 2008.



project⁽²⁹⁾. Barış Kocagöz, the Vice Chairman of the ICE and the National Cotton Association, explained that the works which had been going on for eight months to establish a licensed warehouse on the land in Gaziemir had almost reached to the final stage, that the shareholders were willing and the project was under discussion at the Board of Executives of the TOBB⁽³⁰⁾. Halit Kaya, the Chairman of the Assembly of the ICE pointed out the necessity of establishing the Single Product Exchange and that they had the power to realize this dream⁽³¹⁾. A seminar about licensed warehousing and single product exchange was held in October, 2009 to inform and train the parties involved⁽³²⁾.

At the beginning of 2010, for the establishment of the corporation for a licensed cotton warehouse with a capital of TL 8 million, invitations were sent by the ICE to the regional exchanges, producer associations, TARİŞ and affiliated unions and cooperatives, banks and agents⁽³³⁾. With the majority share of 17.35%, the ICE was planned to be the biggest shareholder of the company that would be established under the name of the ELİDAŞ, the Aegean Agricultural Products Licensed Warehousing Inc⁽³⁴⁾.

The founding charter of ELİDAŞ, Turkey's ever first licensed warehouse, was signed on September 17, 2010 in the historic building of the ICE. The participants were the ICE, the Derivatives Exchange, the Stock Exchanges of Balıkesir, Şanlıurfa, Manisa, Salihli, Turgutlu, Alaşehir, Ödemiş, Söke, the İzmir Chamber of Commerce, İş Yatırım (İş Investment), Denizbank, Türkiye Sınai Kalkınma Bankası (Industrial Development Bank of Turkey), Takasbank (ISE Settlement and Custody Bank Inc.), TARİŞ (Union of Cotton and Oil Seeds Agricultural Sales Cooperatives Union), TARİŞ Sultana Raisins Union, EDEKATAŞ A.Ş.⁽³⁵⁾. The first board meeting of the ELİDAŞ was held on January 27, 2011 at the ICE building⁽³⁶⁾. Barış Kocagöz, the Vice Chairman of Board of Directors of the ICE and the Chairman of the National Cotton Assembly, was chosen the Board Chairman of the ELİDAŞ and Ömer Çelik, the member of the board of Derivatives Exchange and the Chairman of Gaziantep Commodity Exchange, was appointed as the Vice Chairman of the ELİDAŞ⁽³⁷⁾.

(29) Dünya, July 17, 2009.

(30) Dünya, October 29, 2009.

(31) Yeni Asır, October 27, 2009.

(32) Dünya, October 26, 2009.

(33) Yeni Asır, February 6, 2010.

(34) Dünya and Ticaret, May 27, 2010.

(35) Ticaret, September 18, 2010.

(36) Ticaret, December 23-28, 2010.

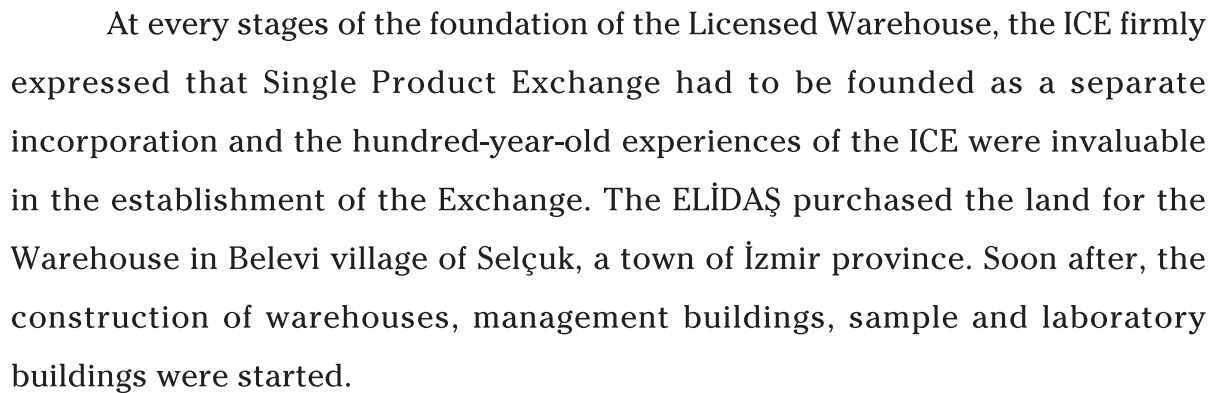
(37) Ticaret, January 29, 2011.

The Board Members were as follows; Erol Avni Bozkurt, Güzin Sarioğlu, Faruk Kula, Ufuk Ümit Orbaşı, Hasan Özer Orhan, Ayşe Yenel, Mehmet Kaya, Fatih Dalan, Murat Tulunay and Mehmet Belig Azbazdar. The ELİDAŞ launched the work to complete the investments to obtain a certificate of good standing.

In order to be granted a certificate of good standing, it was necessary to establish a single product exchange, where warehouse receipts could be traded or to have signed a contract with a mercantile exchange, where the receipts of a licensed warehouse could be transacted. Bearing in mind that it wouldn't be possible to establish the Single Product Exchange until the ELİDAŞ fully completed the investments, the Board of Directors of the ICE launched the work on the warehouse receipts system at the Exchange.

The İzmir Commodity Exchange has given start to many new practices and projects, which have served to improve the Turkish agriculture, and has become a model commodity exchange in Turkey with the new activities and services it has initiated throughout its history. Hence, the İzmir Commodity Exchange possesses the role of “the pioneer commodity exchange” with its century-old experience and innovative approach.





c) Crop Production Forecasting by Remote Sensing

In April, 1998, along with the classical methods, the ICE made a technological breakthrough and started using more technological and scientific means in forecasting crop production. Thus, the cotton production forecast is now conducted with remote-sensing technique, which provides the members with scientifically

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supported, more reliable and accurate data on production. Also supported by the Turkish Union of Chambers and Commodity Exchanges, this project was the first and unique in its field in the country. The work on identifying the cultivated areas of cotton was developed and carried out by the academicians of the EGE (Aegean) University, Faculty of Agriculture. The photos taken by the USA Landsat 7 (later on by Landsat 5) was purchased from the land station in Italy and examined and studied on, and the cotton cultivated areas were identified with the assistance and participation of committees from the ICE, the Nazilli Cotton Research Institute and TARİŞ . Hasan Özmen, the Chairman of the ICE of the time, stated that the project based on remote-sensing technique for the Aegean cotton was fruitful and that they intended to extend this practice to other crops as well as cotton throughout the country⁽⁴⁰⁾.

In the coming years, the ICE and the Union of Aegean Exporters and the Söke Commodity Exchange started giving financial support for the project of remote-



Cahit Kır  , the former Governor of İzmir, at the First Product Ceremony

⁽⁴⁰⁾ Finansal Forum, September 29, 2000.



sensing technique⁽⁴¹⁾. In 2002, the implementation of the same method in grape cultivated areas in the Aegean Region and cotton in all over the country was agreed on⁽⁴²⁾.

Upon the demands of the various exchanges and unions in different regions of the country, the same method was used for crops such as sesame, opium poppy, cumin, and pulses like rice, lentil, chickpea and beans⁽⁴³⁾. Previously, crop production forecast was carried out by the Provincial Agricultural Directorates by using conventional methods.

d) International Arbitration

If included in the contracts, the Exchange can act as a referee to ensure fair deals and transactions between persons, members and institutions to help solve the problems in case of any dispute, controversy or claim. For the Exchange to be able to act as a



Commemorative stamp of the the ICE for the 115th Anniversary

referee, both parties are required to apply with a petition and state their desire to do so. In the petition, name, address, matter of dispute, the demand of the claimant and legal basis and evidences have to be stated and arbitration clause and the contracts have to be attached.

Especially since the mid-1990s, with the increase in the import of cotton, a need for international arbitration has risen to settle disputes. Upon this need, as a result of the investigations carried out by the ICE, it was noted that almost all the exchanges dealing with cotton are members of the CICC (Committee for International Cooperation between Cotton Associations), which is an organization comprising the world's 18 leading cotton associations.

(41) "İTB 2002 Yılı Faaliyet Raporu", p. 4 (unpublished text)

(42) "İTB 2001 Yılı Faaliyet Raporu", p. 3 (unpublished text)

(43) "İTB 2002 Yılı Faaliyet Raporu", p. 4 (unpublished text)

The CICC encourages and welcomes cotton organizations into membership whether they are arbitration authorities or not, providing such organizations adhere to the principals of the sanctity of contracts in international cotton trade. Thus, the application of the ICE for membership was welcomed and approved by the existing members on April 5, 2000 in Liverpool. In this way, the ICE became an acknowledged authority on international arbitration.

e) The Project for Preventing Pesticide Residue in Raisins

When the EU countries agreed upon Maximum Residue limits, it was indispensable for the raisins, which is one of the most important export products of the Aegean Region, to conform to the standards of the EU. According to Işinsu Kestelli, the Chairwoman of the ICE, “Pesticide residue in raisins is not only the problem of farmers or exporters, but also the problem of the country”⁽⁴⁴⁾. For this reason, in order to inform and educate the farmers about pesticide residue prevention and contribute to the solution of the matter, the ICE initiated a joint work with the exchanges of Alaşehir, Turgutlu, Salihli and the Aegean Exporters Union. In field survey started in May, the main grape raising fields were divided into three groups and agricultural engineers responsible for each region were trained⁽⁴⁵⁾.

Until the end of September, 193 seminars were held in towns and villages with the participation of 2.780 farmers growing grapes. And also, in meetings held by Manisa Agricultural Directorate, the participants were enlightened about pesticide residue limits and risk-free applications. At the end of the season, after the evaluation of the residue analyses obtained from 70 samples, it seemed that, in some regions, the problem was still prevalent to some degree. Thus, the ICE decided to carry on the work started and on the other hand, the ICE tried to postpone the decree of the EU on Pesticide Residue to take effect. Although the grape harvest of 2009 was exempt from the new decree, the presence of inconvenient pesticides in the market was still a huge threat for the following year's harvest⁽⁴⁶⁾.

⁽⁴⁴⁾ Ticaret, July 5, 2009.



An exemplary vineyard in Karaburun

Vineyards were visited four times a week by the agricultural engineers employed by the joint financial aid of the ICE, the Alaşehir Commodity Exchange and the Aegean Exporters Union. The engineers had individual and group work with grape growing farmers and carried out a series of training. Farmers were given free belly bags with the logo of the ICE and containing a hat and grape raising booklet in them⁽⁴⁷⁾.

Another important project of the ICE was to employ an observation system for the raisins traded at the Exchange. To be able to monitor and observe “from the vineyard to the table”⁽⁴⁸⁾, every production stage of the raisins that are exported to Europe, a committee was formed and as a result of the work of the committee, “Seedless Raisin Observation Form” was designed and the system was put into practice starting from the harvest season of 2010-2011 with the permission of the

⁽⁴⁵⁾ Ticaret, July 5, 2009.

⁽⁴⁶⁾ Ticaret, February 17, 2010.

⁽⁴⁷⁾ “İTB 2010 Yılı Faaliyet Raporu”, p. 7 (unpublished text)

⁽⁴⁸⁾ Ticaret, July 11, 2010.

Board of Directors of the ICE. The seller, purchaser and the ICE each kept a copy of the form containing the names of the seller, purchaser, producer and information about the product. A meeting was held on July 12, 2010 to inform the farmers about the system and how to use the forms. A second meeting was held with brokers and agents due to some defects and difficulties in the application and practice of the system, and it was decided to carry on the practice to clear out the problematic areas⁽⁴⁹⁾.

The project to bring back and cultivate the long-lost and forgotten type of the Karaburun Sultana Grape was also another important project carried out by the ICE. During the visits paid in connection with the competition, “The Stars of the Agriculture” in 2007, upon hearing about an endangered species of grape, the Project to Enliven the Karaburun Sultana Grape in the Peninsula was initiated under the coordination of the ICE and with the technical assistance and support of the Manisa Grape Research Institute and Agricultural Faculty. The land to cultivate the grape was arranged by the ICE in Eğlenhoca village of Karaburun. After signing a protocol among the legal personality of Eğlenhoca village, the landlord and the ICE, the work on vineyard was launched. According to the protocol signed in 2007, the project was foreseen to last for four years, during which the land was surrounded with barbed wire, the land was reclaimed for agriculture and the vine saplings were planted⁽⁵⁰⁾. In 2008, the necessary procedures for organic production were initiated and Y shaped system was established in the vineyard⁽⁵¹⁾.

In May, 2010 various activities were organized for the promotion, marketing and encouraging the production of this type of grape in the region. In this context, to pioneer the marketing of the product, a symbolic amount of it was purchased and packed by the Exchange and the packages were distributed to press members, high level protocol members, municipalities, the Exchange members and employees⁽⁵²⁾.

(49) “İTB 2010 Yılı Faaliyet Raporu”, p. 7 (unpublished text)



The Project Members visiting a land in Karacağaç

f) Organic Village (Karacağaç) Project

In 2009, after consulting trade associations, the İzmir Commodity Exchange decided to form a working group comprised of certified producers and institutions dealing with organic agriculture and marketing of organic food. For the aforementioned working group, along with the members suggested by trade associations, members from universities and also non-governmental organizations were invited. The working group developed the project named “Karacağaç- A model Village in Organic and Good Farming Practices”. The leader of the project Özhan Şen, also a board member of the ICE, summarized their aim as follows: “With this project, we are trying to create a model village to develop and improve organic farming and good farming practices with respect to the nature, to maintain food safety, to protect the health, safety and prosperity of the farmers and to deliver these healthy products to consumers in domestic markets⁽⁵³⁾.”

(50) “İTB 2007 Yılı Faaliyet Raporu”, p. 22 (unpublished text)

(51) “İTB 2008 Yılı Faaliyet Raporu”, p. 23 (unpublished text)

(52) “İTB 2010 Yılı Faaliyet Raporu”, p. 8

(53) Ticaret, July 14, 2010.

The project, which was appreciated as successful and supported by the Development Agency of İzmir (İZKA), was put into practice after the agreement between the ICE and İZKA was signed on July 9, 2010. The project, which was carried out with an overall budget of TL 94.267 and went on until June 2011, under the cooperation of the İzmir Provincial Directorate of Agriculture, Ege (Aegean) University Faculty of Agriculture, the Agricultural Research Institute of İzmir and the Association of Ecological Farming Organization (ETO) and with the participation of Buca Governorship, Buca Municipality and Karacağağ Village Directorate⁽⁵⁴⁾.

In Karacağağ Village, which has a population of 970, first organic farming practices were realized by planting winter vegetables in October, 2010⁽⁵⁵⁾. Education and training activities for farmers, which were among the major activities of the project, were carried out throughout October and December at the Karacağağ Village Education Center under the coordination of Ege University Faculty of Agriculture and the ETO. Within the project scope, certification procedures were initiated for 25 organic vegetable producers and 2 greenhouse farmers who applied for good farming practices. The first organic vegetables of the project were broccoli, cabbage, lettuce, spinach and cauliflower. The products were sold at the Buca Open-air Bazaar on Wednesdays and Sundays and also at Buca Municipality and İzmir Provincial Directorate of Agriculture on some certain days of the week⁽⁵⁶⁾.

The representatives of the Ministry of Agriculture of France and Technical Center for Fruits and Vegetables (CTIFL) paid a visit to Karacağağ Village and found the project successful and it was decided to develop a sister village project between Karacağağ and a village from France⁽⁵⁷⁾. Summer vegetables grown within the scope of the project were put on the market as of June. The project, which aimed at new and sustainable markets for organic agricultural products grown in Karacağağ village and supporting the farmers and spreading organic farming practices, was awarded with the 6. Mazhar Zorlu Prize for Education, Science, Culture, Sport - Contribution to İzmir⁽⁵⁸⁾. The closing ceremony of the project and village breakfast organization was held on July 9, 2011 in Karacağağ Village.

⁽⁵⁴⁾ *"Dünya, July 14, 2010 and Yeni Asır, July 30, 2010.*

⁽⁵⁵⁾ *Yeni Asır, October 13, 2010.*

⁽⁵⁶⁾ *Ticaret, December 15, 2010.*

⁽⁵⁷⁾ *Ticaret, April 26, 2011.*

⁽⁵⁸⁾ *Ticaret, May 18, 2010.*



g) The Stars of the Agriculture

As a tradition dating back to the early years of the Republic, the ICE used to hold ceremonies and award the farmers bringing the first agricultural products of the year to the Exchange. Especially the farmers growing cotton, fig and seedless raisins, which are the main crops of the region and the exchange, were awarded with a plaque to encourage the producers to grow better products and the first products brought to the Exchange were bought by auction at a symbolic price. In 2006, the ICE made a decision to abolish “The First Product Ceremony” and to organize a contest to award “the best farmer.”

The reason for this change was explained as follows by the authorities of the Exchange: “There has been some embezzlement in the production stages of the first product brought to the Exchange in recent years. Farmers have been using some tricky techniques to harvest and bring the product first. Delivering the product to the Exchange 15-20 days earlier than usual has drawn serious criticism.



The Third Stars of Agriculture Competition of the ICE

(54) “Dünya, July 14, 2010 and Yeni Asır, July 30, 2010.

(55) Yeni Asır, October 13, 2010.

(56) Ticaret, December 15, 2010.

(57) Ticaret, April 26, 2011.

(58) Ticaret, May 18, 2010.

Upon the complaints and urge of the members, we have decided to change the concept of the contest.” Besides, “The First Product” contest was imitated by the other exchanges, which depleted the importance and value of this practice⁽⁵⁹⁾.

The new practice of the ICE in awarding the farmers emerged in a short while and the name of the new contest is “The Stars of the Agriculture”, which aims at encouraging farmers who have created a new approach, method or technique in raising agricultural products like cotton, seedless raisins, fig and olive. The winners of the contest are awarded with prize money of TL 5.000. Farmers raising the above mentioned crops on small or medium scale lands in İzmir, Aydın, Balıkesir, Çanakkale, Denizli, Manisa and Muğla and in their towns and villages can apply for candidacy or be nominated⁽⁶⁰⁾. All those who apply for the contest and pass the pre-selection are visited in their own land and evaluated⁽⁶¹⁾.



The first awards of the contest “The Stars of the Agriculture” were given on April, 2007 in a ceremony held in the presence of the Minister of Agriculture and Rural Affairs, the Chairman and some members of the Turkish Union of Chambers and Commodity Exchanges (TOBB), and members of some other chambers, associations and cooperatives⁽⁶²⁾. The contest was welcomed by agricultural circles and believed to contribute to environment conscious, efficient and eco-friendly production, the use of technology and the integration with global production and conformity to the norms of the EU⁽⁶³⁾. On December 22, 2010 the awards were given in four categories, namely cotton, seedless raisins, fig and olive, at a ceremony held at the Exchange Hall with the presence of Nihat Ergün,

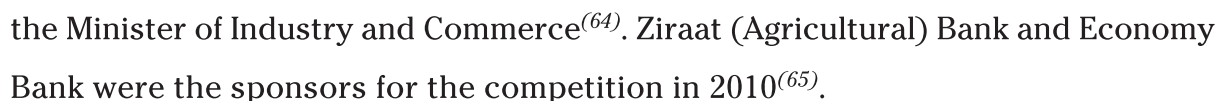
(59)Yeni Ekonomi, August 4, 2006.

(60)Yeni Asır, August 29, 2006.

(61)“İTB 2006 Yılı Faaliyet Raporu”, p. 25 (unpublished text).

(62)Yeni Asır, April 7, 2007.

(63)“İTB 2007 Yılı Faaliyet Raporu”, p. 23 (unpublished text).



h) Geographical Indications Registry

For this purpose, 51 institutions were invited to the meeting on November 10, 2002 to discuss the certification for the above mentioned agricultural products. On February 5, 2003, application to the Turkish Patent Institute was carried out for the seedless raisins of the region to be registered under the name “The Aegean Sultana Raisins”, the cotton as “The Aegean Cotton” and the Sarılop (Calimyrna) fig as “The Aegean Fig”.

The main purpose of obtaining geographical status for these products, a great deal of which is traded at the ICE, was the recognition and protection on the markets of the names of these products of the Aegean Region. In this way, the community of producers is allowed to invest in maintaining the specific qualities of the local product which the reputation is built on. It also contributes to the preservation of the natural resources on which the product is based and of traditions

(67) "İTB 2009 Yılı Faaliyet Raporu", s. 19 (unpublished text).

and traditional know-how.

i) GMO FREE Labeling Project

A genetically modified organism (GMO) or genetically engineered organism (GEO) refers to an organism whose genetic material has been changed using some genetic engineering techniques. Parallel to the increase in the number of conscious consumers, the efforts on food safety gained speed in 2000s. There was increasing concern about products containing GMOs all over the world as well as in Turkey and there were doubts whether these products were harmful, if so what effects they would have and to what extent. However, there was no doubt that a huge consumer mass took a dim view of the products with GMOs.

While almost half of the cotton in the world contains GMOs, cotton production in Turkey is GMO free. It is a known fact that there is the cost advantage in the production of cotton containing GMOs. In order to remove this competitive disadvantage and reduce the cost, some measures should be taken and branding must be encouraged and given priority. Evaluated in this respect, GMO free production of cotton in our country provides an advantage for our farmers, and also for textile and garment industry.

In order to grasp this opportunity, the ICE and the National Cotton Association decided to use GMO FREE labels on all cotton made products in the year 2010. This labeling was believed to help branding, especially in European market, where the consumers are wealthy and utterly conscious, and which is still by far the greatest export area of Turkish cotton.





The advertising activities of the labels prepared were carried out in national and international meetings. The ICE had 100.000 labels printed for the first time for 2010-2011 harvest season and distributed them to cotton merchants and cotton gin operators.

Within the scope of 120th anniversary celebration of the ICE, in addition to the publication of this book in Turkish and English, various activities were organized and planned for the coming days. Some of these activities were as follows; 120th Anniversary stamp and logo, entrepreneurship training together with the KOSGEB (Small and Medium Industry Development Organization), Project Development by the Personnel contest, Olive Oil Connoisseurship and Advertising activities in cooperation with the TARİŞ (Raisins, Olive Oil and Cotton Agricultural Sales Cooperatives Union), a Photograph Exhibition with the theme Agriculture and Man together with the Provincial Directorate of Agriculture, a debate on Agriculture and the Exchanges with the participation of M. Rifat Hisarcıklioğlu as guest of honor - the Chairman of the TOBB, an Agriculture Panel in the presence of the Minister of Transport and Communication, Binali Yıldırım, who is also a deputy of İzmir, the ICE Introductory Film and Music, having the 120th Anniversary March composed.

The İzmir Commodity Exchange did not abstain from adding new ones to its activities in 2012. İzmir University of Economics and the İzmir Chamber of Commerce initiated a project to establish a techno park to carry out researches on sustainable agriculture, renewable energy and information technologies. İzmir Technology Science and Park Project was given a start with a founding capital of TL 2.500.000, among the founding members of which the İzmir Commodity Exchange took place with a 1% share after the approval of the administrative body. With the participation of the Chairwoman of the Executive Board Işinsu Kestelli and Aegean University Rector Prof. Dr. Candeğer Yılmaz, a cooperation protocol between the ICE and EBİLTEM was signed at the historic hall of the Exchange on April 5, 2012, which aimed at collaborating in business development, r&d and innovation.

Another protocol was signed with the firm Ekinoks in May, 2012 to prepare the Strategic Plan of the Exchange for 2013-2016, and to establish the Human Resources Performance Management System and 9 of the personnel was commissioned to work on this project. The opening ceremony of the İzmir Commodity Exchange 120th Anniversary Library in Belevi town was held on September 6, 2012. The number of books donated by the public and institutions, and also bought by the Exchange is about 1.500, and they have been offered at the disposal of the local people. The Exchange Talks, which were initiated as one of the activities of the 120th Anniversary, has been continued in 2012 as well. A debate on exchanges was held on April 9, 2012 at the Swiss Hotel, the guest speaker of which was İbrahim Turhan, the Chairman of the İstanbul Stock Exchange.



The Assembly Meeting of the ICE honored by M. Rifat Hisarcıklıoğlu, the Chairman of the Union of Chambers and Commodity Exchanges.

With the financial support of the Exchange and KOSGEB (Small and Medium Industry Development Organization) 11 firms joined the trip to the SIAL fair held in Paris, which is one of the greatest food fairs of the world. With the cooperation of the ICE and EBİLTEM, bilateral business talks were held with the firms participating the fair, and as part of the trip, the Office of the Commercial Counselor



in Paris was visited. The ICE also joined the EURASIA 2012 AGROEXPO Agriculture, Greenhouse and Livestock Fair held on September 20-23, 2012 in İzmir and opened a stand and informed the visitors about the activities of the Exchange and distributed its publications.

The ICE has allocated a part of the historic building of the Exchange to the Expo General Secretariat to support İzmir's nomination for EXPO 2020 and also personnel were seconded to the Secretariat. In addition, Işinsu Kestelli, the Chairwoman of the ICE and member of the steering committee of Expo, took on the task of the Coordinator to Asian Region.

EPILOGUE

The İzmir Commodity Exchange, which went down in history as the first exchange of Turkey, was established in 1891 and has served for the improvement of agriculture and commerce in our region and in our country for 122 years. The İzmir commodity Exchange has contributed immensely to the development of commerce and the concept of exchange since it was established. The ICE is one of the commercial exchanges of the country that carries out conventional trading sessions at the Exchange without giving up the traditions of the institution, but at the same time, it also keeps up with the times. For this purpose, it has added new ones to its major field of activities, which are registry, laboratory services, price determination and arbitration. The İzmir Commodity Exchange has maintained its position among the other exchanges as a leader exchange with its century-old experience and innovative approach to commercial life.

The primary objective of the ICE, which has a 122-year-old glorious history, has always been to make strides as one of the major actors of our country in global markets and it has made every endeavor to help create a competitive agricultural sector.

The İzmir Commodity Exchange, which aims at possessing an active role in the establishment of single product exchanges, transforming the spot market into electronic exchange and integrating it to derivatives exchange, is aware of its responsibility to help Turkey become one of the five biggest agricultural economies of the world.



Taking an utmost responsibility in shaping the economic life of the Republic and feeling the responsibility to design the future of the agriculture with the propulsive force derived from its deep-rooted history, the ICE has determined a vision, which is; “to create a difference with the value and variety of its services in agricultural exchanges” and its mission is; “to establish a contemporary and functional market for agricultural products in İzmir and the Aegean Region, to contribute to the development of agriculture and food sector, to help increase the competitive power of the producers and also to prepare its members to the changing global commercial activities.”

The İzmir Commodity Exchange, which is one of the rare institutions that witnessed the history of the Republic, will keep on steering the future of our country with the slogan, “From tradition to future”.



APPENDIXES



APPENDIX I:

THE TRANSACTION VOLUME AT THE ICE BETWEEN 1960-2012 (TL)

YEARS	TRANSACTION VOLUME	YEARS	TRANSACTION VOLUME
1960	743	1987	427,781
1961	760	1988	736,920
1962	889	1989	1,456,300
1963	881	1990	2,001,422
1964	848	1991	4,458,223
1965	917	1992	6,613,164
1966	1,010	1993	12,997,908
1967	1,272	1994	37,339,528
1968	1,169	1995	78,445,717
1969	1,348	1996	134,632,197
1970	1,619	1997	265,626,834
1971	1,863	1998	464,491,764
1972	2,269	1999	710,726,606
1973	3,554	2000	1,051,287,403
1974	3,096	2001	1,591,682,937
1975	4,212	2002	2,085,847,641
1976	6,543	2003	2,590,081,927
1977	5,936	2004	2,668,059,495
1978	8,633	2005	2,867,372,404
1979	9,711	2006	3,138,552,152,
1980	25,045	2007	3,338,257,265
1981	38,683	2008	4,067,984,844
1982	58,758	2009	3,889,588,424
1983	92,253	2010	5,108,855,325
1984	134,090	2011	6,461,610,103
1985	168,107	2012	6,901,108,095
1986	258,861		

APPENDIX II:

THE TRANSACTION VOLUME OF COTTON AT THE ICE BETWEEN 1960-2012 (TON/TL)

YEARS	AMOUNT	VALUE	YEARS	AMOUNT	VALUE
1960	57.511	328.5	1987	138.778	211.472.7
1961	69.088	375.9	1988	192.178	371.385.8
1962	76.990	388.5	1989	204.268	738.356.0
1963	81.885	419.3	1990	193.946	1.060.015
1964	68.662	353.5	1991	251.957	2.197.751
1965	65.670	316.0	1992	197.746	2.160.994
1966	89.109	419.2	1993	297.815	4.426.015
1967	97.747	515.1	1994	365.222	16.546.088
1968	86.527	461.3	1995	450.092	33.984.783
1969	90.126	453.9	1996	526.165	57.459.695
1970	117.308	733.6	1997	275.803	97.881.030
1971	109.062	960.7	1998	272.542	11.775.348
1972	91.210	840.2	1999	318.030	160.379.372
1973	99.265	1.651.1	2000	302.065	257.373.885
1974	56.481	1.138.2	2001	320.772	436.069.057
1975	81.226	1.616.9	2002	307.782	498.856.755
1976	130.365	3.265.4	2003	249.963	519.810.832
1977	80.029	2.197.6	2004	234.789	495.698.683
1978	115.157	4.001.4	2005	293.119	528.605.423
1979	71.018	3.850.1	2006	227.760	428.399.826
1980	89.962	10,101.7	2007	221.277	408.006.566
1981	109.445	20.399.4	2008	142.181	275.841.537
1982	127.625	26.429.1	2009	102.357	210.257.863
1983	138.417	46.438.0	2010	75.417	261.924.571
1984	104.282	54.027.3	2011	95.721	436.858.401
1985	117.584	64.145.1	2012	139.771	483.335.922
1986	152.002	124.077.7			



APPENDIX III:
THE TRANSACTION VOLUME OF RAISINS AT THE ICE BETWEEN 1960-2012 (TON/TL)

YEARS	AMOUNT	VALUE	YEARS	AMOUNT	VALUE
1960	49.856	108.3	1987	54.002	32.456
1961	43.755	86.3	1988	80.527	83.556
1962	54.010	95.0	1989	88.682	134.724
1963	40.521	85.6	1990	102.485	228.279
1964	39.349	89.0	1991	137.844	561.958
1965	54.286	121.1	1992	125.946	667.986
1966	45.912	102.4	1993	152.400	1.333.502
1967	46.919	104.4	1994	218.081	5.080.305
1968	40.568	88.8	1995	186.034	7.366.980
1969	57.516	115.3	1996	228.062	16.564.351
1970	37.115	94.7	1997	154.427	23.123.933
1971	64.367	164.1	1998	222.062	52.664.827
1972	96.487	290.2	1999	206.691	78.578.861
1973	37.609	370.1	2000	179.811	89.753.334.
1974	35.690	346.1	2001	220.552	140.955.634
1975	54.465	380.0	2002	139.386	147.105.045
1976	80.486	573.7	2003	120.106	153.557.190
1977	54.737	533.5	2004	95.405	114.898.955
1978	56.271	1.003	2005	123.280	145.233.831
1979	18.946	817.7	2006	123.568	168.824.778
1980	36.343	3.029	2007	121.432	184.161.130
1981	35.462	3.525	2008	99.862	186.542.729
1982	58.838	7.022	2009	143.506	277.976.404
1983	25.080	3.605	2010	122.968	327.015.217
1984	46.926	9.295	2011	96.573	353.069.377
1985	31.778	9.849	2012	100.714	354.322.184
1986	41.166	17.444			

APPENDIX V:**THE TRANSACTION VOLUME OF OLIVE OIL AT THE ICE BETWEEN 1960-2012 (TON/TL)**

YEARS	AMOUNT	VALUE	YEARS	AMOUNT	VALUE
1960	3.890	16.6	1987	5.172	4.932.2
1961	5.966	23.2	1988	2.074	1.672.2
1962	15.446	66.2	1989	4.167	10.043.3
1963	2.932	20.1	1990	5.342	23.717.3
1964	6.808	29.3	1991	25.510	126.166.0
1965	9.357	46.8	1992	21.684	191.574.0
1966	8.616	43.0	1993	18.383	284.665.0
1967	10.848	53.3	1994	15.158	605.586.0
1968	18.005	95.7	1995	57.806	5.572.896.0
1969	16.631	90.1	1996	21.908	5.189.992.0
1970	7.859	60.8	1997	47.287	13.315.805.0
1971	7.867	70.6	1998	46.498	15.974.763
1972	7.849	90.2	1999	102.698	58.269.802
1973	16.548	215.8	2000	24.182	28.571.447
1974	7.751	126.0	2001	70.503	101.236.613
1975	5.264	101.5	2002	25.890	71.708.574
1976	24.795	452.5	2003	86.525	255.342.373
1977	18.850	363.2	2004	63.615	242.015.540
1978	7.426	221.4	2005	100.238	424.299.441
1979	6.365	389.0	2006	72.821	419.589.310
1980	4.383	333.1	2007	65.764	321.185.713
1981	5.588	879.9	2008	39.270	225.592.485
1982	22.784	3.850.7	2009	58.115	287.162.896
1983	18.918	3.218.9	2010	53.815	284.405.397
1984	6.300	2.022.3	2011	58.559	329.261.089
1985	4.393	2.538.1	2012	12.804	432.294.29
1986	2.983	2.297.1			



APPENDIX VI:

QUOTATION LIST OF THE ICE AS OF 2012

PRODUCT	MINIMUM. AMOUNT	PRODUCT	MINIMUM. AMOUNT
Wheat (all types)	500 kg.	Almond (all types)	50 kg.
Barley	500 kg.	Pistachio (hard-shell and kernel)	50 kg.
Oat	500 kg.	Pine Nut (hard-shell and kernel)	50 kg.
Rye	500 kg.	Peanut (hard-shell and kernel)	50 kg.
Millet (white and common millet)	500 kg.	Hazelnut (hard-shell and kernel)	50 kg.
Maize (broom corn, gluten and silage)	500 kg.	Walnut (hard-shell and kernel)	50 kg.
Rice (all types)	100 kg.	Roasted pumpkin seed	50 kg.
Flour (all types)	200 kg.	Roasted chickpea	50 kg.
Wheat bran	300 kg.	Carob	50 kg.
Razmol	150 kg.	Dried apricot	50 kg.
Pasta (semolina, vermicelli)	150 kg.	Dried wild apricot	50 kg.
Bulgur wheat	100 kg.	Dried apple	50 kg.
Dry beans	50 kg.	Dried plum	50 kg.
Dry chickpea	50 kg.	Dried sour cherry	50 kg.
Dry black-eyed pea	50 kg.	Dried pear	50 kg.
Lentil (yellow, green, red)	50 kg.	Apricot stone	50 kg.
Vetch	50 kg.	Wild apricot stone	50 kg.
Dry broad bean	50 kg.	Raisins (all kinds)	50 kg.
Dried tomato	50 kg.	Dried fig	50 kg.
Soy bean	100 kg.	Chesnut	500 kg.
Aniseed	100 kg.	Gallnut	50 kg.
Sesame	100 kg.	Laurel Leaf	50 kg.
Cumin	100 kg.	Licorice	50 kg.
Fenugreek	100 kg.	Oregano (savory)	50 kg.
Soap (all types)	100 kg.	Sage	50 kg.
Cotton seed	100 kg.	Linden	50 kg.
Sunflower seed	100 kg.	Beeswax	50 kg.
Hemp seed	100 kg.	Cotton (lint)	200 kg.
Poppy seed (blue, white, yellow)	100 kg.	Cotton yarn	500 kg.
Gypsophila	25 kg.	Linter	50 kg.
Fennel	25 kg.	Fiber waste	50 kg.

PRODUCT	MINIMUM. AMOUNT	PRODUCT	MINIMUM. AMOUNT
Nigella sativa	25 kg.	Wool	50 kg.
Black pepper	25 kg.	Fleece	50 kg.
Pulp (all types)	500 kg.	Goat hair	50 kg.
Cattle feed	500 kg.	Seedcotton	100 kg.
Sheep and goat feed	500 kg.	Cattle (live)	1
Poultry feed	1000 kg	Sheep and goat (live)	1
Fish food	1000 kg	Cattle meat	100 kg.
Olive oil (natural, refined)	50 kg.	Sheep and goat meat	10 kg.
Olive pomace	50 kg.	Cattle hide	200 kg.
Olive pomace oil	50 kg	Sheep and goat hide	5
Sunflower oil (natural, refined)	50 kg.	Cattle bowels	50
Cotton oil (natural, refined)	50 kg.	Sheep and goat bowels	50
Corn oil	50 kg.	Egg	500
Soy bean oil	50 kg.	Live hen and chicken	100
Palm oil	50 kg.	Chick for breeding	1000
Rape seed oil	50 kg.	Hen and chicken meat	30 kg.
Vegetable margarine	50 kg.	Live turkey	30
Butter	50 kg.	Turkey meat	30 kg.
Cheese (all types)	50 kg.	Honey	50 kg.
Olive (table, oil)	50 kg.		



APPENDIX VII:

THE MEMBERS OF THE FOUNDING COMMITTEE, THE MEMBERS OF THE BOARD OF DIRECTORS AND THE CHAIRMEN OF THE ASSEMBLY OF THE ICE

The Founding Committee Members (1891)

Tevfik Nevzat
Mehmet Efendi
Hayım Bolaka Efendi
Mösyö Rişar Vitel
Mirican Kazazyan Efendi
Dionis Markopulo
Gökbaşzade Zaharya Ef.
Jozef Balyan
Kasaboğlu Pandleki Efendi
Alçacıoğlu Yovanaki Ef.
Memiko Nikolaidi
Artur Bon
Vangel Berotiyopulo
Kahyaoğlu Kozmi

The Chairmen of the Assembly (1944 - 2013)

Selahattin Sanver (1944-1946)
Tahir Erdem (1946-1948)
Haydar Albayrak (1948-1950)
M. Haydar Nazlı (1950-1960)
A. Ahmet Tabak (1960-1963)
Şevket Filibeli (1963-1969)
Reşat Leblebicioğlu (1969-1975)
İ. Etem Özsoy (1975-1981)
Mehmetçik Paykoç (1981-1984)
Hasan Güven (1984-1986)
Remzi Kocakıran (1986-1989)
Engin Baraz (1989-1995)
Tuğrul Yemişçi (1995-2001)
İ. Şadi Katırcıoğlu (2001-2005)
Ayhan Baran (2005-2009)
Halit Kaya (2009-2013)
Ş. Barış Kocagöz (2013-2016)

THE MEMBERS OF THE BOARD OF DIRECTORS OF THE ICE (1892-2003)

1892-1893

1. Terasaki Pitako (Chairman)

2. Mirican Kazazyan (Book keeper)
 3. Musulluzade Hacı Hüseyin
 4. Karagözzade Mehmet
 5. Kasaboğlu Pandelaki
 6. Evangelinoz Virayanopulo
 7. Kahyaoğlu Kozmi
- Commissioner: Armenak Efendi

1893-1895

1. Musulluzade Hacı Hüseyin (Chairman)

2. Memiko Hacı Anton (Book keeper)
 3. Artur Bon
 4. Denis Markopulo
 5. Aleksandr Topuz
 6. Evangelinoz Viriyanopulo
 7. Serkiz Avrenyan
- Commissioner: Armenak Efendi
General Secretary: Edhem Efendi

1895-1896

1. Artur Bon (Chairman)

2. Memiko Hacı Anton (Book keeper)
 3. Aleksandr Topuz
 4. Serkiz Avrenyan
 5. Hacı Bekirefendizade Emin
 6. Alçıcızade Yuan
 7. Pandelis Kasaboğlu
- Commissioner: Armenak Efendi
General Secretary: Edhem Efendi

1896-1897

1. Humbert Reggio (Chairman)

2. Alcheos Pavlidis (Book keeper)
 3. Hacı Bekirefendizade Emin
 4. Aleksandr Topuz
 5. İsmail Abidin
 6. Kazazyan Mirican
 7. Pandelis Kasaboğlu
- Commissioner: Armenak Efendi
General Secretary: Edhem Efendi

1897-1898

1. Humbert Reggio (Chairman)

2. Alcheos Pavlidis (Book keeper)
 3. Hacı Bekirefendizade Emin
 4. Aleksandr Topuz
 5. Dionis Markopulo
 6. Miltiyadi Lamberonidi
 7. Pandelis Kasaboğlu
- Commissioner: Armenak Efendi
General Secretary: Edhem Efendi

1902-1903

1. Jorj Hirasaki (Chairman)

2. Hacı Bekirefendizade Emin
 3. Mihalaki Karmanyoli
 4. Aleksandr Topuz
 5. Yani Kando
 6. Alçıcıoğlu Yuan
 7. Pandelis Kasaboğlu
- Commissioner: Armenak Efendi
General Secretary: Edhem Efendi

1908-1909

1. Uşakizade Sadık (Chairman)

2. İsa Hacı Toma (Book keeper)
 3. Aleksandr Koleti
 4. Mihalaki Kolaçi
 5. Bahor Roditi
 6. Nikolaki Arabacı
 7. Osmanzade Mehmet
- Commissioner: Armenak Efendi
General Secretary: Edhem Efendi

1909-1910

1. Salebçizade Midhat (Chairman)

2. Kosta Palamida
 3. Pandelis Kasaboğlu
 4. Nikola Arabacı
 5. Hacı Murat
 6. Foti Araboğlu
 7. Anastaso Yorgaki
- General Secretary: Edhem Efendi



1913-1914

1. Tuzakoğlu Efendi (Chairman)

1916-1917

1. İpokrat Gökbaşıoğlu (Chairman)

2. İstasıo Yorgalo (Book keeper)
3. Kırımlı Ömer Lütfü
4. Buhuraki
5. Dionis Gokyateçoğlu
6. Con Elmasyan

1920-1921

1. Mustafa Nuri (Chairman)

2. S. Onasis (Book keeper)
 3. Köpesoğlu
 4. Hüseyin Galip
 5. Bohor Roditti
 6. Kazazyan
- Commissioner: Engerlioğlu

1922-1923

1. Kazancızade Ömer Latifi (Chairman)

2. Hacı Süleyman Efendizade
 3. Filibeli Mustafa Rahmi
 4. Akaszade Rahmi
 5. Dramalı Ahmet
 6. Filibelizade Ferit
 7. İsmail Hakkı
 8. Abdullah Recep
 9. Simsarzade Hasan Fehmi
 10. Balcıade Sıtkı
- General Secretary: Ali Hadi

1923-1924

1. Karacaovalı Ali (Chairman)

2. Alaiyelizade Kadri Halim
 3. Buldanlı Kadri
 4. Dramalı Muhittin
 5. Simsarzade Hasan Fehmi
 6. Gevgilili Ahmet
- Commissioner: Halit
General Secretary: Ali Hadi

1924-1925

1. Cemil Beyzade Ferit (Chairman)

2. Alaiyelizade Ferit
 3. Buldanlı Kadri
 4. Hacı Süleyman Efendizade
 5. Filibeli Mustafa Rahmi
 6. Mustafa Zühdü
 7. Simsarzade Hasan Fehmi
 8. Dramalı Muhiddin
- Commissioner: Halit - Kemaleddin
General Secretary: Ali Hadi

1925

1. Balcıade Hakkı (Chairman)

2. Cevahircizade Şükrü
 3. Aydınlı Hacı Ömerzade İzzet
 4. Cemil Beyzade Ferit
 5. Ak Osmanzade Mehmet
 6. İzmirli Talat
 7. Hacı Süleyman Efendizade Mustafa
 8. Filibeli Rahmi
- Commissioner: Nasıh
General Secretary: Ali Hadi

1925-1926

1. Filibeli Cemalzade Ferit (Chairman)

2. İzmirli Talat
 3. Alaiyelizade Halim
 4. Çeşmelizade Remzi
 5. Dramalı Muhiddin
 6. Zaimzade Adil
- Commissioner: Kemaleddin
General Secretary: Ali Hadi

1926-1927

1. Filibeli Cemalzade Ferit (Chairman)

2. İzmirli Talat
3. Alaiyelizade Halim
4. Çeşmelizade Remzi
5. Dramalı Muhiddin
6. Zaimzade Adil
7. Abidinzade Subhi

Commissioner: Kemaleddin
General Secretary: Ali Hadi

1927-1928

1. Filibeli Cemalzade Ferit (Chairman)

2. Dramalı Muhiddin (Vice Chairman)
 3. Simsar Selamizade Ziya
 4. Çeşmelizade Remzi
 5. Cevahircizade Şükrü
 6. Zaimzade Adil
 7. Abidinzade Subhi
 8. Simsar Ahmet Reşat
- Commissioner: Kemaleddin
General Secretary: Ali Hadi

1928-1929

1. Cevahircizade Şükrü (Chairman)

2. Alaiyelizade Halim (Vice Chairman)
 3. Çeşmeli Remzi
 4. Zaimzade İzzet
 5. Simsar Selamizade Yusuf Ziya
 6. Simsar Çömezzade Mustafa
 7. Filibeli Cemalzade Ferit
 8. İzmirilizade Mazhar Nurullah
- Commissioner: Kemaleddin
General Secretary: İhsan

1929-1930

1. Cevahircizade Şükrü (Chairman)

2. Alaiyelizade Halim (Vice Chairman)
 3. Çeşmeli Remzi
 4. Zaimzade İzzet
 5. Simsar Selamizade Yusuf Ziya
 6. Simsar Çömezzade Mustafa
 7. İzmirilizade Mazhar Nurullah
- Commissioner: Kemaleddin
General Secretary: İhsan

August - December 1930

1. Cevahircizade Şükrü (Chairman)

2. Alaiyelizade Halim (Vice Chairman)
3. Balcızade Etem

4. Aydınli İzzet
 5. Broker Selamizade Yusuf Ziya
 6. Broker Çömezzade Mustafa
 7. İzmirilizade Mazhar Nurullah
 8. Filibeli Rahmi
 9. Zaimzade Adil
- Commissioner: Ali Mahmut
General Secretary: İhsan

1930-1931

1. İzmirli Talat (Chairman)

2. Alaiyelizade Halim (Vice Chairman)
 3. Balcızade Etem
 4. Aydınli İzzet
 5. Broker Selamizade Yusuf Ziya
 6. Broker Çömezzade Mustafa
 7. İzmirilizade Mazhar Nurullah
 8. Filibeli Rahmi
 9. Zaimzade Adil
- Commissioner: Ali Mahmut
General Secretary: İhsan

1931-1932

1. Cevahircizade Şükrü (Chairman)

2. Alaiyelizade Halim (Vice Chairman)
 3. Hocasade Ahmet Ragıp
 4. Filibeli Rahmi
 5. Selamizade Yusuf Ziya
 6. Çömezzade Mustafa
 7. İzmirilizade Mazhar Nurullah
 8. Topçuoğlu Nazmi
 9. Bedri Ertuğrul
- Commissioner: Ali Mahmut
General Secretary: İhsan

1932-1933

1. Cevahircizade Şükrü (Chairman)

1933-1934

1. Cevahircizade Şükrü (Chairman)

2. Alaiyelizade Halim (Vice Chairman)
3. Hocasade Ahmet Ragıp



4. Filibeli Rahmi
5. Selamizade Yusuf Ziya
6. Çömezzade Mustafa
7. İzmirizade Mazhar Nurullah
8. Kırkağaçlı Kazım
9. Aydınlı İzzet
Commissioner: Ali Mahmut
General Secretary: İhsan

1934-1935

1. Cevahircizade Şükrü (Chairman)
2. İzmirizade M. Nurullah (Vice Chairman)
3. Akşehir Bankası Müdürü Halil
4. Kırkağaçlı Kazım
5. Menemenli Hıfzı
6. Selamizade Yusuf Ziya
7. Çömezzade Mustafa
8. Aydınlı İzzet
Commissioner: İhsan Ayyıldız (Vekil)
General Secretary: İhsan Ayyıldız

1935-1936

1. M. Nurullah İzmirlioğlu (Chairman)
2. Akşehir Bankası Müdürü Halil
3. Menemenli Hıfzı
4. Selamizade Ziya
5. Çömezzade Mustafa
6. Kazım Kırkağaçlı
Commissioner: Şevki Ertuğrul
General Secretary: İhsan Ayyıldız

1936-1937

1. M. Nurullah İzmirlioğlu (Chairman)
2. Kazım Kırkağaçlıoğlu
3. Hıfzı Melemenli
4. Halim Alanyalı
5. Mustafa Çömezoğlu
6. Şükrü Cevahirci
7. Selamioğlu Ziya
8. Ahmet Ragıp Üzümcü
Commissioner: Şevki Ertuğrul
General Secretary: İhsan Ayyıldız

1937-1938

1. M. Nurullah İzmirlioğlu (Chairman)
2. Kazım Taner (Vice Chairman)
3. Hıfzı Melemenli
4. Halim Alanyalı
5. Mustafa Çömezoğlu
6. Şükrü Cevahirci
7. Sabri Menteş
8. Ahmet Ragıp Üzümcü
9. Ziya Özker
Commissioner: Şevki Ertuğrul
General Secretary: İhsan Ayyıldız

1938-1939

1. M. Nurullah İzmirlioğlu (Chairman)
2. Kazım Taner (Vice Chairman)
3. Hıfzı Melemenli
4. Necati Börekçioğlu
5. Mustafa Çömezoğlu
6. Selahaddin Sanver
7. Sabri Menteş
8. Fuad İyimen
9. Talat Erboy
Commissioner: Şevki Ertuğrul
General Secretary: İhsan Ayyıldız

1939-1940

1. Kazım Taner (Chairman)
2. Şerif Remzi Reyent (Vice Chairman)
3. Hıfzı Melemenli
4. Necati Börekçioğlu
5. Mustafa Çömezoğlu
6. Selahaddin Sanver
7. M. Nurullah İzmirlioğlu
8. Kemal Nafiz Edgüer
9. Talat Erboy
Commissioner: Şevki Ertuğrul
General Secretary: İhsan Ayyıldız

1940-1941

1. Cevdet Alanyalı (Chairman)
2. Necati Börekçioğlu (Vice Chairman)

3. Hıfzı Melemenli
 4. Ahmet Kadioğlu
 5. Mustafa Çömezoglu
 6. Selahaddin Sanver
 7. Kazım Taner
 8. Kemal Nafiz Edgüer
 9. Kazım Musal,
 Commissioner: Şevki Ertuğrul
 General Secretary: İhsan Ayyıldız

1941-1942

1. Cevdet Alanyalı (Chairman)
 2. Rahmi Filibeli (Vice Chairman)
 3. Necati Börekçioğlu
 4. Ahmet Kadioğlu
 5. Mustafa Çömezoglu
 6. Selahaddin Sanver
 7. Kazım Taner
 8. Kemal Nafiz Edgüer
 9. Kazım Musal
 Commissioner: Cevat Düzenli
 General Secretary: İhsan Ayyıldız

1942-1943

1. Cevdet Alanyalı (Chairman)
 2. Necati Börekçioğlu (Vice Chairman)
 3. Mustafa Çömezoglu
 4. Selahaddin Sanver
 5. Emin Tevfık Birsell
 6. Kemal Haraççı
 7. Kazım Musal
 General Secretary: İhsan Ayyıldız
 Commissioner: İsmail Ertem

1943-1944

1. Cevdet Alanyalı (Chairman)
 2. Necati Börekçioğlu (Vice Chairman)
 3. A. Reşat Kutucular / A. Tabak
 4. Fuat İyimen
 5. Emin Tevfık Birsell
 6. Kemal Haraççı / Ş. Tuğlular
 7. Rahmi Zallak
 General Secretary: Ali Emre (Vekalet)

1944-1945

1. Cevdet Alanyalı (Chairman)
 2. Necati Börekçioğlu (Vice Chairman)
 3. Fuat İyimen
 4. Ahmet Tabak
 5. Emin Tevfık Birsell
 6. Hüsnü Eronat
 7. Rahmi Zallak
 8. Şemsettin Tuğlular
 General Secretary: Mehmet Ali Eten

1945-1946

1. Cevdet Alanyalı (Chairman)
 2. Necati Börekçioğlu (Vice Chairman)
 3. Fuat İyimen
 4. Ahmet Tabak
 5. Emin Tevfık Birsell
 6. Hüsnü Eronat
 7. Rahmi Zallak
 8. Şemsettin Tuğlular
 General Secretary: Mehmet Ali Eten

1946-1947

1. Cevdet Alanyalı (Chairman)
 2. Necati Börekçioğlu (Vice Chairman)
 3. Ahmet Tabak
 4. Mehmet Ragıp Nebioğlu
 5. Hüsnü Eronat
 6. Ferit Simsaroğlu
 7. Şemsettin Tuğlular
 General Secretary: Mehmet Ali Eten

1947-1948

1. Cevdet Alanyalı (Chairman)
 1. Cevdet Alanyalı (Chairman)
 2. Necati Börekçioğlu (Vice Chairman)
 3. Ahmet Tabak
 4. Hüsnü Eronat
 5. Mehmet Ragıp Nebioğlu
 6. Şemsettin Tuğlular
 7. Ferit Simsaroğlu
 General Secretary: Mehmet Ali Eten



1948-1949

1. M. Ragıp Nebioğlu (Chairman)

2. Necati Börekçioğlu (Vice Chairman)
3. Ahmet Tabak
4. Şemsettin Tuğlular
5. Ferit Simsaroğlu
6. Hüsnü Eronat
7. Remzi Güngör

General Secretary: Mehmet Ali Eten

1949-1950

1. Necati Börekçioğlu (Chairman)

2. Mehmet Ragıp Nebioğlu
3. Ferit Simsaroğlu
4. A. Cemal Sipahioğlu
5. Tahir Erdem
6. Selahattin Sait Zihna
7. Remzi Güngör

General Secretary: Mehmet Ali Eten

1950-1951

1. Necati Börekçioğlu (Chairman)

2. Mehmet Ragıp Nebioğlu
3. Ferit Simsaroğlu
4. Tahir Erdem
5. Selahattin Sait Zihna
6. Remzi Güngör
7. A. Cemal Sipahioğlu

General Secretary: Mehmet Ali Eten

1951-1952

1. Haydar DüNDAR (Chairman)

2. Osman Kibar (Vice Chairman)
 3. Enver Bakioğlu
 4. A. Cemal Sipahioğlu
 5. Haluk Faralyalı
- General Secretary: Ragıp Sirmen (Proxy)
Commissioner: Ragıp Sirmen (Proxy)

1952-1953

1. Haydar DüNDAR (Chairman)

2. Osman Kibar (Vice Chairman)

3. Enver Bakioğlu

4. A. Cemal Sipahioğlu

5. Haluk Faralyalı

General Secretary: Tahsin Akız (Proxy)

Commissioner: Ragıp Sirmen

1953-1954

1. Haydar DüNDAR (Chairman)

2. Osman Kibar (Vice Chairman)
3. Enver Bakioğlu
4. A. Cemal Sipahioğlu
5. Haluk Faralyalı

General Secretary: Tevfik İnanlı

Commissioner: Ragıp Sirmen

1954-1955

1. Osman Kibar (Chairman)

2. Rifat Yemişçi (Vice Chairman)
3. A. Cemil Sipahioğlu
4. Bahri Nazlı
5. Muhittin Tuğsuz

General Secretary: Tevfik İnanlı

Commissioner: Ragıp Sirmen

1955-1956

1. Osman Kibar (Chairman)

2. Rifat Yemişçi (Vice Chairman)
3. A. Cemal Sipahioğlu
4. Bahri Nazlı
5. Muhittin Tuğsuz

General Secretary: Tevfik İnanlı

Commissioner: Ragıp Sirmen

1956-1957

1. Osman Kibar (Chairman)

2. Rifat Yemişçi (Vice Chairman)
3. A. Cemil Sipahioğlu
4. Bahri Nazlı
5. Muhittin Tuğsuz

General Secretary: Zeki Tunca

Commissioner: Ragıp Sirmen

1957-1958**1. Osman Kibar (Chairman)**

2. Rifat Yemişçi (Vice Chairman)

3. A. Cemil Sipahioğlu

4. Bahri Nazlı

5. Muhittin Tuğsuz

General Secretary: Zeki Tunca

Commissioner: Ragıp Sirmen

1958-1959**1. Osman Kibar (Chairman)**

2. Rifat Yemişçi (Vice Chairman)

3. A. Cemil Sipahioğlu

4. Bahri Nazlı

5. Muhittin Tuğsuz

General Secretary: Ragıp Sirmen

Commissioner: Zeki Tunca

1959-1960**1. Osman Kibar (Chairman)**

2. Rifat Yemişçi (Vice Chairman)

3. A. Cemil Sipahioğlu

4. Sabahattin Süvari

5. Hikmet Kasetçi

6. Sadi Aral

7. Yusuf Tanık

General Secretary: Ragıp Sirmen

Commissioner: Zeki Tunca

1951-1952**1. Haydar Dünder (Chairman)**

2. Osman Kibar (Vice Chairman)

3. Enver Bakioğlu

4. A. Cemal Sipahioğlu

5. Haluk Faralyalı

General Secretary: Ragıp Sirmen (Proxy)

Commissioner: Ragıp Sirmen (Proxy)

18 June-28 July 1960**1. Ahmet Subaş (Chairman)**

2. Muammer Kayhan (Vice Chairman)

3. Osman Sezik

4. Celal Akın

5. Mükerrerem Sünter

General Secretary: Sait Odyak

Commissioner: Zeki Tunca

1960-1961**1. Reşat Leblebicioğlu (Chairman)**

2. Mücahit Büktaş (Vice Chairman)

3. Hikmet Kaşerci

4. Sabahattin Tanık

5. Bahri Nazlı

6. Ümit Sanver

7. Rifat Yemişçi

General Secretary: Sait Odyak

Commissioner: Zeki Tunca

1961-1962**1. Reşat Leblebicioğlu (Chairman)**

2. Mücahit Büktaş (Vice Chairman)

3. Hikmet Kaşerci

4. Sabahattin Tanık

5. Muammer Kayhan

6. Ümit Sanver

7. Rifat Yemişçi

General Secretary: Sait Odyak

Commissioner: Kenan Kayaoğlu

1962-1963**1. Reşat Leblebicioğlu (Chairman)**

2. Mücahit Büktaş (Vice Chairman)

3. Hikmet Kaşerci

4. Sabahattin Tanık

5. Muammer Kayhan

6. Ümit Sanver

7. Rifat Yemişçi

General Secretary: Sait Odyak

Commissioner: Kenan Kayaoğlu

1963-1964**1. Reşat Leblebicioğlu (Chairman)**

2. Mücahit Büktaş (Vice Chairman)

3. Hikmet Kaşerci



4. Sabahattin Tanık
5. Muammer Kayhan
6. Ümit Sanver
7. Rifat Yemişçi
General Secretary: Rauf Saritepe
Commissioner: Kenan Kayaoğlu

1964-1965

1. Reşat Leblebicioğlu (Chairman)

2. Mücahit Büktaş (Vice Chairman)
3. Hikmet Kaşerci
4. Sabahattin Tanık
5. Hikmet Kaynar
6. Muammer Kayhan
7. Fehmi Caba
General Secretary: Rauf Saritepe
Commissioner: Kenan Kayaoğlu

1965-1966

1. Reşat Leblebicioğlu (Chairman)

2. Mücahit Büktaş (Vice Chairman)
3. Hikmet Kaşerci
4. Sabahattin Tanık
5. Hikmet Kaynar
6. Muammer Kayhan
7. Ümit Sanver
General Secretary: Rauf Saritepe
Commissioner: Kenan Kayaoğlu

1966-1967

1. Reşat Leblebicioğlu (Chairman)

2. Şinasi Ertan (Vice Chairman)
3. Etem Özsoy
4. Sabahattin Tanık
5. Ömer Beşe
6. Mücahit Büktaş
7. Hikmet Kaşerci
General Secretary: Rauf Saritepe
Commissioner: Kenan Kayaoğlu

1967-1968

1. Reşat Leblebicioğlu (Chairman)

2. Ömer Beşe (Vice Chairman)
3. Hikmet Kaşerci
4. Mücahit Büktaş
5. Sabahattin Tanık
6. Etem Özsoy
7. Hasan Güven
General Secretary: Rauf Saritepe
Commissioner: Kenan Kayaoğlu

1968-1969

1. Hasan Güven (Chairman)

2. Sabahattin Tanık (Vice Chairman)
3. Hikmet Kaşerci
4. Mücahit Büktaş
5. Hikmet Kaynar
6. Etem Özsoy
7. Zeki Egeli
General Secretary: Rauf Saritepe
Commissioner: Kenan Kayaoğlu

1969-1970

1. Hasan Güven (Chairman)

2. Sabahattin Tanık (Vice Chairman)
3. Hikmet Kaşerci
4. Mücahit Büktaş
5. Hikmet Kaynar
6. Etem Özsoy
7. Zeki Egeli
General Secretary: Rauf Saritepe
Commissioner: Kenan Kayaoğlu

1970-1971

1. Hasan Güven (Chairman)

2. Sabahattin Tanık (Vice Chairman)
3. Ömer Beşe
4. Cahit Gönülbol
5. Ömer Yılmaz
6. Acar Atay
7. Zikri Güdüm
General Secretary: Rauf Saritepe
Commissioner: Kenan Kayaoğlu

1971-1972**1. Hasan Güven (Chairman)**

2. Etem Özsoy
3. Remzi Kocakıran
4. Celal Akın
5. Ahmet Özturhan
6. Halit Şarлак
7. Zikri GÜDÜM

General Secretary: Yüksel Keskiner

Commissioner: Kenan Kayaoğlu

1972-1973**1. Ömer Beşe (Chairman)**

2. Hasan Güven
3. Ömer Yılmaz (Vice Chairman)
4. Bahri Nazlı
5. Adnan Kızıl
6. Zikri GÜDÜM
7. Alaattin Özbulu

General Secretary: Yüksel Keskiner

Commissioner: Kenan Kayaoğlu

1973-1974**1. Hasan Güven (Chairman)**

2. Etem Özsoy (Vice Chairman)
3. Adnan Kızıl
4. Zeki Egeli
5. Ahmet Özturhan
6. Remzi Kocakıran
7. Hayri Özmeriç

General Secretary: Yüksel Keskiner

Commissioner: Kenan Kayaoğlu

1974-1975**1. Hasan Güven (Chairman)**

2. Etem Özsoy (Vice Chairman)
3. Adnan Kızıl
4. Zeki Egeli
5. Ahmet Özturhan
6. Remzi Kocakıran
7. Hayri Özmeriç

General Secretary: Hasan Olalı

Commissioner: Kenan Kayaoğlu

1975-1976**1. Hasan Güven (Chairman)**

2. Mücahit Büktaş (Vice Chairman)
3. Ahmet Özturhan
4. Hayri Özmeriç
5. Hüsamettin Tahincioğlu
6. Zikri GÜDÜM
7. Remzi Kocakıran

General Secretary: O. Faik Gürgönül

Commissioner: Kenan Kayaoğlu

1976-1977**1. Hasan Güven (Chairman)**

2. Cahit Gönlübol (Vice Chairman)
3. Remzi Kocakıran
4. Hayri Özmeriç
5. Ahmet Özturhan
6. Zikri GÜDÜM
7. Engin Baraz

General Secretary: O. Faik Gürgönül

Commissioner: Ahmet Kudret Küey

1977-1978**1. Hasan Güven (Chairman)**

2. Zikri GÜDÜM (Vice Chairman)
3. Remzi Kocakıran
4. Hayri Özmeriç
5. Ahmet Özturhan
6. Cahit Gönlübol
7. Engin Baraz

General Secretary: Nazım Kayakıran

Commissioner: Ahmet Kudret Küey

1978-1979**1. Hasan Güven (Chairman)**

2. Zikri GÜDÜM (Vice Chairman)
3. Remzi Kocakıran
4. Haluk Tanık
5. Ahmet Özturhan
6. Cahit Gönlübol



7. Günay Nazlı
General Secretary: Nazım Kayakıran

1979-1980

1. Hasan Güven (Chairman)
2. Remzi Kocakıran (Vice Chairman)
3. Ahmet Özturhan
4. Haluk Tanı
5. Zikri Güdüm
6. Nevzat Çetinkol
7. Günay Nazlı
General Secretary: Nazım Kayakıran

1980-1981

1. Hasan Güven (Chairman)
2. Ahmet Özturhan (Vice Chairman)
3. Remzi Kocakıran
4. Zikri Güdüm
5. Haluk Tanık
6. Günay Nazlı
7. Nevzat Çetinkol
General Secretary: Nazım Kayakıran

1981-1984

1. Hasan Güven (Chairman)
2. Ömer S. Büktaş (Vice Chairman)
3. Günay Nazlı (Vice Chairman)
4. Nevzat Çetinkol
5. M. Mesut Uslu
6. İbrahim Güdüm
7. Aydın Un
General Secretary: Nazım Kayakıran

1984-1986

1. Engin Baraz (Chairman)
2. Ömer Yılmaz (Vice Chairman)
3. Haluk Tanık (Vice Chairman)
4. Günay Nazlı
5. Ömer S. Büktaş / Süleyman Kaya
6. Kamuran Kızıl
7. Ahmet İncetoprak
General Secretary: Nazım Kayakıran

1986-1987

1. Mehmetçik Paykoç (Chairman)
2. Ahmet Özturhan (Vice Chairman)
3. Günay Nazlı (Vice Chairman)
4. Ali Yaşar Üstsoy
5. Fuat Çerçioğlu / M. Mesut Uslu
6. Ferzent Bulum / Kemal Geka
7. A. Korkut Özsoy
8. İsmet Burçoğlu
General Secretary: Nazım Kayakıran

1987-1989

1. Mehmetçik Paykoç (Chairman)
2. Ahmet Özturhan (Vice Chairman)
3. A. Korkut Özsoy (Vice Chairman)
4. İsmet Burçoğlu / E. Ahmet Mavisu
5. Kemal Geka
6. Ahmet İncetoprak
7. Hasan Özmen
8. Nevzat Çetinkol
9. Vahit Celep
General Secretary: Nazım Kayakıran

1989-1992

1. Mehmetçik Paykoç (Chairman) / Vahit Celep (Chairman)
2. Ahmet Özturhan (Vice Chairman)
3. Korkut Özsoy (Vice Chairman) / Fuat Çerçioğlu
4. Hasan Özmen (Üye) / (Chairman)
5. Tuğrul Yemişçi (Üye) / (Vice Chairman)
6. Kemal Geka
7. Ahmet İncetoprak
8. Haluk Tanık / Cavit Türkmen
9. Hüseyin Ekiz
General Secretary: Nazım Kayakıran / Uğur Köksal
Commissioneri: İ. Kaya Ayrıl

1992-1993

1. Hasan Özmen (Chairman)
2. Tuğrul Yemişçi (Vice Chairman)
3. Hüseyin Ekiz (Vice Chairman) / Halit Kaya (Vice Chairman)

4. Kemal Geka (Üye) / (Vice Chairman)
 5. Arif Tataroğulları
 6. N. Nelson Arditi
 7. Ramiz Eronat
 8. M.İrfan Özbacı / Fevzi Uslu
 9. Mustafa Erol Sait
 General Secretary: Uğur Köksal
 Commissioner: İ. Kaya Ayrıl

1993-1995

1. Hasan Özmen (Chairman)
 2. Tuğrul Yemişçi (Vice Chairman)
 3. Kemal Geka (Vice Chairman)
 4. İ. Şadi Katırcıoğlu
 5. N. Nelson Arditi
 6. Ramiz Eronat
 7. Ayhan Baran
 8. Mustafa Erol Sait
 9. Vahit Celep
 General Secretary: Uğur Köksal
 Commissioner: İ. Kaya Ayrıl

1995-1997

1. Hasan Özmen (Chairman)
 2. Hüseyin Ekiz (Vice Chairman)
 3. İ. Şadi Katırcıoğlu (Vice Chairman)
 4. Kemal Geka
 5. Sadık Balcı
 6. O. Uğur Ergener
 7. Ramiz Eronat (Ayhan Baran)
 8. Vahit Celep
 9. Işinsu Kestelli
 General Secretary: Uğur Köksal
 Commissioner: İ. Kaya Ayrıl

1997-1999

1. Hasan Özmen (Chairman)
 2. Hüseyin Ekiz (Vice Chairman)
 3. İ. Şadi Katırcıoğlu (Vice Chairman)
 4. Kemal Geka
 5. Sadık Balcı
 6. O. Uğur Ergener

7. Ayhan Baran
 8. Vahit Celep
 9. Işinsu Kestelli
 General Secretary: O. Merih Doğangün
 Commissioner: İ. Kaya Ayrıl

1999-2001

1. Hasan Özmen (Chairman)
 2. İ. Şadi Katırcıoğlu (Vice Chairman)
 3. Ayhan Baran (Vice Chairman)
 4. Umur Simsaroğlu
 5. N. Nelson Arditi
 6. Aydın Kesen
 7. Tayfur Gürçan
 8. M. Ufuk Çetin / Halit Kaya
 9. İlhan Zincircioğlu / Işinsu Kestelli
 General Secretary: Uğur Köksal
 Commissioner: Aydın Karadağ

2001-2005

1. Tuğrul Yemişçi (Chairman)
 2. Aydın Kesen (Vice Chairman)
 3. Ramiz Eronat (Vice Chairman) /
 Işinsu Kestelli (Vice Chairman)
 4. Umur Simsaroğlu
 5. Işinsu Kestelli
 6. Tayfur Gürçan
 7. Halit Kaya
 8. Ahmet Kaynar
 9. Şeref İyiyarlar
 10. Vahit Celep
 11. Ercan Korkmaz
 General Secretary: Uğur Köksal
 Commissioner: İ. Kaya Ayrıl

2005-2009

1. Tuğrul Yemişçi (Chairman) / Aydın Kesen (2007-2009)
 2. Aydın Kesen (Vice Chairman)
 3. Işinsu Kestelli (Vice Chairwoman)
 4. İsmail Yalçın Yılmaz (Treasurer)
 5. Ercan Korkmaz
 6. Barış Kocagöz



7. Mehmet Koyuncuoğlu
 8. Halit Kaya
 9. Vahit Celep
 10. Şeref İyiyurlar
 11. İlhan Zincircioğlu
 12. Aydın Öztürkmen
- General Secretary: Uğur Köksal

2009-2013

1. Işinsu Kestelli (Chairwoman)

2. Barış Kocagöz (Vice Chairman)
 3. Ercan Korkmaz (Vice Chairman)
 4. İsmail Yalçın Yılmaz (Treasurer)
 5. Mehmet Koyuncuoğlu / Özhan Şen
 6. Bülent Arman
 7. Hakan Çay
 8. Tayfur Akın
 9. İlhan Zincircioğlu
 10. Erol Avni Bozkurt
 11. Derya Pala
- General Secretary: Özlem Değirmencioğlu / Turan Sökeli

2013-2016

1. Işinsu Kestelli (Chairwoman)

2. Ercan Korkmaz (Vice Chairman)
 3. İsmail Yalçın Yılmaz (Vice Chairman)
 4. Bülent Arman (Treasurer)
 5. Derya Pala
 6. Erol Avni Bozkurt
 7. Tayfur Akın
 8. Özhan Şen
 9. İlhan Zincircioğlu
 10. Şeref İyiyurlar
 11. Bülent Uçak
- General Secretary: Turan Sökeli

