

ГЕОКУЛЬТУРНЫЕ ПРОСТРАНСТВА И КОДЫ КУЛЬТУР СТРАН АЗИИ И АФРИКИ

UDC 94

Nuri Şeker: The “Second” Sugar King of Turkey

A. V. Zheveleva, A. D. Perednya

St. Petersburg State University,
7–9, Universitetskaya nab., St. Petersburg, 199034, Russian Federation

For citation: Zheveleva A. V., Perednya A. D. Nuri Şeker: The “Second” Sugar King of Turkey. *Vestnik of Saint Petersburg University. Asian and African Studies*, 2021, vol. 13, issue 3, pp. 345–350.
<https://doi.org/10.21638/spbu13.2021.303>

The article is devoted to the life and work of one of the first Turkish entrepreneurs of the Republican period — Mollazade Nuri Şeker. The source base of the research was made up of biographical and autobiographical materials published in a collective monograph by Turkish researchers dedicated to the development of entrepreneurship and labor movement in Turkey in the first half of the 20th century. Nuri Şeker’s main field of activity was the production of sugar — a product that the country experienced a shortage of during the Ottoman period. At the turn of the 19th — 20th centuries, sugar was the main import of Ottoman Turkey. At the same period of time, the first attempts to solve this problem were made. However, a series of wars in the second decade of the 20th century prevented this. During the national liberation struggle the shortage of this product began to be felt especially acutely. After the proclamation of the Republic, the issue of developing its own sugar production was decided at the state level. Nuri Şeker was a pioneer in this area. He managed to establish sugar production from scratch: from the cultivation of sugar beets, which were not produced in Turkey at that time, to the crystallization of sugar and he was able to fulfill a dream that had haunted him since childhood. However, despite unconditional success in his entrepreneurial activity, Nuri Şeker could not surpass his only competitor at that time — Şakir-bey (the creator of the sugar factory in Alpullu) who enjoyed the full support of the government. In addition to Nuri Şeker’s professional activities, the article also discusses his personal qualities that aided him in achieving success.

Keywords: Turkey, economy, entrepreneurs, Nuri Şeker, sugar industry.

Introduction

Mollazade Nuri Şeker (c. 1850–1857 (?) — 1958), founder of one of the first sugar factories in Turkey, was among the first Turkish entrepreneurs of the early Republican

period. The research on the topic was based on a biography compiled from the memoirs of Mollazade Nuri Şeker and his relatives published in a collective monograph by Turkish researchers [1, pp. 98–108]. In addition to the above work, a valuable source on the history of the development of the sugar industry in Turkey during the reign of M. K. Atatürk is the biography of the famous Turkish political figure Celâl Bayar [2]. The first volume of the four-volume edition was used during the research.

The peak of Nuri Şeker's activity came in the 1920s, when the Kemalist economic model was in its infancy. He managed to achieve certain success. However, unlike Vehbi Koç or Sakıp Sabancı, he failed in creating a holding. Nevertheless, we have every right to attribute him to the first Turkish medium-sized entrepreneurs.

What reasons are there to study the activities of small and medium-sized Turkish entrepreneurs? Firstly, the development of such enterprises is a special process in the economic development of Turkey in the 20th century. Secondly, the analysis of their activity reveals the reasons why they were unable to achieve significant success unlike the creators of the first holdings in Turkey. Thirdly, the analysis makes it easier to trace the development of the “entrepreneurial spirit” in Turkey.

Mollazade Nuri Şeker

Mollazade Nuri Şeker (née Molla Ömer oğlu Nuri efendi; he chose the surname Şeker after the law on surnames was issued in 1934) was born in circa 1850 (according to some sources in 1857) in the village of Kalfa, 7 km from Uşak. He studied in a madrasah, then as a teenager he worked in agriculture in his native village, which produced sesame oil. In his youth, at the age of 20, he began making paints for carpets, but soon became an intermediary between carpet manufacturers, who were primarily Christians, and European merchants. He was also engaged in the production of halva. He served in the army during the Russo-Turkish war of 1877–1878. However, prior to beginning his military service, Mollazade equipped the village with 35–40 carpet making machines. The women and girls of the village, traditionally carpet weavers, were all working for Mollazade Nuri. Upon returning to his village in 1880, he became a foreman for those who made halva and poppy seed oil. He was also engaged in the intensification of agriculture as he was the first in the region to start using the iron plow instead of a regular one.

Sugar was mainly imported to Turkey before World War I. In Anatolia, however, pekmez (boiled grape juice) was used instead of sugar. At the same time, at the beginning of the 20th century, Ottoman imports were based on fabrics, ready-made clothes and sugar (approximately 60–70 % of all imports) [3, p. 22].

Before the First World War, a draft law on the creation of a sugar factory was prepared, but due to wartime conditions it was never adopted [4, p. 44]. With the outbreak of the war, the import of sugar into the country ceased. Both during the war years and in the period of the national liberation struggle that followed, the country experienced a severe shortage of sugar. The first attempts to solve this problem were made already in the Republican period [5, pp. 53–54].

Mollazade Nuri was already 60 years old at the time and according to his own memoirs, the idea of creating a sugar factory appeared in his childhood. Since the second half of the 19th century sugar began to be produced from sugar beets. However, they were not harvested in Turkey. According to his great-granddaughter Özgül Şeker, Mollazade

Nuri began his sugar production from scratch growing sugar beets, the seeds of which he brought to Kalfa in a mail envelope from Europe. He managed to make sorbet, then a thick sugar mass, and subsequently crystallize sugar. Here, knowledge gained during the production of halva was useful to him. After the proclamation of the Republic, Mollazade Nuri went to Ankara in order to convince Mustafa Kemal personally in the necessity of building a sugar factory. According to the recollections of his grandson Mehmet Şeker, Mollazade Nuri managed to convince Mustafa Kemal of the need to establish Turkey's own sugar production. However, the people, tormented by years of wars, did not seem to believe in Mollazade's ideas. In order to build a factory, money, equipment, and conditions for growing sugar beets were needed. Mollazade Nuri travelled from village to village trying to convince the residents.

As one of the first Turkish entrepreneurs, he was also involved in politics. He realized that his dream would not be possible without government support and the necessary laws. It took Nuri Şeker two years of incredible effort to attract 50 people to support his goal and raise initial capital amounting to 310,046 lira [6, p. 25]. As a result, the "Organization of Agricultural Development of Uşak" was founded in 1923, which according to some researchers became the first anonymous joint-stock company of the young republic. 51 shareholders took part in the foundation of the organization along with Mollazade Nuri Şeker [5; 54] (including funds of the Mining Bank (30 % shares) [7, p. 111] and the Czechoslovak company Škoda which carried out the construction of factory buildings). In 1925, based on a law aimed at supporting the sugar industry, the Istanbul and Thrace Sugar Factories CJSC were established. In addition to entrepreneurs, banks were also among the founders. Initially, it was planned to build a sugar factory in Istanbul, but the foundation of the Turkish sugar industry was laid in Alpulla, where the first batch of Turkish sugar was produced in November 1926. Following this, sugar factories were built in Uşak, Eskişehir and Turhal [4, p. 62]. In the same year (April 5, 1925), one of the first laws to encourage industry in Turkey was passed — the Law on Concessions and Privileges for Sugar Mills. According to the law, it was necessary to obtain permission from the government to construct a sugar factory, the government, in turn, promised to provide entrepreneurs with certain privileges. Thus, on the one hand, the law indicated the monopolistic nature of the sugar industry and, on the other hand, it created unprecedented incentive conditions for Turkish entrepreneurs [7, pp. 111–112]. The sugar factory opened its doors on November 6, 1925.

The construction of a sugar factory in Alpullu began almost simultaneously with the construction of the sugar factory in Uşak. 68 % of the factory's capital belonged to İşbank (Mustafa Kemal Atatürk's "personal bank" and the first national bank in Turkey) and only 22 % to private individuals. Among the private shareholders it is necessary to mention the deputies of the Turkish parliament Faik Kaltakkıran, Faik Öztrak, and Şakir Kesebir [7, p. 111]. Sugar production at the Alpullu factory began 20 days earlier than at the Uşak factory. The factory in Alpullu was closely associated with the People's Republican Party and had unlimited government support. Most shareholders of the Society of Sugar Factories of Istanbul and Thrace (founded in June 1925 d.), which carried out the construction of the factory in Alpullu, were deputies and ministers [8, p. 20].

By his seventieth birthday Nuri Şeker managed to fulfill his dream but did not become the "sugar king". The title went to Şakir Bey, one of the shareholders of the Society of Sugar Factories in Istanbul and Thrace. Turkish researchers attribute this to inadequate

conditions in the country at that time. Although sugar imports were given to the state monopoly, the intermediaries of the Sugar Factories' Society of Istanbul and Thrace were in control. Such fraud could not benefit the sugar producers in Uşak. In 1931 after constantly suffering losses due to insufficient sugar beet production capacity, technological backwardness and a low production level, Uşak entrepreneurs transferred their debts to the Mining Bank, and subsequently to Sümerbank. Mollazade Nuri Şeker returned to his native village where he continued his work in agriculture. Subsequently the factory in Alpullu also came under state control [9, p.483].

In the memoirs of his contemporaries, Mollazade Nuri Şeker is described as a very smart, dexterous and knowledgeable person. Undoubtedly, he possessed all the qualities of an ideal entrepreneur: thrift, professionalism in business, desire to promote the business, and to invest the accumulated capital in new sectors of the economy. In Y. V. Sokolov's article "Features of the mentality and its influence on the development of a market economy", he claims that the mind is the essential quality of an entrepreneur. Based on the theory of I. P. Pavlov, he argues that a person can be called smart if he achieves "... the correct vision of reality" [10, p.300]. The author understands objective reality not just as a description of the existing, but also as an understanding of the potential opportunities that are hidden in it.

Most of the so-called "average" entrepreneurs, like Nuri Şeker, considered honesty as an integral companion of an entrepreneur's successful activity, in addition to perseverance, courage and unwaveringness. Small enterprises gradually lost their importance in the Turkish economy (despite their impressive number). The Nuri Şeker factory faced a similar fate. According to a study by the Istanbul Chamber of Commerce, about 90 % of small businesses have never received any government assistance. Entrepreneurs stated that they did not have the necessary information regarding the possibility of receiving assistance from the government or complained about bureaucratic formalities that prevented them from accessing assistance.

However, in our opinion, the main reason for the failure of representatives of medium and small business in Turkey is the lack of necessary ties with the government. Those who did not have support (friends) in the government often experienced setbacks and fierce competition. This is precisely the competition that took place, for example, between Mollazade Nuri Şeker and his rival Şakir Bey, the owner of a sugar factory in Alpullu.

Conclusion

In conclusion, it is worth saying a few words about the development of the sugar industry during the reign of M. K. Atatürk. Such information can be found in a report prepared in 1938 by two German specialists Prof. Spengler and Dr. Mayer. An abstract of the report was published in the work of Cemal Kutay "Celâl Bayar" [2, pp. 198–201]. Spengler and Mayer visited all 4 sugar factories that existed at that time in Turkey and came to the conclusion that production was at the proper level of European factories. The agricultural aspect of sugar production was criticized, primarily the cultivation of sugar beets. They concluded that Turkey would be able to reach the level of the leading sugar beet-producing countries only within 10–15 years. As for the prices for the finished product, German experts reported that a kilogram of granulated sugar in Germany, excluding taxes, cost 21 kuruş, the price of a similar kilogram in Turkey — 20,9 kuruş. In Germany, a tax was added to this price resulting in a price of 34–36 kuruş a kilo. In Turkey, the sugar industry

was still under the patronage of the state, and as a result sugar was supplied to the consumer at a lower price. Another difference is that beet pomace and pulp were not in demand in Turkey. For example, in Germany such products were also sold at 3.5 kuruş per kilo. As for the amount of sugar produced and consumed in the country, the same work provides us with the following information: in 1932, Turkey produced 27,306 tons of granulated sugar (per year), in 1938, the amount of sugar produced increased to 31,375 tons (per year). At the same time, in 1934 the Turks consumed 61 tons of sugar (per year), and by 1938 this figure exceeded 100 thousand tons.

References

1. *Those who have been spinning the wheels in 75 years*. Istanbul, Numune Publ., 1999. 327 p. (In Turkish)
2. Kutay C. *Celal Bayar*. Istanbul, Kenan basımevi, 1939. Vol. 1. 489 p. (In Turkish)
3. Kepenek Y., Yentürk N. *Turkish economy*, Istanbul, Remzi Publ., 2007. 686 p. (In Turkish)
4. *Istanbul Industrial History*. Istanbul, Acar Publ., 2017. 334 p. (In Turkish)
5. Kızılkaya R. *Mahmut Soydan in Turkish Political Life (His Life, Activities and World of Thought)*. Istanbul, Hiperlink Publ., 2020. 219 p. (In Turkish)
6. Akıltepe H., Malkoç S., Molbay İ. *Sugar Beet Sugar Industry and Agriculture of Turkey*. Ankara, Mars Publ., 1964. 781 p. (In Turkish)
7. Boratav K. *Turkish Statism in 100 Questions*. Istanbul, Gerçek Publ., 1974. 383 p. (In Turkish)
8. Altun Ş. *From Automobile to Airplane, From Bulb to Television: The First Miracles of the Republican Economy*. İstanbul, Doğuş Grubu İletişim Publ., 2008. 96 p. (In Turkish)
9. Kireev N. G. *The history of Turkey. 20th century*. Moscow, Kraft+ IV RAN Publ., 2007, 606 p. (In Russian)
10. *Seriia "Trudy konferentsii". Istoriia predprinimatelstva v Rossii: XIX — nachalo XX vv.*, St. Petersburg, St. Petersburg University Press, 2006. 448 p. (In Russian)

Received: February 7, 2021

Accepted: June 24, 2021

Authors' information:

Aleksandra V. Zheveleva — PhD in History; a.zheveleva@spbu.ru

Aleksandra D. Perednya — PhD in Philology; a.perednya@spbu.ru

Нури Шекер: «второй» сахарный король Турции

А. В. Жевелева, А. Д. Передня

Санкт-Петербургский государственный университет,
Российская Федерация, 199034, Санкт-Петербург, Университетская наб., 7–9

Для цитирования: *Zheveleva A. V., Perednya A. D.* Nuri Şeker: The "Second" Sugar King of Turkey // Вестник Санкт-Петербургского университета. Востоковедение и африканистика. 2021. Т. 13. Вып. 3. С. 345–350. <https://doi.org/10.21638/spbu13.2021.303>

Статья посвящена жизни и деятельности одного из первых турецких предпринимателей республиканского периода Моллазаде Нури Шекеру. Источниковую базу исследования составили биографические и автобиографические материалы, опубликованные в коллективной монографии турецких исследователей, посвященной развитию предприни-

мательства и рабочего движения в Турции в первой половине XX в. Основной сферой деятельности Нури Шекера стало производство сахара — продукта, нехватку которого испытывала страна еще в османский период. На рубеже XIX–XX вв. сахар составлял основу османского импорта. Тогда же были предприняты первые попытки решить эту проблему. Однако череда войн второго десятилетия XX в. помешала этому. Во время национально-освободительной борьбы нехватка данного продукта стала ощущаться особенно остро. После провозглашения республики вопрос о развитии собственного сахарного производства решался уже на государственном уровне. Нури Шекер был первопроходцем в этой сфере. Ему удалось наладить производство сахара с нуля: от выращивания сахарной свеклы, которая в то время не производилась в Турции, до кристаллизации сахара. Так он осуществил мечту, которая преследовала его с самого детства. Однако несмотря на безусловный успех в своей предпринимательской деятельности, Нури Шекер не смог обойти своего единственного в то время конкурента Шакир-бея (создателя сахарной фабрики в Алпуллу), который пользовался всемерной поддержкой правительства. Помимо профессиональной деятельности Нури Шекера, также рассмотрены его личные качества, которые помогли ему добиться успеха.

Ключевые слова: Турция, экономика, предприниматели, Нури Шекер, сахарная промышленность.

Статья поступила в редакцию 7 февраля 2021 г.,
рекомендована к печати 24 июня 2021 г.

Контактная информация:

Жевелева Александра Владимировна — канд. ист. наук; a.zheveleva@spbu.ru

Передня Александра Дмитриевна — канд. филол. наук; a.perednya@spbu.ru