INTRODUCTION

During the 2nd half of 18th century, Physiocrats thought that the wealth of nations depended on the value of land agriculture. In preceding eras, Feudalism was actually based upon land as far as economy went, while nobility represented political influence hand in hand with land ownership. The Mercantilist views may also be considered a mid-way developmental phase. They advocated accumulation of gold and silver, expansion of export and constriction of imports. The famous publication of Adam Smith, The Wealth of Nations, came in 1776. By the time of Marx, capitalist system had long prevailed. This German scholar was pre-occupied with overthrowing the Capitalist system. For him, a society’s “mode of production” technology, productive resources and economic relationships were so significant that they had to be shared with the masses, rather than being confined to the hands of the few representers of the rich class. Capitalism, on the other hand, sacrifices property and renders it morally right to make profits. In fact those two principles are axioms which do not even need to be proven. The capitalist system promotes entrepreneurialism and free competition. Capitalistic developments went ahead hand in hand with liberal and democrat ideas, as far as the political dimensions were concerned. Leaving all traces of feudalism behind and maturing the capitalist formation, was a long process. It is still going on. There are certain landmarks on the way to the development of the capitalist system. Each of these phases is worthy of some close scrutiny.

THE WAR OF ROSES (1455-1485)

In England, after Edward III, the throne fell into the hands of the younger son’s relatives instead of the elder one’s. The new families of Lancastrians (symbolized by a red rose) were aware of their usurpation. Later during the reign of Henry VI, the closest heir of the mentioned elder son reclaimed the throne, evaluating the moment propitious: Hedry VI was not a man of prowess. He was deeply religious and fond of a plain life style. In 1450s he displayed signs of insanity. His henchman Warwick collaborated with the claimant of the Yorkist family (symbolized by a white rose), betraying his master. Warwick put the claimant on the throne under the name of Edward IV. However; later the new king quarreled with his benefactor, Warwick (Maker of Kings). Henry VI, who had recovered from his mental illness meanwhile, regained the throne. But the forces loyal to Edward IV beat and killed both Warwick and Henry VI (1471). The smart, mundane, flirtatious Edward IV left two young sons. His brother Richard duke of Gloucester, proclaimed himself King after getting his nephews killed (1481). But one Lancaster remained: A skinny adolescent,
Henry Tudor, Duke of Richmond. Now; he marched against Richard III with two thousand soldiers, after ensuring the support of the Wales. Richard III got killed. The crown Richard III had been wearing in combat got placed on Tudor’s head, now named Henry VII. This king got married to a certain Elizabeth of the Yorks, uniting the two houses and finishing the hostilities (abridged from Maurois 1937). The War of Roses decimated the land aristocracy, thus facilitating and reinforcing absolute monarchy. The Tudor dynasty emerged out of the massacres with enough forces to ensure the consolidation of the kingdom. Now this hurdle was weakened. The fact coupled with some economical events (like sheep-rearing and wool trade) made way for capitalism” (Maurois 1937). Another important factor is Protestant ethic, as emphasized by Max Weber. Luther in Germany, Calvin in France and Anglicanism in England all broke away from the Pope. Whilst the Catholic faith considered trade as a necessary evil, the new sect valued hard work and perspiration, frugality and gain. Eventually, the Industrial Revolution, through the invention of steam power, would take place in England again in the 18th century and propagate into other major countries, to change the trend of history and the structure of the human society, entirely (urbanization, different classes and conflicts, a very fast living style etc.).

The FRENCH REVOLUTION (1789) and its CONSEQUENCES

The French revolution came out as an absolute victory of the bourgeoisie and the democracy. Many developments followed one after the other.

The absolute French monarchy gave way to a limited authority as permitted by a written constitution. The top man now was conceived as the office-holder for serving the people. All citizens, including the nobility and the clergy, became equal before the law. Toleration of other religions was granted. A nationalistic enthusiasm fusing all classes into a common body was inspired. In short; the leading dimensions of liberalism had been brought to the front. The champion was the new bourgeoisie class. The effects soon propagated like waves onto the whole continent (the Ottoman Empire being no exception). Even in Tsarist-Russia, the positions of the nobles were deteriorating vis-à-vis the enriching Russian bourgeoisie class. Such hidden transcripts can be detected from literature works, like those of playwright Chekhov. In The Cherry Orchard, the newly-rich merchant Lopahin steadily betters his situation at the expense of the declining aristocracy. Below are interesting extracts. Lopahin is speaking: “Your brother calls me a vulgar profiteer. But what do I care!” (At a later episode) “Your cherry orchard is to be sold to pay your debts. But don’t you worry, my lady! The cherry orchard must be leased to me to build bungalows and as soon as possible! Otherwise the auction is right on top of us!” (At still a later episode) “Musicians, play up! All must be as I wish it. Here comes the new master, the owner of the cherry orchard! I can pay for everything!” (Figure 1).

Figure 1. Big entrepreneurs possess a lot of political influence (illustration by the Author—SC).

AMERICAN CIVIL WAR (1861-1865) AND ITS AFTERMATH

This war was fought between the northern and the southern states and had really significant consequences for the Americans as well as the entire western world. “The South was a land of slave plantations. The North was already commercial and industrial. Negro-slavery was only the background of the strife. Many northerners wished to set the slaves free, and during the war Lincoln announced the abolition of slavery” (4). Especially in the north the evolution of industrialization accelerated after the war. Modern agriculture (machines replacing slave-power); production of gold, silver, copper and petroleum gained a boost. Even at the time of hostilities certain industries were spurred (Figure 2). For instance, wool-production and ready-wear industry was as well as iron and steel works and leather-tanning for military fabrications. The newly-invented sewing machine was vastly employed for
preparing military uniforms. “Within the space of a short time, great cities arose. In all their life and works Americans sowed an astonishing ingenuity, a thirst for quickness and novelty, the outcome of their restless adventure in subduing a continent”.

The Case of the TURKISH CAPITALISM

During the middle Ages, the Ottoman Empire was more organized and cohesive than its European rivals (mostly feudal principalities or city states [like those in Italy]). But, having failed to respond to the challenges of the 16th century, it remained to be essentially feudal and bureaucratic. The guilds assembling the artisans relied on primitive production techniques. The culture itself deplored industry and trade. In the Ottoman state the bulk of the population consisted of reayas (lease farmers) who managed the state land (mirî toprak). They cultivated and used the land given to them. The inheriting (eldest) son had to be of sound mental judgment. He, in return, raised mounted soldiers (sipahi) for the state. The land was attributed as prize to heroes of the battles and high government officials of the palace. The later-era notables (esrâf ve âyân) were to emerge mainly after the deterioration and degeneration of this formerly perfect fief system. Once the proclaimed national boundaries (Misâk-ı Millî) were saved through the war of independence; it was a ruined and worn-out peninsula, which was in hand. The radical reforms followed. The traditional countryside was slow to accept the later political and social developments. In any case the important men were mostly landlords. Except for few artisans, a social layer of bourgeois was non-existent note that economical matters were not considered important enough to be assigned to a full-fledged ministry, particularly since foreign trade was trusted to the hands of the Ministry of Foreign Affairs [in the later eras of the Ottomans]. The Ministry of Foreign Trade (Nezaret-I Ticariye) got established at a late date, namely in 1840s. “Economically, the Ottoman Empire was a pre-capitalist state. The economic policies of the state were aimed at feeding the population, provisioning the city centers and collecting taxes in cash and in goods” Ottoman government was to develop economic policies only at the very end of its days among the strategies of the Union and Progress Party. The Party got anxious about formation of an affluent Turkish-Moslem class. “The Unionists were committed to constructing a capitalist society out of the existing order. Young intellectuals like Yusuf Akçura who watched Tsarist Russia’s transformation, urged the necessity of a bourgeoisie and stressed the slim survival chances of a society consisting merely of officials and villagers. The Unionists [even] welcomed foreign capital into the country. Such a class finally did emerge; but it was rather weak during World War One and the following National Struggle and early Republican days. It should be noted that the Etatism principle of the early Republic never meant it to set hindrances before the development of free-enterprise. On the contrary; it was a tool employed by the government in order to prepare the ground for a good future market economy. “When the Democrat Party got established, a quite different element in this new political camp was the influence of the commercial and industrial layer that had grown in Turkey during the previous decades”.

CONCLUSION

It is written in some economy textbooks that in the past political power used to bring richness. Later (with the advent of capitalism) it became the other way around: Money began to bring political power. Through a chain of historical events; the privileged western nobility had to yield to the wishes of the burgeoning rich classes and eventually capitalism fully settled down. The Ottoman state-establishment and social structure for a long period displayed resistance to those upcoming changes. It is the Republican Turkey who finally caught up with the new face of the western world and real spirit of entrepreneurialism from 1950s onwards.
REFERENCES