

Received / Makale Geliş Tarihi 10.08.2023
Published / Yayınlanma Tarihi 20.10.2023
Volume / Issue (Cilt/Sayı)-ss/pp 10(100), 2565-2572

Review Article / İnceleme Makalesi
10.5281/zenodo.10028737

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A Periodical Study on the Economic Aspects of Atatürk's Statism

Atatürk'ün Devletçilik Görüşünün İktisadi Yönü Üzerine Dönemsel Bir İnceleme

ABSTRACT

State socialism is a concept that refers to the intervention of the State in the economic sphere for the highest welfare and interests of the nation while relying on individual initiative and capital. It is accepted that Mustafa Kemal Atatürk, the founding leader of the modern Republic of Turkey, and his enlightened comrades-in-arms adopted state socialism in the economic field. We can say that there were many reasons for the adoption of state socialism in the conditions of that period. Among these reasons were the statist, nationalist and leftist ideology of Mustafa Kemal Pasha and his friends and the economic and political support the Bolsheviks gave to the newly established government of the Republic of Turkey. In addition, perhaps the most important reason was the country's lack of private enterprise and capital after the War of Independence. The country's lack of rich capital and sufficient entrepreneurs made a statist industrialisation step inevitable after the 1930s. The first five-year industrial programme implemented within this framework was directed towards ensuring the production of the products needed by the country. In the second five-year industrial programme, the export power and structure and foreign trade balance were considered rather than the country's needs. In both industrialisation programmes, investments were mainly financed by loans received from foreign states, and a sure success was achieved in industrialisation through technology trade.

Keywords: Atatürk, Principle of statism, State socialism, Republican period, Industrialisation programmes.

ÖZET

Devlet sosyalizmi, bireysel girişim ve sermayeye dayanmakla birlikte, ulusun en yüksek refah ve çıkarları için devletin ekonomik alana müdahalesini ifade eden bir kavramdır. Modern Türkiye Cumhuriyeti'nin kurucu lideri Mustafa Kemal Atatürk ve aydın silah arkadaşlarının ekonomik alanda devlet sosyalizmini benimsedikleri kabul edilmektedir. O dönemin koşullarında devlet sosyalizminin benimsenmesinin birçok nedeni olduğunu söyleyebiliriz. Bu nedenler arasında Mustafa Kemal Paşa ve arkadaşlarının devletçi, milliyetçi ve sol ideolojileri ile Bolşeviklerin yeni kurulan Türkiye Cumhuriyeti hükümetine verdikleri ekonomik ve siyasi destek yer almaktadır. Bunların yanı sıra belki de en önemli neden, Kurtuluş Savaşı sonrasında ülkede özel teşebbüs ve sermaye eksikliğiydi. Ülkede zengin sermaye ve yeterli girişimci olmaması 1930'lerden sonra devletçi bir sanayileşme adımını kaçınılmaz kılmıştır. Bu çerçevede uygulanan ilk beş yıllık sanayi programı, ülkenin ihtiyaç duyduğu ürünlerin üretimini sağlamaya yönelik olmuştur. İkinci beş yıllık sanayi programı ise ülke ihtiyaçlarından ziyade ihracat gücü ve yapısı ile dış ticaret dengesi dikkate alınmıştır. Her iki sanayileşme programında yatırımlar büyük ölçüde yabancı devletlerden alınan kredilerle finanse edilmiş ve teknoloji ticareti yoluyla sanayileşmede belli bir başarı sağlanmıştır.

Anahtar Kelimeler: Atatürk, Devletçilik ilkesi, Devlet sosyalizmi, Cumhuriyet dönemi, Sanayileşme programları.

1. INTRODUCTION

There needs to be a document or information about what kind of economic and political view Mustafa Kemal Pasha, the founding leader of the modern Turkish Republic, had before the years of national struggle. However, it is known that during the Ottoman period, the civilian and military intellectuals were influenced by the Bolshevik Revolution that took place in Russia in 1917. One of those affected by this revolutionary movement was Mustafa Kemal Pasha and his comrades-in-arms.

The national struggle in Anatolia attracted the attention of the Bolsheviks at that time, and it is known that they sent their officers to meet with Mustafa Kemal Pasha. Mustafa Kemal Pasha, who traveled first to Samsun and then to Havza in May 1919 in order to start the national struggle, replied to the question of a Bolshevik officer he met here, "I wonder what kind of regime Your General Highnesses are thinking of for the government to be established in Anatolia?" as "A style of government similar to the Soviet Republic of Shuras!". Afterward, in order to clarify this, the Bolshevik officer asked, "I mean, isn't it a republic founded on the principles of Bolshevism, General?" to which Atatürk replied: "It will be so if we call it State Socialism, we would be more accurate" (Ertürk, 2011; Cumhuriyet Newspaper, 1956).

Although the issue of whether Mustafa Kemal Pasha met with a Bolshevik officer in Havza on these dates is still controversial among historians, it is noteworthy that Mustafa Kemal Pasha stated that the new government regime would be "State Socialism". Because it shows that the principle of statism, which forms the basis of the economic policy of the new Turkish State, has developed through the concept of "State Socialism".

In this study, the economic aspect of Mustafa Kemal Atatürk's view of statism is analysed periodically. In the study, firstly, state socialism, which forms the basis of Atatürk's statism view, is discussed, then Atatürk's statism view and his political view are analysed. In the continuation of the study, Atatürk's post-republican economic policies are discussed, and finally, the conclusion and evaluation are given.

2. FOUNDATIONS OF ATATÜRK'S STATISM: STATE SOCIALISM

Although the concept of "state socialism", claimed to have been voiced early, preserves its mythical character, it appears in the following years. In 1921, when the new Turkish State was being built, the concept of state socialism began to be openly voiced by the state administration. We see this concept for the first time in the sentence "the benefits of state socialism" in an interview with Celal [Bayar] Bey, the Deputy Minister of Economy (Hâkimiyeti Milliye newspaper, 1921).

In the following period, after Celal Bayar's statements, the official organ of the State, the newspaper Hâkimiyet-i Milliye, began to make statements about "state socialism" one after the other. Hüseyin Ragıp Baydur, one of the writers of Hâkimiyet-i Milliye newspaper: "We can take many principles of socialism and apply them without disturbing our national administration. For example, we will gradually nationalise companies. We would increase the government's monopoly in favour of the people. Moreover, we would make many more reforms, the elaboration of which would take too long here. We would be a kind of state socialist" (Baydur, 1921). With this statement, the State of Ankara and Atatürk's official view of "state socialism" continued to be explained through an intermediary.

One of the most apparent indicators of Atatürk's adoption of the view of state socialism is the following line in the book "Civilised Knowledge", which consists of his handwritten notes: "Under the heading of Solidarity (Solidarity). The importance of social gains is emphasised in order to increase solidarity and solidarity within society (Atatürk, 2010). "These social gains can be achieved by approaching state socialism." It should never be overlooked that Atatürk also had an opinion that "state socialism" should be approached in order to increase social solidarity.

Mahmut Esat Bozkurt, one of the thinkers of the Turkish revolution, wrote in his work Atatürk's Revolution. While the Turkish regime accepts statism and state socialism, it recognises the individual's right to property and the authority to operate in the economic sphere. Thus, it confirms that the official economic ideology of the State is state socialism (Bozkurt, 2008). Dr Reşat Kaynar, who knew Atatürk closely, asked Atatürk in his memoirs with Atatürk: "You say Kemalism. What does Kemalism mean?" he asked. In reply to this question, Atatürk said: "Kemalism means socialism" (Kaynar, 1963). Based on all these and similar memoirs and books, we can state that the State's official ideology is "state socialism". The fact that the principle of statism, which is one of Atatürk's principles and revolutions, comes from state socialism reveals that the concept of state socialism needs to be explained as well as statism.

State socialism first emerged in Bismark's Germany. Although state socialism permits free enterprises, it advocates that the State should make the main economic moves. Mahmut Esat Bozkurt confirms this fact: "The Turkish regime, while accepting statism and state socialism, recognises the individual's right to property and the authority to operate in the economic field" (Bozkurt, 2008). Moreover, Mahmut Esat Bozkurt answered the question, "What is state socialism?" with the following words. State socialism is a system that recognises private property but recognises the rights and powers of the State to control and undertake economic affairs in order to prevent the exploitation of man by man and to achieve national development. State socialism has no direct connection with Marxist ideology regarding its origin.

Ferdinand Lassalle first articulated state Socialism. It was Adolf Wagner who theorised the concept of state socialism. Wagner: "While maintaining the principle of private property, it demands establishing a common property and strict control over private economic enterprises". It is clear from this sentence that Wagner advocated a strict statist economic model that controls and limits the market activities of the bourgeois, the employer (Bozkurt, 2008).

There are two forms of state socialism, which we can divide into the more liberal and the more statist. However, both are generally based on social welfare. It organises, regulates and organises national economic institutions to promote social welfare. State socialists, like socialists, do not propose to reduce humanity to a level of monotony but rather recognise the existence of individual differences (Dawson, 1891).

Born in 1825 in Breslau, Germany, Ferdinand Lassalle "often met and argued with the authoritarian statesman, the Prussian Chancellor Otto von Bismarck. In the early 1860s, in the face of liberal opposition in Prussia, Bismarck sought allies, while Lassalle wanted to establish a monarchical welfare state." The idea that brought a statesmanlike Bismarck and the German socialists together was the dream of a united, strong and prosperous Germany. When Bismarck received help from the socialists, the concept of "State Socialism" emerged, and this understanding was implemented in Bismarck's Germany (Bozkurt, 2008). Thus, the German socialists tried to reconcile the bourgeoisie and the working class instead of confronting them.

3. ATATÜRK'S VIEW OF STATISM

In some books, the claim that Atatürk was a rightist is implied, although not explicitly written. However, if Atatürk was a rightist, they cannot explain why he did not advocate a liberal economic model but the statist economic model advocated by leftists. Another erroneous idea in Turkey is that a nationalist, a Turkist, would be a rightist and never a leftist. However, Turkish history tells us the opposite.

State socialism was the ideology of the National Turkish Party, founded in Istanbul two years before 1921 when it was said to have been openly defended by the Ankara government. The National Turkish Party was founded by several Turkic and nationalist figures such as Yusuf Akçura, Mehmet Emin Yurdakul, Ahmet Ferit Tek, Hüseyin Ragıp Baydur, Hamdullah Suphi Tanrıöver, Mustafa Zühtü İnhan.

Article 10 of the programme of the National Turkish Party reads: "On the one hand, considering the development of the ideas of international socialism and the shape that the world economy will take in the future... taking into account the current needs of the Turkish nation's morals, social and spirituality, 'state power' is taken as an economic force alongside individual labour" (Ünal, 2009). It can be understood that the development of socialism is considered, and statism is considered an economic force alongside individual labour. In *İfham* Newspaper, the organ of the National Turkish Party: "Due to the presence of etatism - statism - in the programme of the National Turkish Party, an editorial called State Socialism is being promoted" (*İfham* newspaper, 1919; Yılmaz, 2014). It is understood from this that the statism of a Turkist party like the National Turkish Party comes from state socialism.

Hüseyin Ragıp Baydur, a member of the National Turkish Party and the writer of the *İfham* newspaper, the official publication of this party, wrote an article entitled "Statism is necessary" (Baydur, 1919). The same Hüseyin Ragıp Baydur traveled from Istanbul to Anatolia in 1919 and wrote about his view of statism on behalf of Atatürk in the newspaper *Hâkimiyeti Milliye* in Ankara. Thus, in 1921, he declared that the official ideology of Ankara would be a kind of state socialism. As can be understood from this, statism and state socialism, declared by Ankara in 1921 and which were the official economic model of the Kemalist republic in the future, were taken from the National Turkish Party (Baydur, 1921). The party of the Turkist Yusuf Akçuras. In other words, it can be claimed that the National Turkish Party, founded in Istanbul in 1919, was a kind of proto-CHP of the [Republican] People's Party, founded in Ankara in 1923. As can be understood from all this information, the claim that a Turkist party cannot adopt a leftist ideology is untrue.

Ataturk, a Turkist and nationalist, adopted a leftist ideology called state socialism, as in his book on civilisation. Because a nationalist person would also be a statist. Moreover, Atatürk knew that the people were naturally statist. For this reason, since it is an idea adopted by the people, the ideology that resonates with them is also realistic.

Mustafa Kemal Atatürk expressed this at the party congress held in Izmir: "The programme pursued by our party is completely democratic and populist in one direction, but it is statist from an economic point of view... Our people are statist in general [in creation], and they see in themselves the right to demand all their needs from the state" (Atatürk's Speeches and Statements, 2006). In the 1930s, the ideology of statism and state socialism adopted in the 1920s continued unabated. This fact was also the subject of an article in the *Kadro Journal*, which began to be published in 1932. According to İsmail Hüsrev Tökin, one of the authors of *Kadro journal*, the concept of statism as understood by the official ulema today is nothing but state socialism, in other words, interventionism (Tökin, 1933).

The principle of statism was included in the CHP programme in 1931 and was defined in the Party programme as follows. Although individual work and activity are essential, we aim to bring the nation prosperity and abundance in as little time as possible. For this reason, it is one of our important principles to involve the State in the affairs required by the general and high interests of the nation, especially in the economic field (Perinçek, 2008).

As the theoretical debates on the theory of statism increased with the publication of *Kadro Journal*, it is seen that *Kadro's* theories of statism influenced the CHP at the time. Since *Kadro* writers were former Marxists, they were accused of making communist propaganda through the statism thesis. The truth is that while *Kadro* advocated for strict statism, a section within the CHP (the İş Bank section) favoured a mild form of state socialism that allowed more room for free enterprise.

It can be assumed that *Kadro Journal's* strong statism influenced the CHP. In the 1925 CHP programme, in the section on statism, statism is explained as follows: "The specification of the economic activities to be carried out by the State depends on the general and high interests of the nation. Upon this necessity, if the work that the State decides to carry out is in the hands of private enterprise [entrepreneurs], its acquisition depends on the enactment of a specific law each time. This law shall specify the manner of payment by the State for the losses incurred by the private enterprise. When calculating this loss, the possibility of future profits shall not be considered." (CHP Programme, 1935) It is understood from this that if the private entrepreneur owns what should be done by the State following the nation's best interests, it is foreseen that it will be taken from the private entrepreneur and given to the State by law. This actually resembles a deep statism, even a statism close to communism.

Although the statism implemented by the Republican regime was derived from a leftist ideology called state socialism, Ankara sought to find an ideology that was unique to Turkey and in line with Turkish culture. The *Kadro Journal's* attempt to explain the concept of statism through the ideology of national liberation resulted from this idea. However, when *Kadro* was closed in 1935, this work still needed to be completed.

This time, Ankara emphasised that any ideology did not influence the statist economic model it had already implemented. We see this best in the following sentence uttered by Atatürk in 1937: "The state system implemented by Turkey (...) is not a mere transplantation from socialism. It is a system born out of Turkey's needs, a system peculiar to Turkey." (Perinçek, 2008). This claim is valid to some extent. Since statism has been implemented since 1921 for more than 15 years, we can naturally say that a statism specific to Turkey has emerged.

Since 1919, the National War of Independence simultaneously required the country's liberation from economic occupation. This nationalist thought was also reflected in Atatürk's words at the Izmir Economic Congress organised in 1923. Atatürk: "...it should not be thought that we are against foreign capital; no, our country is large. We need a lot of labour and capital. We are always ready to give the necessary guarantees to foreign capital, provided that they comply with our laws..." (İnan, 1972). This statement makes us think he feared being exploited by foreign capital, as in the Ottoman Empire.

This idea of Atatürk's opposition to exploitation by foreigners is again reflected in his words elsewhere. In this respect, Atatürk's words, "... our path in financial matters is based on the principle of using sufficient domestic resources without resorting to foreign resources as much as possible while refraining from pressure that will harm the people." These words contain a nationalist idea that foreign capital should not be preferred unless necessary (İnan, 1972).

4. ATATÜRK'S ECONOMIC POLICY OPINION

Between 1925 and 1927, post-Republican Turkey started giving the economy fundamental importance. In 1925, an important step was taken by the newly established Turkish Industry and Maadin Bank, which started to distribute loans to private industrial enterprises and helped them to form capital by purchasing their shares (Tezel, 1986). On the other hand, the Incentive Industry Law dated 28.05.1927 and numbered 1055 was enacted to remain in force for 15 years, just like the law of 1913 (Tekeli and Selim, 1983).

Despite the laws enacted for industrialisation, due to the inadequacy of private entrepreneurs due to the situation in the country and the outbreak of the world economic depression in 1929, the State was brought to the forefront in the 1930s, and planned industrial programmes were started. We can also say that another historical development that contributed to the greater prominence of statism in the 1930s was proving that statism was more active and better than liberalism.

In 1930, the most crucial step for industrialisation was to convene the First Industrial Congress of the National Economy and Savings Society on 22 April 1930 to agree on a joint industrialisation programme. Businesspeople also attended this Congress (Tekeli & Selim, 1983). When the desired efficiency could not be obtained from these and similar congresses, the First Five-Year Industrial Programme was announced on 8 January 1934 to obtain a definite result on statism (Tekeli & Selim, 2009).

The period in which the policy of industrialisation by the State was implemented was between 1930 and 1938. There are many reasons for the realisation of this after the 1930s. In particular, the most crucial turning point in the decision to adopt the First Five-Year Industrial Programme was the assignment to the Grand Economic Assembly in June 1929 to prepare an economic report to close the balance of payments deficit and accelerate industrialisation.

According to the Grand Economic Assembly report, it was already impossible to establish the factories planned to be established with the country's entrepreneurs who needed more capital. Foreign capital is required for these factories. When the expectation of foreign capital was not met, industrialisation by the State became inevitable. Even before the 1930s, although the State established factories, priority was given to local entrepreneurs. This was because the State did not have the necessary capital in terms of capital wealth. In a way, the State, seeing its capital as small, expected the local entrepreneur to take action. However, this expectation could only partially be met by the local entrepreneurs. As a result, industrialisation was decided to be carried out by the State, but industrialisation by the State could not be carried out casually. It had to be carried out within a programme.

It is possible to infer from a speech made by Mustafa Kemal Atatürk in 1933 that five-year industrial planning would be made within a plan and programme. Atatürk used the following expressions in his speech: "Even the attempts in the industry are in a condition to give encouragement and encouragement" (İnan, 1972). However, until the establishment of the industry, which is at the forefront of the country, is completed, we cannot have peace of mind in all respects. For this reason, I find it appropriate to gather all your efforts and attention to complete the country's industrial establishments." Again, in making the first five-year programme, he said, "The Soviet successes in the implementation of the programme. This increased the interest in the subject in Turkey. At the end of 1930, the visit of Tevfik Rüştü Aras, the Deputy Minister of Foreign Affairs, to the Soviets enabled this interest to develop further." Following this visit, "a large delegation, including the Deputy Minister of Foreign Affairs, Deputy Secretary of CHP, parliamentarians, journalists and some experts, participated in the visit of the Prime Minister [İsmet İnönü] between 25 April and 10 May 1932". As a result of these examinations, the experts observed that the heavy industry in the Soviets had shown a remarkable development (Tekeli & Selim, 2009).

On the other hand, the function of Sümerbank in the process leading to the first five-year programme is undeniable. "Sümerbank, which has become the primary institution of statism practices since its foundation, was established with public funds and to operate according to market conditions within the private law order. It operated state factories, established new factories and provided operating loans to the private enterprise to the extent that its capital was sufficient (Batur, 2008).

4.1. First Five-year Industrial Programme

Afet İnan on the first five-year industrial programming: "The years between 1930 and 1933 led to the State's direction of the economic affairs of the Republic of Turkey, and various issues were examined and programmed. As the analyses were carried out, the government informed Atatürk and had long discussions with Field Marshal Fevzi Çakmak, the Chief of the General Staff, especially on the location of industrial

establishments. Since I have published the First Five-Year Industrial Programme report, which was analysed and marked by Atatürk, all the issues will be seen clearly" (İnan, 1972).

Afet İnan lists the principles of the first five-year industrial programme as follows:

- 1- Industries whose primary raw materials are grown in the country or currently grown but can be supplied domestically in a short period have been considered.
- 2- Since these industries require significant capital and technical power, their establishment has been left to the State or national institutions. This will create a balanced ground of activity in our industry and agriculture.
- 3- The industry and production capacity decided to be established are proportional to the country's needs.

According to the first programme, only twenty factories were proposed to be established. It is understood from this information that Atatürk and his friends took this first five-year industrial programming very seriously and had long discussions among themselves. A secret order dated 17/4/1934 written by the Ministry of Economy to the General Directorate of Sümerbank by the secret decision of the Council of Ministers dated 11 April 1934. With this order, most projects included in the 1933 reports were realised (Tezel, 1986).

In May 1934, the implementation of the First Industrial Programme actually started. Kayseri and Bakırköy factories were opened from the weaving industry in May and September 1934, respectively. The Ereğli factory started work in April 1937. The Nazilli printing factory started to work in October 1937. The foundation of another weaving factory in Malatya was laid in 1937. After the commissioning of this last factory, Sümer Bank would occupy the forefront in the production of cotton cloth in Turkey (Derin, 1940)

We can say that the first five-year industrialisation programme was programmed on the scope of Sümerbank's activities. Especially in the weaving industry, it should be noted that the experience of Sümerbank was utilised instead of İşbank. Among these factories, the Bakırköy Cotton Weaving Factory, invested by Sümerbank, was opened on 13 August 1934; the Kayseri Cloth Factory on 16 September 1935; the Ereğli Cloth Factory on 4 April 1937; the Bursa Merinos Factory on 2 February 1938; the Nazilli Basma Factory on 9 October 1937 (Suntur, 2020).

The works assigned to Sümerbank, which was established in 1933 according to the First Five-Year Industrialisation Programme in 1936, are as follows: 1- Bakırköy Cloth Factory 2- Malatya Cloth Factory 3- Kayseri Cotton Factory 4- Nazilli Basma Factory 5- Ereğli Cloth Factory 6- Hemp Industry 7- Bursa Merino Factory 8- Karabük Iron and Steel Factory 9- İzmit First Paper Factory 10- Cellulose Factory 11- Gemlik Artificial Yarn Factory 12- Match Factory 13- Super Phosphate Factory 14- Chlorine Factory 15- Porcelain Factory 16- Rose Oil Factory 17- Sulphur Factory 18- Sponge Company (Acar, 2006).

The emphasis that the industrialisation carried out by the State was the industrialisation that should be was also reflected in the press of that period. The factories the State opened were reported in that period's press spectacularly. For example, the opening of the Nazilli Basma factory was covered in the newspapers of that period with plenty of visuals. In one of the newspapers of that period, the factory was described as "the factory will process twelve thousand bales of cotton grown in the Nazilli plain every year and will produce 18 million metric tonnes of chintz and 300-100 thousand kilos of yarn for the market. "The factory will also employ 2,500 workers in two shifts." The women and young men of Nazilli work in the factory and earn their living." This sentence expresses the factory's economic value for the region's people (Cumhuriyet Newspaper, 1937).

The most rapidly implemented projects of the programme were the weaving industry other than hemp and the exploitation of coke, bottled glass and sulphur factories, which had been put into operation by İşbank after adequate studies. Even the first paper factory should be considered within this framework. The second group regarding the realisation order comprises Karabük Iron and Steel, Ergani copper smelter and Gemlik rayon factories. These were started within the programme period and could be completed before the war. Karabük Iron and Steel Factory is the most critical establishment for realising the programme. Because the realisation of the chemical industry depended greatly on the realisation of the plant in Karabük. When the plant in Karabük was realised before the war, the realisation of the chemical industry was left to the challenging conditions of the war. The delay in realising the cellulose and the second paper mill was also due to the war conditions (Derin, 1940).

4.2. Second Five-Year Industrial Programme

While the first five-year industrial programme was being implemented, the government started to prepare the second five-year programme. With Law No. 2805 published on 20 June 1935, Eti Bank was entrusted with the financial administration and realisation of the parts of the second Five-Year Programme allocated to mining and electrification of the country (Derin, 1940).

In addition to Eti Bank, the Mineral Research and Exploration Institute was established in these years. On 24 June 1935, the Electrical Works Survey and Development Administration was established. In 1935, shortly after the implementation of the 1934 Industrial Programme, the government outlined the second five-year programme. Unlike the first industrialisation programme, in the second industrialisation programme, emphasis was placed on improving the balance of foreign trade and advancing industrialisation, especially through export items. In January 1936, an industrial congress was held in Ankara to discuss the second programme. In this Congress, which was attended mainly by technical personnel and managers working in public institutions, the "study reports given by experts" were examined by the Ministry of Economy. Subsequently, in November 1936, Celal Bey, the Deputy Minister of Economy, submitted the Second Five-Year Industrial Programme to the Prime Ministry (Tezel, 1986).

As can be understood from the information above, while the first five-year industrial programme was to ensure the production of the products needed by the country, the second five-year industrial programme was programmed by considering the export power and structure rather than the country's needs. Because it is indispensable for a country that attaches importance to industrialisation to produce export products, it was inevitable to give significance to electricity production for the energy the industry needs. It is rational to meet the electricity production from the country's natural rivers and abundant mines such as coal and lignite, and thus to make an industrial programme that feeds each other.

In the second five-year programme, the most prominent production object, the underground wealth already present in the Anatolian geography, was prioritised. The Second Five-Year Industrial Project emphasised minerals and natural resources. It envisaged the export of chromium, which has an essential place in the world's production volume, not only as raw material but also as ferrochromium. It has been stated that the development of our mining sector depends significantly on the exploitation of chrome, copper, antimony, iron, zinc, molybdenum and silver-lead mines. As a prelude to transitioning to a modern machinery industry, the programme calls for establishing a machinery and metal goods factory to produce agricultural machinery and machine parts. Suggestions were also made in the maritime field; in this context, improving the harbours of İzmir and İstanbul and establishing facilities for the fresh and canned fish industry were proposed (Kahraman, 2005).

The branches of industry proposed to be established in this programme are as follows: 1 - Mining 2 - Coal mines 3 - Regional electric power plants 4 - Household crops industry and trade 5 - Soil industry 6 - Foodstuffs industry and trade 7 - Chemical industry 8 - Mihaniki industry 9 - Maritime industry. According to this second five-year programme, the number of factories and facilities to be established will exceed one hundred (İnan, 1972).

5. CONCLUSION

It would be very appropriate to emphasise that industrialisation by the State was an inevitable practice for the newly established Republic of Turkey. Firstly, as Atatürk emphasised, a people who expect everything from the State is naturally statist. Secondly, the principle of nationalism, one of the most essential principles of the Kemalist regime, requires statism. It should not be forgotten that populism during the years of the War of Independence forced nationalism and statism. It should also be remembered that the concept of "Populism" in those years corresponded to the concept of leftist and statist.

Although the ideas of populism and statism were put forward from the 1920s onwards, it was natural for a state that had just emerged from the war to be insufficient in terms of economic capital. Therefore, until the 1930s, it was natural for the State to prioritise an entrepreneur and a capital owner for industrialisation and economic development. However, the lack of a prosperous capital sector and a sufficient number of entrepreneurs in the country made it inevitable for the State to carry out programmed statist industrialisation by the State after the 1930s.

Opening the way for industrialisation with loans from foreign states and technology trade brought success in industrialisation by the State. In this success, Mustafa Kemal Atatürk, the founder of the Turkish State, having a statist and populist view is an important factor. In addition, the influence of communism under the

leadership of Lenin in Bolshevik Russia during the War of Independence in Anatolia led Atatürk and his comrades-in-arms to become leftists, not communists. There is nothing as natural as the emergence of statism from combining this ideological interaction with Soviet loans and technology trade in the 1930s. As a result, the basis of Atatürk's economic policy in the 1920s and 1930s required leftism and statism as the spirit of the time.

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