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RESEARCH ARTICLE

Shifting Financial Privileges from Dynasty to Parliament In the Emergence of Modern Turkiye

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Abstract

This study deals with the emergence of modern Turkey in the axis of the change in financial privileges. In this respect, the acts of the parliaments are analysed with a descriptive approach. While the parliament conducted the liquidation process of the Ottoman dynasty, it also created some new privileges for its members. This study examines this simultaneous process. The liquidation process started in 1908 with the establishment of a constitutional monarchy initiated by the Committee of Union and Progress (İttihat ve Terakki Cemiyeti). Only after 1920, a national assembly convened under a new leadership in Ankara continued the process and seized the assets of the dynasty, ended tax privileges, and cut their allowances in 1924. However, during the same period, parliament extended the financial status of its members with laws enacted even unconstitutionally. Despite that allowances of MPs were increased, and rules creating pension rights turned into a legislative behaviour that set an example for the following decades too. Moreover, parliament also established financial privileges by tolerating the economic activities of its members. Thus, financial privileges based on blood ties were replaced by another type of privileged status in parallel with the transfer of sovereignty.

Keywords

Dynastic privileges, Parliamentary privileges, Equality, Populism, The emergence of modern Turkiye

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I. Introduction

In his memoir book *Çankaya*, Falih Rıfki Atay, a deputy and a journalist, enthusiastically describes the liquidation of the Ottoman Dynasty by the Turkish Grand National Assembly (TGNA) and reveals with disappointment that the abolished privilege regime was later re-implemented for its members. This study describes the change of sovereign power in Turkey in the last century in terms of financial privileges, within the framework of the relationship between financial privileges and sovereignty. I argue that in the new *status quo* established, the existence of financial privilege continues by changing its shape according to the identity of the one who has the authority to legislate financial laws.

Financial laws about who will be allotted public revenues often present a starker truth than the constitution.¹ Considering that the liquidation or creation of privileges through financial acts is an indicator of the transformation process, it is more important to analyze financial legislation than constitutional texts or political discourses. In this respect, my aim is to reveal the two dimensioned processes regarding the collapse of the dynasty, and the rise of the assembly, through the *acquis* of their financial privileges.

This process was completed in two stages. The first of these is the constitutional monarchy (*meşrutiyet*) period, from 1908 to 1920, in which the dynastic privileges were limited by the lower chamber of the Ottoman Parliament (*Meclis-i Mebusan*). The second period is the republican period, from the gathering of the TGNA in 1920 until the complete abolition of the Ottoman dynasty in 1924. While the political demand that dominated the Meclis-i Mebusan was equality, the legislative policy of TGNA was shaped by republicanism. Therefore, examining the legislative activity of this period will also reveal the effects of the dominant political values, on the dynasty and the parliament.

Most of the material of the examination consists of the official minutes of the Meclis-i Mebusan and its successor the TGNA. The negotiations on those bills regarding tax, budget and allocation issues shed light on the arguments and attitudes of the deputies between the years 1908-1924. Thus, these materials were inductively evaluated, and the legislation policy that followed regarding financial privileges was described and analyzed.

II. Liquidating The Privileges of The Ottoman Dynasty

The 1876 Constitution was a breaking point in terms of limiting the authority of the Ottoman dynasty. Nevertheless, this first constitutional monarchy experience ended

¹ J. A. Schumpeter, 'The crisis of the tax state', in *J. Schumpeter The Economics and Sociology of Capitalism* (ed.) R. Swedberg (Princeton University Press 1991) 100-101.

with Abdülhamid II's dissolution of the Ottoman Parliament in 1878. The second constitutional monarchy era emerged by the Committee of Union and Progress (CUP/ *İttihat ve Terakki Cemiyeti*). The new era, which began in 1908, was shaped by the CUP ruling, depending on the majority in the Ottoman Parliament. However, the constitutional regime led to a limited liquidation process for the dynasty. Because, unlike the low-ranking deputies of the CUP, its leadership preferred to restore the dynasty and exploit it for their own purposes, rather than completely liquidating it.²

It is possible to examine this liquidation process in three periods. The first period lasted from 17 December 1908, when the Ottoman Parliament (including the lower chamber Meclis-i Mebusan and the upper chamber *Heyet-i Ayan*) was convened, to 27 April 1909, when it unanimously decided to dethrone Sultan Abdulhamid II. He was held responsible for the failed coup d'état attempt (*31 March Rebellion*), but in addition, a notable reason cited for the dismissal of his illegal expenditures from the State Treasury. Then the second period started with the successor sultan, Mehmet V (Reşad) who was docile and passive in the face of the CUP rule. This period lasted until his death, and in 1918, Mehmet VI (Vahdettin) the successor to the throne, seized power with a counter-coup, and aimed a restoration of the dynastic privileges.³

A. The Legacy of the Meclis-i Mebusan

Immediately after the Ottoman Parliament convened in 1908, various bills on the dynasty's financial privileges were proposed, although on a rather haphazard and irregular basis. Also, an examination of the minutes of Meclis-i Mebusan reveals that many demands and objections to these privileges were also inconclusive. We can observe these efforts and their consequences under the titles of dynasty's (1) assets, (2) tax privileges and (3) allowances.

1. Efforts to Liquidate Dynastic Assets

In the Constitutional Monarchy era, regulations covering the assets of the Ottoman dynasty were mainly focused on the financial acts of the ousted Sultan Abdülhamid II, who had exploited his powers to create a fortune for himself. As part of the modernization efforts on the Ottoman financial system in 1840, his father, Sultan Abdulmecid had transferred the dynastic properties (*Emlakı Hümayun*) to the state treasury except for five farms,⁴ and the remaining continued to be facilitated by the dynastic treasury which was reorganized under the name *Hazine-i Hassa* in 1850.⁵ Abdülhamid II stands out in that, not only did he reclaim the transferred properties to the Hazine-i Hassa, but

2 Feroz Ahmad, *The Young Turks* (Oxford 1969) 164.

3 Sina Akşin, *Mutlakiyete Dönüş* (4th Edition, T. İş Bankası Kültür Yayınları 2010) 529.

4 Yavuz Cezar, *Osmanlı Maliyesinde Bunalım ve Değişim Dönemi* (Alan 1986) 289.

5 Arzu T. Terzi, *Hazine-i Hassa Nezareti* (Türk Tarih Kurumu 2000) 21, 81.

also registered much land and many business privileges, such as mining and maritime facilities, during his 33-year reign. These property and privilege gains were made by his unilateral transactions, supported by his absolute power ie. in some purchases, the price was set by him.⁶ This fact was also observed by the members of the Budget Committee of Meclis-i Mebusan (*Muvazenei Maliye Encümeni*), who revealed that the state treasury assets were acquired by the dynasty at a price lower than their real value.⁷ Thus, the most important financial result of his absolute power is the fact that he registered his assets in his name, unlike any previous sultan in the Ottoman Empire.⁸

The 1908 revolution brought the end of this privileged status and in this context, one of the key issues was how the dynastic assets would be liquidated, and how the new financial status of the dynasty would be determined. As a first step, on 26 October 1909, the Hazine-i Hassa was transformed from a ministerial organization to a general directorate, and its structure was reduced.⁹ While those assets registered in Abdülhamid II name were gradually transferred to the state treasury, other dynastic estates acquired before his reign remained in the Hazine-i Hassa.¹⁰ In 1912, new government regulation was enacted for the administration of these assets, limiting the authority of the Hazine-i Hassa (and the Sultan), and involving the government and local administrations in the disposal procedure.¹¹

However, the first transfer was carried out by the decision (*irade*) of Abdülhamid II, even before the convention of Assembly, on 14 September 1908.¹² The motivation was to settle dynastic debts, rather than being a republican effort to confiscate dynastic assets. In fact, due to the bankrupt balance sheet of the Hazine-i Hassa, a loan was taken from the Ottoman Bank to pay its debts, and, in return, some of the dynasty's immovable were transferred to the state treasury¹³ This motivation continued to determine the liquidation process, so much so that, under a new law, in the following year, the government was authorised to borrow to pay off these dynastic debts.¹⁴

During this period, the deputies made a number of proposals regarding the seizure of dynastic assets, but none were enacted at the plenary session.¹⁵ This inability to act continued after Abdulhamid II was exiled.¹⁶ Instead of the legislative initiative, some other

6 Vasfi Şensözen, *Osmanoğullarının Varlıkları ve II. Abdülhamid'in Emlaki* (Okuyan 2013) 80-82.

7 *Meclis-i Mebusan Zabıt Ceridesi* (MMZC), 02 Temmuz 1325, 366.

8 Terzi, (n 5) 92.

9 Ibid 165.

10 Ibid.

11 Emlakı kadime-i hakaniyeden olan mahaller hakkında nizamname: *Düstür* V II (4) 12.04.1912, 452.

12 400,000 liralık irade-i senevisi bulunan emlak-i şahanenin Hazine-i Maliye'ye devriyle Hazine-i Hassa'nın tesviye-i dünyunu için bir istikraz akdi hakkında irade-i seniyye: *Düstür* V II (1) 14.09.1908, 76.

13 Şensözen, (n 6) 108.

14 Hazine-i hassadan hazine-i Maliyeye müdevver dünyunun suret-i tesviyesi hakkında kanun, MMZC, 02 Temmuz 1325, 408.

15 MMZC, 08 Kanunusani 1324, 286.

16 MMZC, 19 Nisan 1325, 160.

means such as the proactive participation of successor Sultan Reşad and the government were preferred. For example, immediately after the 31 March Rebellion, the new Sultan decided that many business privileges which had been registered to Hazine-i Hassa by Abdülhamid II should be transferred to the state treasury.¹⁷ The following month, a bill which was drafted by the government in line with the Sultan's will was presented to Meclis-i Mebusan to enforce the liquidation process.¹⁸ This situation reflected the power balance in the country. As an instruction, the Parliament was not functional, and power lay with the old Sultan Reşad, who was under the influence of the CUP.

Nevertheless, it was inevitable for the Ottoman Parliament to intervene in the fate of a dynastic property, such as the Yıldız Palace, which was associated with Abdülhamid II's oppressive rule, and symbolized his position. The bill transferring its possession to the state treasury was enacted by the lower chamber Meclis-i Mebusan. The key point was the divisions, attitudes, and rhetoric during the negotiations on this issue, particularly, the statement of Yusuf Kemal Tengirşenk, who would become a TGNA member and minister nearly twelve years later in historical context: 'Yıldız is the property of the nation, and will have a special place in Ottoman history. There is no longer any separation between the Sultan and us'.¹⁹

Yıldız Palace continued to be a source of inspiration for multiple initiatives spanning the entire Constitutional Monarchy era.²⁰ In this respect, there was an effort to transfer Yıldız Palace into public property and to erase its royal identity by turning it into a museum. After the 31 March Rebellion, however, a proposal for converting the Yıldız Palace into a museum was rejected in the plenary session due to dissatisfaction with details, such as the fate of the statues within.²¹ On the same day, three deputies conducted a search of the Yıldız Palace, overseen by Mahmut Şevket Paşa, the army commander, who had suppressed the rebellion and asked to participate in the Meclis-i Mebusan as an observer. The minutes regarding the seizure of the jewels and the information regarding the money and bonds held in German banks were read in the plenary session.²² In the same session, it was discussed how to seize the money in German banks, and eventually, upon the government's efforts, this money and the bonds were brought to the former Sultan Abdulhamid II who was in exile in Thessaloniki, and then delivered to the government by a mutual agreement.²³

17 This transaction is not encountered in *Düstur*, but the next sultan, Vahdettin, refers to the decision of "21 April 1909" that this transaction was withdrawn (footnote 26).

18 *MMZC*, 03 Haziran 1325, 412.

19 *MMZC*, 06 Ağustos 1325, 569.

20 So much so that the CUP gave the banquet it organized in honour of the first anniversary of the 1908 revolution in Yıldız Palace. *MMZC*, 08 Temmuz 1325, 473.

21 *MMZC*, 19 Nisan 1325, 160.

22 *MMZC*, 21 Nisan 1325, 206.

23 Terzi, (n 5) 157.

As well as the confiscation of dynasty properties, it was also an issue how to assess their value. Among the stocks of Abdülhamid II were those belonging to Anadolu Railways Co. which were exempt from liquidation due to their strategic importance, and which were subsequently transferred to the state treasury.²⁴ The seized jewels were put up for sale under a new law, and the revenue was to be paid to an association established by the CUP to improve the Ottoman fleet (*Donanma Cemiyeti*).²⁵ The remaining properties were transferred from the dynastic treasury to the state treasury, and the government was authorized to sell them by provisional budget law in 1909.²⁶

The repercussions of this liquidation process continued. One of the most important of these was the donation by crown prince Yusuf İzzettin of 67 of his 87 shops in the Tophane neighbourhood to the army in 1911. This was after the Council of Ministers (*Heyet-i Vukela*) decided to investigate how he obtained the goods registered in his name.²⁷ Despite these circumstances, such a donation was appreciated by the Assembly, and even a law was enacted to exempt such transactions from taxes and fees arising.²⁸

After the death of Sultan Reşad on 4 July 1918, Vahdettin ascended to the throne. Upon the final defeat in World War I, he dissolved the Meclis-i Mebusan and initiated a restoration of dynastic power.²⁹ However, after the occupation of the country, he lost the power to expand the dynasty's wealth. Instead, he sought to garner sympathy for political gains through his dealings on dynastic estates. In this context, he donated his own land to Armenian orphans at a time when accusations were being made by the Allies regarding massacres of the Armenian population,³⁰ and for the sake of his domestic reputation, he also allocated some dynastic palaces to be used as Muslim orphanages.³¹

The other actions and transactions of the sultan regarding the property belonging to the dynasty were also shaped by the conditions existing during the occupation. On 8 January 1920, a decree was issued for the return of the dynasty's properties, which had been previously transferred to the state treasury.³² The motivation for this was to reduce the loss of land in the countries that were assumed to have been lost at the end of the war, rather than to gain wealth for the dynasty.³³

24 *MMZC*, 09 Şubat 1326, 163.

25 *MMZC*, 03 Mart 1327, 88.

26 *MMZC*, 28 Mayıs 1325, 293. However, next year Cavit Bey declared that the money obtained from Abdülhamid II was only 450 thousand liras. *MMZC*, 10 Nisan 1326, 295.

27 Terzi, (n 5) 153.

28 Veliht-ı Saltanat Hazretleri tarafından ciheti askeriyeye terk ve teberru edilen altmış dört bâb dükkânın ferağ harcı ve damga resminden muafiyetine dair kanun *MMZC*, 12 Nisan 1327, 513.

29 Sina Akşin, *Son Meşrutiyet* (4th Edition, T. İş Bankası Kültür Yayınları 2021) 74.

30 Gotthard Jaeschke, *Türk Kurtuluş Savaşı Kronolojisi I* (Türk Tarih Kurumu 1989) 78.

31 *MMZC*, 10 Mart 1336, 400.

32 11 Eylül 1324 ve 21 Nisan 1325 tarihli iradat-ı seniyye mucibince hazine-i hassa-i şahaneden cihet-i Maliyeye devredilmiş olan emlak ve arazi ve müessesat ve imtiyazatın hazine-i müşaraleyhaya iadesi hakkında kararname *Düstür V II*, (11) 08.01.1920, 561.

33 Abdülhamid II, who had previously lost Cyprus to the British Empire, continued to have rights on the immovable that he

2. Efforts to Reduce Dynastic Appropriations

The change in the approach to the sultans' appropriations dates back to the *Tanzimat* period when reform in the state treasury in 1840 meant that sultans were limited to receiving a fixed allowance named as *tahsisatı seniyye*.³⁴ Nevertheless, the authority to raise this allowance was still under their control. By the Constitution of 1876, a stricter regime regarding the budget was initiated, by a law regulating the expenditures made from the state treasury. However, in reality, Abdülhamid II continued to determine his appropriations completely on his initiative, and without being subject to restrictions during his absolute rule.³⁵ From this point of view, Meclis-i Mebusan exhibits two important features, the seizure of the sultan's authority on behalf of the national will, and the pursuit of an anti-regime policy in dynastic expenditures. Thus, after pre-existing but, as yet, unenforced rules were applied; the expenditure of the dynasty was limited by law.

In a ground-breaking step, the Meclis-i Mebusan, from 1909 onwards, used the budget-making authority including the authority to determine allocations of the dynasty. From the very beginning of this era, its Budget Committee started to regulate the distribution of expenditures, and during the preparation of the dynasty budget, played a more active role than the government in shaping the procedure to be employed. Firstly, through a temporary budget law,³⁶ the details of the payments to be made to the dynasty were illustrated on charts. In addition, the remuneration of the members of the dynasty was fixed according to their status, and the amounts to be paid were standardized and made public. Thus, the members of the dynasty, like other citizens, were bound by the rules set by the Meclis-i Mebusan.

The first indication of this significant change was the historic speech of Mehmet Cavit Bey, who presented the bill as the head of the Budget Commission. He declared that the Commission had completely abolished the palace appropriation (*saltanatı hûmayun*), and in addition, the appropriation allocated for the repair of the palace buildings (*sarayı hûmayunların ebniye tamirâtı*) was transferred from the Dynasty budget to the authority of the Ministry of Finance.³⁷ Thus, the authority of the dynasty to spend according to its own rules was largely abolished.

Moreover, firstly by the temporary budget law bill that was presented to the Meclis-i Mebusan in March 1909, a major reduction was made in Abdülhamid II's

previously owned on the island. Thus, the transformation of state lands into the dynasty's private property was intended to be constructed as a collusive legal guarantee on the lands that are subject to be lost. Terzi (n 6) 94.

34 Cezar, (n 4) 289.

35 *MMZC*, 02 Temmuz 1325, 365.

36 According to the Ottoman financial system, fiscal year starts on March 1. Therefore two temporary budget laws were enacted for March and April 1909, and then for May 1909, as the budget law could not be completed in time.

37 *MMZC*, 28 Mart 1325, 3.

allowance from 367,940 to 25,000 liras.³⁸ Mehmet Cavit Bey also stated that, except for that of Mehmet V Reşad (then crown prince), salaries were eliminated by the Budget Commission. In this respect, the salary of Vahdettin (first in line to the throne after Mehmet Reşad), and another heirs was reduced from 800 to 500 liras, in line with others.³⁹ After temporal budgets, on 20 July 1909, negotiations began on the annual budget. The speech of Emrullah Efendi, who replaced Mehmet Cavit as the head of Budget Commission, was also remarkable: ‘You will see that 300 thousand liras were given in place of the previous 600 thousand liras as allowance for the Dynasty. It indicates that the power of tyranny has been defeated in a country.’⁴⁰ Statistically, the palace and dynasty appropriations were 5.3% in the budget in the period of Abdülaziz, falling to 4.6% in the period of Abdülhamid II, and to 1.5% in the Constitutional Monarchy era, i.e., dynasty appropriations fell by 2/3 compared to the period of Abdülhamid II.⁴¹

It can also be seen that the initiative to reduce the allowance came from the dynasty itself. For example, immediately after his reign began, Sultan Reşad asked Parliament to reduce his allowance from 25 to 20 thousand liras in view of the country’s economic difficulties.⁴² While this renunciation was met with strong and sustained applause in Meclis-i Mebusan, the background is more complex than it appears. According to the memoirs of Halit Ziya Uşaklıgil, who was appointed by the CUP as the chief clerk of the Sultan, (as such, a *de facto* palace commissioner), this move was in fact decided by the CUP, and made the sultan present it as if was his own wish.⁴³ The second example was Sultan Reşad’s heir, Yusuf İzzettin, who donated some of his outlets to the treasury, also donated 250 liras to the army every month, since he was paid 24,000 liras in the 1915 budget, and for this, he was applauded at the plenary session of Meclis-i Mebusan.⁴⁴

The authority to determine the dynasty appropriations was transferred from the Sultan to the Meclis-i Mebusan leading to the publication of its expenditures and the public reaction to this contributed to the liquidation of the dynasty. One of these reactions occurred while negotiating an offer to pay a salary to approximately 750 concubines in Yıldız Palace after the fall of Abdülhamid II, due to the loss of their financial resources. It was understood that these people, whose numbers could not

38 Ibid. However, three days later, the March 31 uprising began, and two weeks later, Abdülhamid II dethroned by the decision of Ottoman Parliament. Thus when the bill was enacted on 20.05.1909 (1325 senesi Mart maasıyla Nisan ve Mayıs varidat ve mesarifi hakkında muvakkat bütçe kanunu) Abdülhamid II was an overthrown ruler.

39 Although no info was found in the parliamentary minutes, it was claimed that Vahdettin’s connection with *the March 31 Rebellion* against the CUP had an effect on this reduction. Akşin (n 4) 23.

40 *MMZC*, 20 July 1325, 33.

41 Sina Akşin, *100 Soruda Jön Türkler ve İttihat ve Terakki* (Gerçek 1980) 146.

42 *MMZC*, 21 Nisan 1325, 203.

43 Halit Ziya Uşaklıgil, *Saray ve Ötesi* (Can 2019) 93-95.

44 *MMZC*, 29 Kanunuevvel 1330, 142.

be determined precisely because there was no register of names, had been sold to the Palace, and that some were orphans. Parliament fixed a salary to prevent them from falling into prostitution,⁴⁵ but since their exact numbers could only be determined at the end of the year; a new law was later passed on the subject.⁴⁶

The expenses for the marriage of the princess brought even more abrasive criticisms. Since the first annual budget law, it became public knowledge that 12 thousand liras were allocated for the dowry costs of the two sultans who would marry that year. This figure is based on the decision of the Council of Ministers to include an allowance in the budget for the marriage of two sultans every year.⁴⁷ Mehmet Cavit Bey was a member of the Council of Ministers at that time, and this meant a consensus in the determination of dynasty appropriations. However, this compromise cannot be said to have received the approval of all CUP member deputies. For example, while discussing this appropriation, Mehmet Talat Bey argued that ‘People eat soil in Anatolia, is it appropriate? I do not accept it’, and the plenary session descended into chaos and commotion.⁴⁸

It soon became clear that this backlash was not solitary, and that the debate over dynastic privileges was dividing Meclis-i Mebusan. Some deputies such as Mahir Said Pekmen and Ömer Feyzi Efendi with pro-monarchy stances were members of the opposition;⁴⁹ however, the CUP was similarly divided on the same issue. The leadership of the CUP adopted a line that saw the dynasty as sacred and privileged during the reign of Sultan Reşad and suppressed the dissenting voices within the party. For this reason, one group, including senior party members, acted to protect the financial situation of the dynasty, while another group, consisting of CUP deputies, developed becoming increasingly in favour of the liquidation of these financial privileges, adopting a covert republican attitude.

The issue of payment of dynastic grooms was the most striking example of this phenomenon of suppressing controversial issues. Firstly, at the budget law negotiations in March 1909, Mehmet Cavit Bey as the Head of the Budget Committee announced the abolition of the grooms’ (i.e., sons-in-law) salaries.⁵⁰ However, in July of the same year, when Sultan Reşad succeeded Abdülhamid II and Mehmet Cavit Bey became the Minister of Finance while negotiating the annual budget law bill of 1909, he reversed this stance. He offered to pay a temporary salary until the grooms found

45 *MMZC*, 14 Haziran 1326, 592-596. Tebeddül-i saltanat hasebiyle saraydan çıkarılıp tensikat kanunundan istifade edemeyen ecirlere verilecek mebalîğ hakkında kanun: *Düstür V II* (2), 03.07.1910, 419.

46 *MMZC*, 18 Kanunuevvel 1326, 712. Yıldız Sarayı’ndan muhrec cariyelele Düyun-i Umumiye bütçesine zamimeten 144,725 kuruşun sarfı hakkında kanun: *Düstür V II* (3), 16.01.1911, 38.

47 *MMZC*, 24 Haziran 1325, 211.

48 *MMZC*, 20 Temmuz 1325, 56.

49 *MMZC*, 02 Mart 1327, 72.

50 *MMZC*, 28 Mart 1325, 4.

employment, a policy opposed by the CUP deputy Mehmet Ali Bey, who argued that ‘if a sultan has a daughter, he can give it to whomever he wants, and the people will not interfere with him. But the people are not obliged to give money to the man he will give his daughter to (...) Let him (the groom) work and earn his living like me.’ Nevertheless, the proposal was enacted, and an allowance was granted to unemployed grooms.⁵¹

This topic flared up into a government crisis the following year. In the 1910 budget bill, the Minister of Finance Mehmet Cavit Bey again proposed to pay six unemployed grooms who had married by the order of Abdülhamid II. Despite the government and the budget committee’s support, this proposal was rejected at the end of a controversial session.⁵² Interestingly, some CUP deputies advocated the payment of grooms in 1910, but in 1924 as CHP deputies, voted to abolish the dynasty.⁵³ But after four days, Grand Vizier (*Sadrızam*) İsmail Hakkı Paşa stated that to reject Mehmet Cavit Bey’s proposal on the groom issue in the plenary session would show a lack of trust for the government. After long discussions, it was revealed that rather than demand a resignation or a vote of confidence, the government merely tried to persuade the Meclis-i Mebusan to hold a new vote on this issue. Eventually, İsmail Hakkı Paşa was successful with the support of CUP leaders, speaker Ahmet Rıza Bey and the head of CUP group Halil Menteşe, and the proposal regarding payment of grooms was accepted by 152 to 30, after being rejected by 54 votes to 64 only four days previously.⁵⁴

The following reactions of whip Halil Menteşe were in line with this attitude. After two months, in a discussion over the fiscal powers of Heyet-i Ayan, he argued that since the members of the Ayan were appointed by ‘the greatest deputy of the nation’, the sultan, they are equally the representative of the nation as the members of the Meclis-i Mebusan, who were elected by popular vote.⁵⁵ Similarly, Ahmet Rıza Bey, who was one of the leaders of CUP and the speaker of Meclis-i Mebusan, demanded the approval of the dynasty budget during the 1911 budget negotiations.⁵⁶ In the following year, Halil Menteşe, who was elected the new speaker continued this effort, and the dynastic allowances in the 1912 budget were enacted without opposition in the plenary session.⁵⁷

51 *MMZC*, 20 Temmuz 1325, 55.

52 *MMZC*, 17 Nisan 1326, 504.

53 While the CUP members Hasan Fehmi Tümerkan and Ahmet Mahir Ballı defended the grooms should be paid Ahmet Ferit Tek (who will also be the first finance minister of Turkey in 1920) was opposed.

54 *MMZC*, 21 Nisan 1326, 550. It should be also noted that at this time Ahmet Ferit Tek accepted the offer.

55 *MMZC*, 13 Haziran 1326, 575.

56 *MMZC*, 02 Mart 1327, 72.

57 *MMZC*, 21 Haziran 1328, 66.

By the 1914 elections, the power of CUP in the Assembly increased, nevertheless the debates continued, and even a conflict emerged over the bill on dynastic allocations. Article 9 of the draft bill regulated that no allowance should be paid to the sultan's children. One of the CUP leaders and the Minister of Interior Talat Paşa demanded that they should have a small allowance, but upon the objection of deputies in the plenary session, the Minister of Finance Cavit Bey, requested that the bill be sent to the Budget Committee. Süleyman Sudi reacted very abruptly: 'There is no need, sir. We can't give it to him, wherever it goes.' The majority of the deputies voted against the CUP leaders Talat and Mehmet Cavit.⁵⁸ However, still, it was hard for either side to claim victory because, in the same law, another article was adopted to pay grooms who had married before the constitutional monarchy period.⁵⁹ Also remarkable is that, after this unsuccessful attempt, the CUP government opted to increase some dynastic allowances by a decree the following year.⁶⁰ Finally, in 1917, the final law was enacted, allowing payment to the wives of the deceased sultans.⁶¹

The end of the constitutional monarchy era witnessed a reverse process for a limited time. After dissolving the Assembly, the last Sultan Vahdettin increased his allocation by himself.⁶² Thus, at the end of the constitutional monarchy period, it was not possible to remove dynastic appropriations from their privileged status; yet, a decade later, those same deputies would succeed in passing a law completely abolishing the dynastic status. In this respect, Mehmet Sabri Toprak, who was the chairman of the Budget Commission which had drafted the bill for payment to grooms in 1914, became one of the deputies who voted for the abolition of the dynasty in 1924.

3. Efforts to Abolish Tax Privileges

Two initiatives shaped the constitutional monarchy era in terms of dynastic tax privileges. First, the effort to abandon unlawful practices, and, second the raising of demands to abolish the dynasty's tax exemption, which would lead the country to a *de facto* republic.

The first issue was regarding Abdülhamid II who abused his sultanate powers during his reign to create tax privileges in favour of Hazine-i Hassa. Defying Article 96 of the 1876 Constitution, which authorizes the Parliament alone to act on this issue, he cancelled tax debts of those assets previously purchased.⁶³ Moreover, in 1876 he granted tax exemption to the businesses owned by Hazine-i Hassa. Thus, farmers

58 *MMZC*, 07 Temmuz 1330, 498.

59 *Ibid* 497.

60 Hanedanı Saltanatı Seniye muhassasatı hakkındaki kanunun on birinci maddesinin tadiline dair kanun-u muvakkat *MMZC*, 14 Kanunuevvel 1331, 242.

61 *MMZC*, 22 Mart 1333, 297.

62 Akşin, (n 31) 73.

63 Terzi, (n 5) 98.

working the lands belonging to the dynasty were obliged to pay the agricultural production taxes (*öşür*) to the Sultan, not to the state.⁶⁴ According to the Minister of Finance, the sultan's fortune entrusted to German banks was obtained by those taxes, which had been diverted from the state treasury.⁶⁵ Thus, one of the consequences of the constitutional monarchy era was ending such a *de facto* privilege,⁶⁶ and from this time onwards, all tax exemptions were granted only by Meclis-i Mebusan, even those involving dynastic donations.⁶⁷

Under the second issue, a division grew up over the removal of the tax exemption, which is among the *de jure* financial privileges, during the negotiations on the first tax law draft regarding immovable tax (*musakkafat*). Within the Assembly, a group of deputies representing a wide range of views argued that the dynasty should be taxed in a way that virtually implied a *de facto* republican regime. For example, among the CUP deputies, social democrat Armenian Ohannes Varteks, defended the levying of taxes on the members of the dynasty other than the sultan,⁶⁸ while an Islamic cleric Mustafa Sabri, took an even more radical position, rejecting an exemption for the sultan.⁶⁹ In the same vein, İbrahim Vasfi made the following argument, based on the existence of law, making both the nation and the dynasty equal before the law, without any privileges: 'Today, from the point of view of both the titles of His Excellency Sultanate and the Supreme Dynasty, it is necessary to be no different from other people in this tax issue, so even their real estate should be taxed.'⁷⁰

The draft law, prepared by the government, gave dynasty members taxpayer status only if they earned rental income. Some of the ministers could be considered as representatives of the ancient regime of Abdülhamid II, but their draft was supported also by the high-ranking CUP leaders. One of these, Ahmet Rıza Bey, who chaired the session, argued that it was unbecoming even to talk about the dynasty in such a disrespectful way. Mehmet Cavit Bey agreed, stating that no taxes were collected from dynasties anywhere in the world.⁷¹

Eventually, the bill was enacted, but only taxed the dynasty over the rentals. Nevertheless, four years later, this debate resurfaced with a proposal to amend the tax law to extend the exemption to include the rest houses belonging to the dynasty. This

64 Sina Akşin, *Yakın Tarihimizi Sorgulamak* (Arkadaş 2006) 46. Although Mehmet Tahir Bey proposed to pay the collected taxes to the state, it was not discussed. *MMZC*, 30 Haziran 1325, 339.

65 Terzi, (n 5) 156.

66 Before him, dynastic farms were being taxed. Terzi (n 5) 18. Moreover, in the Sultan Abdülmecid era those dynastic transactions over immovable were taxed. Terzi (n 5) 84.

67 For example: Merhume Âdile Sultan'a ait olup, inas mektebi ittihaz olunan sarayın ferağ muamelesinin harç ve rüsumdan muafiyeti hakkındaki kanun lâiyhası. *MMZC*, 22 Kanunusani 1326, 513.

68 *MMZC*, 03 Mart 1326, 197.

69 *Ibid* 214.

70 *Ibid* 216.

71 *Ibid* 213-215.

time, an objection was put forward by Cemil Zehavi, who pointed out the unfairness of this exemption considering the heavy taxes on the general population.⁷² However, the leaders of CUP were once again victorious, and this exception was enacted by the Assembly. The era of constitutional monarchy thus ended.

B. TGNA as a Liquidator

Upon the occupation of Istanbul on 16 March 1920, Meclis-i Mebusan dissolved, and after a call by the leader of national resistance, Atatürk, the TGNA gathered in Ankara on 23 April 1920. According to his plan, the new Assembly consisted of former Meclis-i Mebusan members and newly elected deputies.⁷³ Both groups included former CUP members whose political agenda was full of egalitarian and republican demands. There was one important difference, however, that during the constitutional monarchy era, the leaders of the CUP who blocked anti-dynastic ideas were purged on the grounds of their responsibility for the defeat in World War I. Thus, the radical liquidation of the dynasty with its financial privileges was simultaneous with a new state restructuring in the first and second terms of TGNA.

1. First Term of TGNA

In its first term (1920-1923) TGNA acted in unity as far as possible to secure a military victory. So much so that, in the beginning, to placate the monarchist deputies, allegiance was sworn to the Sultan. However, Vahdettin's hostile attitude towards the national resistance by inciting rebellions,⁷⁴ and his cooperation with the Allied Powers soon created a major reaction in the TGNA.

The first sign of the reaction was regarding dynastic assets' administration. After the TGNA government seized the İstanbul government's authority over the Ottoman territory (except İstanbul), some farms of the Hazine-i Hassa were also taken over. During the negotiations on a government-led bill at the plenary session, TGNA's Minister of Finance Ahmet Ferit Tek announced that by this action, the Assembly had fully taken the rights of the nation into its hands. This was a clear message, meaning that those assets belonged to the nation, rather than the dynasty; all that remained was to legalise the TGNA's *fait accompli* seizure of these assets.

During the negotiations, while some of the deputies argued that it was too early to sell them, the dissidents, the former CUP members, expanded the debate to include the issue of the legitimacy of dynastic financial rights.⁷⁵ These arguments showed

72 *MMZC*, 02 Mayıs 1330, 289. Hanedanı Saltanat azasının ibadet ve teferrüçlerine mahsus müsakkafatın vergiye tabi olmadığına dair kanun.

73 *Atatürk'ün Tamim, Telgraf ve Beyannameleri* (Atatürk Kültür, Dil ve Tarih Yüksek Kurumu 1991) 280.

74 Sina Akşin, *İç Savaş ve Sevr'de Ölümler* (4th Edition, T. İş Bankası Kültür Yayınları 2010) 104-138.

75 Türkiye Büyük Millet Meclisi Zabıt Ceridesi (*TBMMZC*), 01 Teşrinisani 1336, 268.

that the anti-monarchist stance was not only still alive, but had grown even stronger over the last decade.⁷⁶

The budget laws adopted by the TGNA, and the status it gave to the sultan and the dynasty are indicators of the progress of this period. The budget law of 1920 included dynastic allowances; however, since Vahdettin remained in Istanbul, all were cancelled on the last day of the fiscal year.⁷⁷ This situation continued in the following year's budget.⁷⁸ The sultanate, which came to represent the anti-nationalist line of Vahdettin, was not abolished until 1 November 1922, after the military victory against the occupation in Anatolia, and before the negotiations for the peace treaty began. While this move removed Vahdettin from office, Crown Prince Abdülmecid was elected caliph in his place by TGNA, and the dynastic allowances continued to be paid.

While discussing a series of temporary budget laws enacted for the expenditures to be made for the new administration of İstanbul beginning on 6 November 1922, deputies were already questioning the future of the dynasty. In a discussion of civil servant payments, Emin Erkul made a point targeting dynastic financial rights, arguing that if savings were desired, the dynastic family should take the first step.⁷⁹ However, no such step was close. Ali Rıza Bey asked about the rationale for the payment for the members of the dynasty, Hasan Fehmi Ataç, the Minister of Finance, replied that the decision on this issue would be made by the TGNA.⁸⁰ However, the said decision was never taken, and in the 1923 budget law, the only change was in naming the dynastic allowance, to replace the term 'sultanate' with 'his excellency caliph and caliphate dynasty' (*Zatı Hazreti Hilafetpenahi ve Hanedanı Hilâfet*).⁸¹ Thus, the dynastic family continued to receive their allowances from the TGNA government until the end of the first term.

2. Second Term of TGNA

The composition of the TGNA in its second term was determined mainly by Atatürk, who not only founded a disciplined group under the name of the People's Party (*Halk Fırkası*) but also, before the election, published a regulation regarding the policy to be followed by the new deputies. That document played a constitutional role, based on the prohibition of privileges, seen in the statement that 'Populists are individuals who do not accept the privileges of any family, class, community, or individual.'⁸²

76 Hazine-i Hassaya Ait Bulunan Emlak ve Arazi ve Saire Muamelat-ı Tasarrufiye ve İdariyesinin Muvakkaten Maliye Vekâletine Verildiğine Dair Kanun, Law no 46, Enacted on 01.11.1920, *Resmi Gazete* (RG) 21.03.1921/7

77 *TBMMZC*, 26 Şubat 1337, 436.

78 1337 Senesi Muvazenei Umumiye Kanunu, Law no 197, Enacted on 26.02.1922, *Kavanin Mecmuası* (KM) V 1, 224.

79 *TBMMZC*, 06 Kanunuevvel 1338, 217.

80 *Ibid* 230.

81 *TBMMZC*, 28 Şubat 1339, 508.

82 *Ibid*.

After the Lausanne Peace Treaty, which ended the war, it was time to address the unresolved constitutional problems, such as the fate of the dynasty. Not surprisingly, critics began the liquidation process focusing on the dynasty's financial rights. The pioneer was the newly-elected Yusuf Akçura, one of the leading figures of Turkish nationalism. Since the provisional budget law, negotiated in September 1923, Akçura focused specifically on the privileged status of the members of the dynasty. He first recommended paying none but the caliph and his immediate family. Recalling the agenda and the discourse from Meclis-i Mebusan, he defined the grooms as parasites and pointed out that the source of these allowances was taxing on the rural poor.⁸³ In the negotiations the next day, Akçura revealed that the payments for grooms were in contradiction to the Party program in terms of prohibition of privileges. As a response to these arguments, Ali Cenani, the head of the Budget Committee, offered to resolve this issue in the 1924 budget law.⁸⁴

However, before the promised 1924 budget negotiations, a total breakdown in the process occurred with the declaration of the republic on 29 October 1923. Then Yusuf Akçura once again took the stage with a historic speech: 'What we understand as the Republic and the People's Party, by democracy, is that all of them are completely equal in law, title, reputation and dignity, from the peasant, who we think the weakest, to the highest.' Depending on this consideration, he asked a very simple question: 'Now, how can we write the name of a completely unknown man, whose job, service, and merits are not known, in the official budget?'⁸⁵ The next move was a very clear statement from Vasif Çınar. He pointed out that the privileged life of the dynasty was financed by the public, and the conclusion was clear: 'The caliphate has no place in the budget approved by the Turkish Republic and this Assembly'.⁸⁶ Mazhar Müfit Kansu supported him, arguing: 'The only one who has a place in the budget is the right holder, and the right holder is only the citizen. The dynasty, on the other hand, is not a citizen; it does not have rights so that it has a place in the budget!'⁸⁷

Although the result was clear, the provisional budget, adopted on February 28, 1924, was given a final appropriation for the dynasty before their deportation. In fact, according to the law enacted on 3 March 1924, the Ottoman Dynasty was abolished, along with all its financial privileges.⁸⁸ In this respect, the TGNA, in the name of the nation, took over the estates belonging to the Sultans (article 8), all the dynastic assets (article 10), and the furnishings, sets, tables, valuables and all kinds of property

83 *TBMMZC*, 26 Eylül 1339, 292.

84 *TBMMZC*, 27 Eylül 1339, 328.

85 *TBMMZC*, 25 Şubat 1340, 345.

86 *TBMMZC*, 27 Şubat 1340, 414-415.

87 *Ibid* 429.

88 *TBMMZC*, 28 Şubat 1340, 470.

within the palaces (article 9).⁸⁹ The administration of palaces was handed over to the National Palaces Administration, which was founded by the Budget Commission.⁹⁰ Thus, this successfully enacted the failed attempt to seize Yıldız Palace in 1909, and this time included all other palaces. The names of deputies on the list of those who proposed this law were also significant in this respect. Şeyh Saffet, the mover of the proposal signed by 53 deputies,⁹¹ was a deputy in all three terms of the Meclis-i Mebusan.

Nevertheless, some members of the Ottoman dynasty, despite the loss of their dynastic title, continued to claim these assets, and some of their lawsuits were accepted by the Turkish Court of Cassation.⁹² However, in 1949, TGNA, using its authority to interpret its laws, decided that after the law in 1924, dynastic property and their inheritance ceased to exist.⁹³ Similarly, after a Jerusalem court rejected the lawsuit filed by the heirs of Abdülhamid II for the lands in Gaza, no remnant of the dynasty's assets remained outside of Turkey.⁹⁴

III. Parliaments Creating Fiscal Privileges on Their Own

Meclis-i Mebusan and TGNA abolished by law the financial privileges of the Ottoman dynasty, but also made laws regarding its own members' financial rights. Thus, although the parliamentary position was not a blood-based status like the dynasty, the monopoly of the law allowed the creation of financial privileges for its members. This function coincided with the dissolution of the dynasty, leading to the liquidation of their financial privileges, and the creation of new ones for the parliamentarians. There are several reasons for these developments at the time of the constitutional monarchy. These include internal or extra-parliamentary factors such as party policy, constitutional regulation, presidential or judicial review, and public pressure.

The financial parliamentary privileges can be classified under the forms of (1) active and (2) passive paths, which will be addressed below. In this context, while the former path occurs through the direct enacting of laws such as parliamentarians increasing their own allowances, the latter emerges by failing to prevent deputies from utilizing their positions for questionable commercial reasons.

89 Hilâfetin İlgâ ve Hanedan-ı Osmaninin Türkiye Cumhuriyeti Memaliki Haricine Çıkarılmasına Dair Kanun, Law no 431, Enacted on 03.03.1924, (RG) 06.03.1924/63.

90 *TBMMZC*, 24 Mart 1340, 1031.

91 *TBMMZC*, 03 Mart 1340, 28.

92 Şensözen, (n 6) 151.

93 Hilâfetin ilgasına ve Osmanlı Hanedanının Türkiye Memaliki haricine çıkarılmasına dair olan 431 sayılı kanunun 8 inci maddesinin yorumu *RG* 07.05.1949/7201.

94 Şensözen, (n 6) 159.

A. Legislation as an Active Path to Create Privileges

Throughout both the Meclis-i Mebusan and TGNA terms, a debate continued over financial laws subjected, deputy allowances, travel expenses and retirement rights. Despite the similarity in the discussions and arguments applied to each institution, it is necessary to consider the issue from a chronological perspective and in terms of the contemporary conditions of both assemblies.

1. The Legacy of Mebusan

The issue of deputy allowances was regulated by Article 76 of the 1876 Constitution, rather than the law, like as Article 66 of the 1831 Belgian constitution. According to the original text, each deputy was to be given annually two hundred liras. Immediately after the 1908 revolution, Feraci Efendi proposed a constitutional amendment allowing this issue to be regulated by a special law.⁹⁵ The acceptance of this proposal was incompatible with the idealistic spirit that dominated the first years of the constitutional monarchy period; nevertheless, the majority of Meclis-i Mebusan viewed this appropriation problem from a different angle.

The first constitutional amendment package of 1909 emerged after the March 31 rebellion and the abdication of Abdulhamid II, and aimed to reduce the appropriations of Heyet-i Ayan. Almost all of its members were appointed by Abdülhamid II, and received more allowances than the deputies. This caused discomfort for those deputies elected by popular vote, and it became an issue of national sovereignty for deputies that the salaries of the sultan-appointed notables should be lower than their own. In conclusion, in 1909, the majority of deputies sought no financial gain for themselves. This is confirmed by the rejection of Kozmidi Efendi's proposal to increase the allocations during the negotiations.⁹⁶

By this constitutional amendment package, however, the Meclis-i Mebusan allowances were increased from 200 to 300 liras annually, but this was to allow for the increase in the duration of parliamentary sessions from four to six months.⁹⁷ So, dividing the total allowance received by the number of months the Meclis-i Mebusan convened meant no change in monthly earnings ($200/4=50$ and $300/6=50$). After the proposal was enacted, the bill was sent to Heyet-i Ayan following the amendment procedure, but that year, the Heyet-i Ayan approved articles only regarding the Meclis-i Mebusan, and postponed the article concerning its own members to the following legislative year.⁹⁸ This issue was never raised, and this is the first example

⁹⁵ *MMZC*, 30 Kanunuevvel 1324, 138.

⁹⁶ *MMZC*, 04 Haziran 1325, 451.

⁹⁷ *MMZC*, 20 Nisan 1325, 25, 32 (Constitutional Committee Report)

⁹⁸ *MMZC*, 02 Ağustos 1325, 431.

of misuse of the legislative power regarding allowances, initiated by the upper chamber of the Ottoman Parliament.

On the other hand, the increase in the appropriations of the Meclis-i Mebusan entered into force, creating new disturbances. A new verbal argument ensued after İbrahim Efendi implied that the reserve appropriation placed in the budget of Mebusan would be abused by a needless extension of the session for the sole purpose of this appropriation.⁹⁹ It is understood that such accusations also found their way into internal party debates; the political program agreed upon at the CUP 1913 Congress contained no proposal for an increase in the allocations of the deputies, even if this meant that the sessions needed to be extended.¹⁰⁰

It is noteworthy that the allowance issue generally led to quarrels among the deputies. While the deputies' budgets were being discussed in 1909, Sait Efendi proposed reducing allowances,¹⁰¹ and in 1911, Artin Boşgezenyan even offered to work without pay.¹⁰² Both were met with negative reactions from other deputies. In particular, Seyyit Bey, a member of CUP like Boşgezenyan, accused him of using the press in an attempt at self-promotion. Regardless of the intentions of the deputies who made these suggestions, it appears from the minutes of the plenary session that public opinion in İstanbul was that deputies received excessive salaries, and the deputies were aware of this view.¹⁰³

The picture began to change after the fading of the dreams of freedom and equality that came with the birth of the constitutional monarchy. This is especially true after 1914, with the absolute power of the CUP in the Meclis-i Mebusan. By the constitutional amendment of 1915, the duration of the annual session was shortened from six to four months, as before 1909.¹⁰⁴ This amendment was made to reduce the power of the assembly in the face of authoritarian CUP, and therefore, the appropriation issue was not in question,¹⁰⁵ but, in fact, this indirectly resulted in an increase in allowances.

In the next step, the constitutional amendment of 1916 directly targeted deputy allowances. It was initiated by the CUP government and presented by Halil Menteşe, the Minister of Foreign Affairs.¹⁰⁶ Annual allowances increased from 300 to 500 liras, while travel expenses were reduced from 50 to 40 liras. In addition, in line with the

99 *MMZC*, 23 Nisan 1327, 234.

100 Tarık Zafer Tunaya, *Türkiye'de Siyasal Partiler C I* (Hürriyet 1988) 107.

101 *MMZC*, 20 Temmuz 1325, 57-58.

102 *MMZC*, 20 Nisan 1327, 148.

103 *Ibid.*

104 *Düstür V II* (6), 749.

105 Cem Eroğul '1908 Devrimini İzleyen Anayasa Değişiklikleri' (Ed.) Sina Akşin et al. *100. Yılında Jöntürk Devrimi* (İş Bankası Yay. 2010) 117.

106 *MMZC*, 01 Şubat 1331, 18-19.

decision of CUP 1913 Congress, a rule was enacted of no additional appropriation in case of prolongation of the legislative period. During the negotiations, the opposite proposals not approved by party leaders, especially Talat Pasha, were rejected, even if they were in the deputies' interest.

When the Assembly was able to reunite with the forces of the national resistance movement in 1920, there was no official CUP identity or leadership. Meclis-i Mebusan was able to agree on a national oath (*misak-ı milli*) before dissolution due to the occupation of Istanbul. This oath is considered to be a very valuable founding document in terms of official history in Turkey, yet the Meclis-i Mebusan left another, although less well-publicised legacy. A law was enacted to increase deputies' allowances by unconstitutional means.

The draft law was prepared by the Assembly Administrative Committee and the Budget Commission, so rather than a party or governmental identity, it had a more inclusive institutional attitude. During the negotiations, the spokesperson of the Budget Commission, Muvaffak Menemencioğlu, cited the rent increases in Istanbul as a reason for an increase, but the opposite arguments espoused by Süleyman Faik Öztrak contained the total of the arguments put forward in the plenary sessions in the previous and following years.¹⁰⁷ The most important of these was that the deputies with budgetary authority were prohibited from setting a rule in their favour. As an exception, it argued that they can only increase allowances for the next period. On the other hand, counter-objections were also stereotyped. This includes the accusations that the deputies opposing the raise were publicity-seekers and emphasizing that they do not personally receive the increased amount. Nevertheless, a bill was enacted to increase annual allowances by one and a half times (500 + 750) to 1250 liras. A few days later, on March 16, 1920, Istanbul was occupied by the Allied powers and, some deputies were taken into custody, while others fled to Ankara to join TGNA carrying with them in their luggage the same allowance issues.

There was a further financial privilege proposal inherited by TGNA from this period: extending the retirement rights. A proposal regarding deputies who were formerly civil servants was not enacted;¹⁰⁸ however, others were enacted in the TGNA era. Meclis-i Mebusan also had a legacy concerning the establishment of an accounting system; its accounts were kept by its own administration, and audited by the Budget Committee. In the last step, reports were presented in the plenary session for release.¹⁰⁹

107 *MMZC*, 11 Mart 1336, 436.

108 *MMZC*, 04 Şubat 1330, 389.

109 *MMZC*, 16 Şubat 1330, 476.

2. The Era of TGNA

Although the TGNA was established in extraordinary wartime conditions, one of the first confidential sessions addressed the issue of the deputy appropriations. The plenary session decided that the annual appropriations would be 1,250 liras, as was the case for Meclis-i Mebusan.¹¹⁰ This decision, often repeated in the future, proved that deputies with opposing political views were very willing to agree on their financial rights. So much so that Atatürk, a leader known for his harsh discourse against opponents, in this issue, needed to become much milder.¹¹¹ It is also noteworthy that, despite Atatürk's claims that the TGNA broke with the traditions of the Ottoman Constitutional order, this was not reflected in the majority vote in terms of allowances.

Unlike the four months-long annual sessions of Meclis-i Mebusan, TGNA adopted the rule of being in constant meeting. Therefore, a new payment model was enacted, including, in addition to the four-month allowance, for frequently-participating deputies, a sum of paid one hundred lira monthly as compensation.¹¹² Thus, on the condition that they attended all meetings, the deputies would be entitled to receive an additional allowance of 800 liras. A few months later, the rule was amended, increasing the annual allowance to 2,400 liras, without seeking the condition of attendance. Through this arrangement, appropriations were also increased. Interestingly, according to the minutes, the proposal, submitted with the signatures of 60 deputies, was accepted with a majority large enough to avoid the need for negotiation, 69 votes to 32.¹¹³

The last amendment on this issue was noteworthy, as it was made before the elections in 1923. The payment method was changed, and the annual allowance started to be paid in advance. Thus, the deputies going to the electoral districts received their annual allowances, even if not re-elected in the next term.¹¹⁴ Perhaps the most meaningful aspect of this proposal, prepared by the TGNA Constitutional Commission, was that it had the signatures of both radical republican Yunus Nadi Abalıoğlu, and pro-Islamic Yusuf Ziya Bey, who was executed two years later for participating in an Islamic-Kurdish rebellion.¹¹⁵ In other words, deputies with opposing views could unite to protect their financial interests.

The composition of the second TGNA was different from the first after the elections, and almost all deputies were members of the same party; however, there

110 *TBMM GZC* (Gizli Zabıt Ceridesi/Confidential Minutes), 09 Mayıs 1336, 20.

111 He stated that "I do not know how to base all the phases of the action at that moment on this law". It was a very rare moment for a discourse "I do not know". *TBMM GZC* 18 Temmuz 1336, 102.

112 Nisabı Müzakere Kanunu, Law no 18 Enacted on 05.09.1920, RG: 21.02.1921/3.

113 *TBMMZC*, 17 Şubat 1337, 270.

114 *TBMMZC*, 08 Mart 1339, 72.

115 *Ibid* 63.

was no significant change in voting behaviour. Financial judgments were made in their favour, and the allowances were rapidly increased to 3,600 liras per year.¹¹⁶ Thus, it can be seen that from 1908 to 1924, no other allowances were subject to so many laws, or increased as much. This tendency also showed itself in material terms; the dynastic palaces remained neglected since the constitutional monarchy period,¹¹⁷ but the first law enacted by the TGNA in the second term was to increase its budget for the construction of a new assembly building.¹¹⁸ Thus, in 1909, the budget for Parliament constituted 0.5% of the total budget,¹¹⁹ but this increased to 1.1% for TGNA under the 1924 budget law.¹²⁰ The dynasty's share of 1.7% in the 1909 budget was entirely abolished in 1924.

Finally, while the 1924 Constitution was being drafted (Article 18), unlike the restrictive regulation in the 1876 Constitution, it was accepted that the parliamentary appropriations should be regulated by law, and the Assembly took the initiative in determining the appropriations legally. Thus, Feraci Efendi's constitutional amendment proposal, rejected in 1908, was implemented, and this morally-suspect legislative behaviour increased in the following years. Interestingly, as a response, a law on the postponement of the debts of the deputies to the Ministry of Finance in 1963 caused the then President Gürsel to use his veto power for the first time in Turkey. In addition, at this time, many laws that give special retirement rights to deputies, which are known to the Turkish public as *fine retirement (kıyak emeklilik)*, were also annulled by the Turkish Constitutional Court.¹²¹

B. Financial Privileges Arising from the Misuse of Status

Although obtaining financial benefits by using the parliamentary position may not be a cause for great concern on its own, without an assembly taking any preventive measure, it becomes a *de facto* privilege. Since the beginning of the constitutional monarchy period, it has been a matter of debate that deputies earn income illegally, as well as legally, outside the Assembly.¹²²

To exemplify this fact, the first debate on the parliamentary agenda occurred in 1909, when Ebuzziya Tefik Bey, who was also a deputy wrote an article in the *Tasviri Eşkar* newspaper, accusing the deputies of profiting unfairly from bureaucrat

116 *TBMMZC*, T 2, V 6, S 128, 21.02.1924, 204.

117 Uşaklıgil, (n 43) 122.

118 Büyük Millet Meclisi Bütçesine Tahsisat İlavesine Dair Kanun, Law no 339, Enacted on 19.08.1923, *KD* (2).

119 *Osmanlı Bütçeleri* (Maliye Bakanlığı 2000) 23.

120 Muvazenei Umumiye Kanunu, Law no 490 Enacted on 20.04.1924 RG 24.05.1924/71.

121 Barış Bahçeci, *Karşılaştırmalı Hukukta ve Türkiye'de Devlet Başkanının Veto Yetkisi* (Yetkin 2008) 163.

122 Since Feraci Efendi received a salary from the Tobacco Monopolies (*Reji*) Administration and Hallaçyan Efendi was paid by the Public Debt Administration (*Dıyunu Umumiye*), it has been a matter of debate whether these jobs are compatible with his parliamentary status. *MMZC*, 02 Ağustos 1325, 440.

appointments.¹²³ It is understood that this problem also caused a debate within the CUP cliques. After a bitter struggle, the two groups of the CUP decided to merge again in 1911, and a protocol was enacted in which enforced the rule that ‘deputies shall not follow privileges and other benefits’. Also, considering that ‘some European governments before us also brought some limitations on this issue’, the parties later decided to incorporate this article into the constitution.¹²⁴ It was stated that this rule aimed at preventing people from joining the CUP for personal gain.¹²⁵ However, in reality, it was known that deputies, such as Habib Bey, grew rich depending on commercial affairs.¹²⁶

Additionally, the 1913 Congress of the CUP decided that the deputies were deemed to have resigned if they contracted with the government.¹²⁷ In this respect, several proposals to this end were presented both as a bill¹²⁸ and a constitutional amendment.¹²⁹ In 1916, one of these was supported by the CUP government, however, during the plenary session negotiations, it was returned to the commission and never discussed again.¹³⁰

Despite this development, under the extraordinary circumstances of World War I, it became commonplace for deputies such as Simonaki Simonoglu to contract with the government for the army’s needs.¹³¹ The point was that, while deputies were allowed to engage in trade, civil servants were prohibited by a decree,¹³² and therefore, business arrangements turned into a *de facto* parliamentary privilege.

This phenomenon continued in the TGNA term and was reflected in the official minutes which record conflicts between deputies. For example, Emin Sazak who contracted for the needs of the army was accused of abusing his parliamentary status for commercial gain.¹³³ Celalettin Arif Bey, the vice-speaker of the Assembly, was also accused of influencing a law draft regarding a mining concession involving him and Italian partners.¹³⁴ It is also interesting to note that Hacı Bekir Sümer offered to sell wheat to the government during his discussion with the Minister of Finance.¹³⁵

123 *MMZC*, 30 Temmuz 1325, 348.

124 Tunaya, (n 100) 100.

125 Ahmad, (n 2) 88.

126 Hüseyin Cahit Yalçın, *Tanıdıklarım* (Ötüken 2020) 216.

127 Tunaya, (n 100) 107.

128 The proposal given by İsmail Canbulat, by İsmail Mahir and Artas. *MMZC*, 12 Mayıs 1328, 92.

129 Rıza Bey and other proposed to amend Article 74 to this end. *MMZC*, 17 Kanunuevvel 1331, 259.

130 Eroğul, (n 105) 117.

131 *MMZC*, 16 Teşrinisani 1331, 47.

132 Memurünin ticaret ile iştiğalden memnuiyeti hakkında kararname, *Düstur*, V 2 (9) 02.12.1917, 737.

133 Emin Sazak was accused of pursuing personal interests by making a wood supply contract with the army. *TBMMZC*, 24 Şubat 1337, 400.

134 The point was the state of war against Italy did not end at that time. *Ibid* 409.

135 *TBMM ZC*, 04 Şubat 1338, 688.

All these discussions led to the submission of various proposals for banning deputies from conducting incompatible activities, but none were effective. For example, Ahmet Hamdi Bey proposed to enact a parliamentary decision regarding contracting, but the vice speaker Abdulhalim Çelebi, who chaired the session, prevented it from being put into action by asking for it to be submitted in draft form only.¹³⁶

The following week, TGNA members were banned from acting as contractors. The bidder, Abdülgaffur İştin argued that the deputies were reluctant to enter the tenders, also from those who were friends of ministers collect their receivables earlier than the others. However, the bid was eventually rejected after the Minister of Justice Refik Şevket İnce reminded that the members of the Ottoman Parliament had the privilege of engaging in business, and Ali Şükrü Bey argued that this ban would be circumvented by roundabout means.¹³⁷

Another bid in the following year on the same subject was not even considered in the agenda of the plenary session.¹³⁸ Eventually, the decision taken in 1922 banning deputies from acting as a contractor was not followed up, and in the 1924 Constitution, the TGNA enacted no obstacle other than the condition that membership of the civil service was incompatible with the role of deputy. However, the issue was never fully resolved until, before the 1927 elections, Atatürk as the President of the Republic and the president of the ruling party, CHP, published a circular for the parliamentary candidates, forbidding them to enter into contractual relations with the state, and to use their influence, and stating that they would be responsible to him in this regard as the head of the party.¹³⁹

Nevertheless, the phenomenon was above party politics. The deputies' pursuit of business interests can be observed from the official minutes. For example, in 1922 some deputies bought the flour factories in Istanbul and tried to increase profits by making efforts to increase the customs duty on imported wheat. Although these deputies were not mentioned by name, these proposals were made by Vehbi Çorakçı, of the majority (first/pro-Atatürk) group in the TGNA, and Suphi Soysallıglu, of the minority (second/anti-Atatürk) group, and after the statements of the deputies from both groups, nobody was found to have acted irresponsibly.¹⁴⁰

In the second term of TGNA, a similar disclosure emerged while discussing the proposed tax amnesty for ships whose customs duty debt was unpaid. In the discussion, ruling party (CHP) member Feridun Fikri Düşünsel, defending the proposal, admitted that the shipowners were lobbying on this issue, and he was

136 Ibid 424.

137 *TBMMZC*, 23 Şubat 1338, 115.

138 *TBMMZC*, 03 Eylül 1339, 377.

139 Atatürk, (n 71) 581.

140 *TBMMZC*, 28 Şubat 1338, 546-549.

supported in the TGNA by Zeki Kadirbeyoğlu, the only deputy not a member of the ruling party at that time.¹⁴¹

Confirming the passive attitude of TGNA, Falih Rıfık Atay, one of the journalist deputies of the time, reveals that some deputies were involved in land speculation, zoning irregularities and bank loans.¹⁴² Another journalist deputy, Yakup Kadri Karaosmanoğlu, wrote about the influence of deputies' trade and their unethical profits in his novel *Ankara*,¹⁴³ set in the capital where wealth accumulation increasingly depended on political interests.

IV. Conclusion

Through the process of making modern Turkey, legislature played an institutional role in terms of state structuring. This process intensified after the 1908 Revolution and continued until a new constitutional order was founded in 1924. This process was not uninterrupted and was sometimes abrupt, and at other times, forced back by the opposition. The legislative body operated until 1920 as a Meclis-i Mebusan, and after that, under the name of TGNA. The political program that knocked the dynasty down manifested itself with the concepts of equality and republicanism. Such a program was a direct reaction to the financial privileges of the dynasty; in other words, its liquidation in modern Turkey largely meant the liquidation of its financial privileges.

It should be also kept in mind that the liquidation process was sometimes triggered by Sultan Abdülhamid II's absolutism and the constitutional monarchy after the 1908 Revolution. Likewise, the establishment of the TGNA was a reaction to Sultan Vahdettin's cooperation with the Allied States that occupied Turkey after World War I and his stance against national resistance. However, it is over-simplistic to explain the liquidation process of the Ottoman dynasty in terms of the two sultans' attitudes. The legislative activity in both Assemblies shows that throughout the birth of modern Turkey, a key issue was the highly-entrenched financial privileges of the Ottoman dynasty as a whole, and the demands for their abolition, which would eventually succeed.

In this process, the dynasty gradually lost its financial power via the laws which transferred dynastic assets to the state treasury, and limited dynastic appropriations. However, this process was not unopposed; during the constitutional monarchy era, with a split in the parliament, the CUP leadership, supported by the monarchist deputies, prolonged this process by blocking anti-dynastic republican demands for changes in finance. The CUP leadership motivated by benefiting from Ottoman

141 *TBMMZC*, 19 Şubat 1340, 151.

142 Falih Rıfık Atay, *Çankaya* (Pozitif 2021) 538, 572-578.

143 His fictional character, deputy Murat Bey, became rich after the misery during the war, with works such as land speculation. Yakup Kadri Karaosmanoğlu, *Ankara* (39th ed. İletişim 2020) 106.

legitimacy, were also in harmony with the dynasty, especially during the period of the elderly and passive Sultan Reşad. This situation lasted until defeat in World War I, the liquidation of the leaders of the CUP and the dissolution of Meclis-i Mebusan by the newly ascended Sultan Vahdetin. The assembly was re-established in Ankara with the republican leadership of Atatürk replacing the CUP and was renamed TGNA, leading to the completion of the liquidation process. Under the leadership of the CUP, some deputies failed to abolish the privileges of the dynasty, and sometimes even voted in their favour. However, these same deputies voted to abolish the dynasty as TGNA members in 1924, an indicator of the change in conditions, as well as of the continuity in the process.

Having liquidated the archaic dynasty, however, the Assembly also opened the way for a new privilege status, with its differing and sometimes contradictory attitudes towards its members. From the time of the Meclis-i Mebusan, the allowances were increased by various laws by amending the Constitution, and even by unconstitutional means, to the extent that it is considered that the foundations of ‘legislating in favour of themselves’, were laid in this period. Also, the Assemblies could not prevent its members from engaging in commercial relations of questionable legacy. On many occasions, deputies with opposite political stances found it easy to unite around their economic interests. While it is true that parliamentary membership did not bring a permanent and inviolable status, like a dynasty, nevertheless, corruption led to an indirect financial privileged status gained from a supra partisan view, and this was left unsanctioned. No leadership had the power to block such an establishment in either the constitutional monarchy or republican eras, and it emerged as a phenomenon that became increasingly familiar in Turkey in the following years.

Thus, the fact that the financial privileges of the Ottoman dynasty were liquidated simultaneously passed into the hands of the parliamentarians and continued to exist by changing its appearance.

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