

The making of an Ottoman port

The quay of Izmir in the nineteenth century

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The quay of Izmir (Smyrna), known at the time as ‘les Quais de Smyrne’,¹ comprised a stone breakwater running the length of the city along the shore, two harbours and a considerable port infrastructure. It was one of the engineering feats of the nineteenth century as well as a tribute to private enterprise and capital. It was the first harbour infrastructure of its kind to be built in Ottoman Turkey and one of the earliest in the Ottoman Empire.² In design it was similar to the ports of Brest and Toulon, built by the same French company. Dussaud Brothers³ were engineers with a first-class international reputation, having undertaken the construction of a number of ports: Cherbourg and Marseilles, besides Brest and Toulon, Trieste, Algiers,⁴ Suez and Port Said.⁵ The scale and modernity of the entire project put Izmir among the foremost city ports not only in the Near East but in the Mediterranean as a whole. It was a fitting distinction for a city that had dominated the external and internal trade of the Ottoman Empire since the middle of the eighteenth century.⁶

The commercial importance of Izmir

In 1889, with the harbour infrastructure in place, the British consul stationed in Izmir noted the economic dynamism of the city port:

Although, officially, the district of Smyrna [Izmir] only comprises the province of Aidin [Aydin], yet virtually its commercial influence extends over the most fertile portion of Asia Minor, including the provinces of Konia [Konya] and Adalia [Antalya], and parts of Angora [Ankara], Broussa [Bursa] and Adana besides the whole of the Turkish Archipelago. This commercial influence is yearly increasing ...⁷

It was a story that had been told in one form or another for well over a century. Since Izmir had emerged as the most important port in the empire’s trade with the West, in the course of the second half of the eighteenth century⁸ it came to hold a virtually unassailable position in Ottoman trade. Its commercial dynamism and growth increased continuously: by the early

nineteenth century Izmir dominated not only the external commercial networks of the Ottoman Empire but also much of the internal networks of the empire's vast territory.⁹ Izmir had always been an exporter primarily of agricultural goods and raw materials. Its main exports in the nineteenth century were raisins, cotton, dried fruit, figs, madder, valonia and opium, with cereals, sponges, olive oil and tobacco also being exported. It imported an array of Western manufactured and colonial goods, textiles being the most important. Despite the increasing inroads of the international market and Western commercial capital into the Ottoman interior, as well as the development of more efficient communications, from steam shipping to railways, Izmir continued, in the nineteenth and early twentieth centuries, to dominate the export trade of the empire. It also maintained a strong position in the import trade as well as in the internal trade of the empire. In the 1840s 24 per cent of all imports to the empire from the West and 57 per cent of all exports passed through the port of Izmir; in 1900 the figures were 19 per cent and 55 per cent respectively.¹⁰ Despite rivalry from Istanbul, the multiple functions of the latter as the empire's capital allowed Izmir to remain the most important commercial port of Ottoman Turkey proper.¹¹

Whilst the key to the economic importance of Izmir was the level and extent of its commercial and shipping activities, in the process it came to acquire an infrastructure which was commensurate with, and facilitated further, such economic success. As one of the great ports of the Middle East in the nineteenth century, its infrastructure both contributed to and came to symbolise that success. In social terms the on-going commercial success of the city and its accumulating profits resulted in the emergence of a bourgeoisie whose level of investment and tastes, as a consuming elite, greatly affected the sophistication of the infrastructure and the material life of the city. Moreover, it was not only Ottoman entrepreneurs who participated in and benefited from the commercial success of the city but foreign merchants as well. The latter, although not numerous, constituted an important sector of the city's business milieu in terms of capital, expertise and contacts. In particular, they dominated certain sectors such as the export trade, banking, blue-water shipping and maritime insurance. Although there had been a multinational presence of European merchants in Izmir since the seventeenth century, it increased in the nineteenth, giving the city the distinctly cosmopolitan culture and identity which, together with commercial dynamism, made it so famous. Besides the Americans,¹² the British,¹³ French,¹⁴ Hellenes,¹⁵ Austrians, Italians and Germans constituted the most important groups among the Europeans. If economic dynamism and cosmopolitanism were two of the most defining characteristics of Izmir, the third was competition. Its commercial sector remained open to competition between foreign and local merchants as well as within each group.¹⁶ Competition remained fierce throughout the nineteenth and early twentieth centuries and at times contributed to an atmosphere of antagonism which in turn influenced public opinion and pitted one group of entrepreneurs against another. Such fierce rivalry became the backdrop to the construction of the quay. Going beyond commercial competition,

the whole project became also a case study of imperialist rivalry in the Near East and of the role of the Ottoman government.

In economic terms the creation of incorporated companies, the growth of capital as evidenced by the establishment of an institutionalised banking sector, the level of infrastructure available, from the railways serving the city-port to the mass urban transport within it, all spelled out the economic growth and modernisation that Izmir underwent, particularly in the second half of the nineteenth century and in the early twentieth.¹⁷ It is within such a social and economic framework that the project of the quay of Izmir must be seen.

Port construction

In 1880, when the project was finally completed, it consisted of a quay in the form of a retaining wall made of cut stones and extending 4 km along the shoreline.¹⁸ It started at the imperial barracks and ended by the wharf of the Aydin railway station at the Pointe, that is, from one end of the city to the other. This retaining wall, which was 15 m above sea level, was constructed approximately 50 m offshore from the pierhead of the old harbour. The area between the retaining wall and the old shoreline was filled with rubble, quarried locally by the company, and paved over with cut stones, forming a quay 18 m wide on which a dual-track tramway was built that led from the Customs House (on the side of the imperial barracks) to the Aydin railway station.¹⁹ Two thousand metres of sewer pipes in total were laid, at regular intervals, to carry sewage from the city, through the wall and into the sea.

Besides the quay, two artificial harbours were constructed with 1,250 m of stone breakwaters: one, known nowadays as the inner harbour and at the time as *port d'abri*, was completely sheltered; the other was smaller and less sheltered, being open to the sea at the southern end. The larger harbour covered an area of some fifty acres and was bigger than the Port de la Joliette in Marseilles, also constructed by Dussaud. It consisted of four breakwaters, totalling in length 1,050 m and forming an irregularly shaped triangle, 200 m long on the south side, 450 m long on the west side and 400 m long on the north side. The northern side of the harbour was broken by a 100 m gap to enable ships to enter. There was a red light on the right-hand side of the entrance (going in) and a green light on the left. (See Fig. 1.)

The smaller open harbour, covering an area of some thirty acres and exposed to south-westerly winds, was formed by a 300 m breakwater, running south-west from the south-western section of the bigger harbour. Large coal bunkers were built on the breakwater at this point. The smaller harbour was used when there was not enough space in the bigger one.²⁰ A new Customs House, covering an area of 9,000 m², was built on the breakwater on the southern side of the inner harbour. Smaller vessels could pass between the two harbours through a 30–40 m-wide passage in the breakwater separating the two bodies of water. This passage was constructed primarily to solve the problem of strong odours from stagnant water and sewage in the inner harbour. The water was 6.5 m deep by the breakwaters and 10–12 m deep

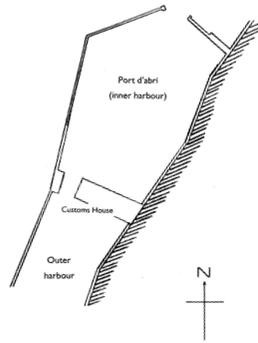


Figure 1 The port of Izmir, from Louis Godard, 'Les ports maritimes de la Turquie', *Le Génie Civil* LV (1909)

in the centre of the harbour,²¹ allowing large vessels to anchor in it.²² The part of the quay from the imperial barracks to the north-east end of the inner harbour was used for commercial purposes, including buildings for the administration of the port such as the post office, the public health offices and passport control. The other side of the quay served as a promenade and was primarily residential. The French firm had paved the roads leading to the quay as well as constructing a road parallel to it, known as the rue Parallèle. (See Fig. 2.) It soon became one of the most fashionable and sought-after residential districts – which was ironic, given the initial controversy concerning land values in the area – and thus an excellent investment for the French company that owned it.²³

A British project becomes French

The quay was in many respects a *local* project, born out of local needs, given the continuous increase in trade and shipping in the port of Izmir. It was initiated locally in the cities of Istanbul and Izmir, in the Ottoman Empire, and even financed locally at first. Both the initial concessionaires, J. H. Charnaud, A. Barker and G. Guarracino,²⁴ as well as the board of directors of the Smyrna Quay Company set up in 1868, namely A. Cousinéry, Baron Alliotti, P. Alliotti, E. de Creamer, F. Charnaud, K. Abro, A. Spartali and A. Alliotti,²⁵ with the exception of Cousinéry, who was French, were either British in origin or had British nationality; they were also long-term members of the city's business community.²⁶ Despite subsequent bitter antagonism between the British community and diplomats, in its origins the quay was a British²⁷ project.²⁸ Aware that their plans might impinge upon the 'vested rights or private interests' of the owners of property on the sea front, including wharfs and warehouses,²⁹ the three concessionaires actively sought the agreement and support of the business community,³⁰ as well as the 'assistance' of British diplomats in both Istanbul and Izmir. Very early on, however, they became aware that the British consul in Izmir was going to be no friend of the project even when it was still in British hands.³¹ His opposition increased once it



Figure 2 The port and city of Izmir, from D. Georgiades, Smyrne et l'Asie Mineure au point de vue économique et commerciale (Paris, 1909)

came under French control. Notwithstanding, the project, all along, enjoyed the strong and active support of the Ottoman government.³²

The initial costs of the project were calculated at 6 million francs, or £240,000, with 250,000 francs reserved for additional work, bringing the total to £250,000.³³ The actual costs were higher. British sources put the total at £400,000;³⁴ others suggest an even higher figure.³⁵ The value of the completed project, and of the company by then, was probably nearer the £400,000 mark. However, as constituted in 1867, the company had a nominal capital of 2.5 million francs, or £100,000, made up of 5,000 shares of 500 francs each. Half the company's shares were held by the original concessionaires, as the price of their concession. Dussaud Brothers initially subscribed for 800 shares, or £16,000, that is, for 16 per cent of the company's capital. Although smaller than that of the railway companies, the capital of the Société des quais de Smyrne equalled that of the Ottoman Gas Company. However, it was clearly not enough to meet the expected costs, and the company soon found itself unable to make the agreed payments to Dussaud Brothers, who had already commenced work.³⁶ Most likely the acrimony surrounding the project, in particular the dispute concerning the sea front, as well as the compromise on the free space, which had undermined the company's profitability,³⁷ had increased its financial difficulties and must have contributed to the failure of a locally floated loan when local investors withdrew their support.³⁸ In any case it may not have been possible for Izmir's private capital to finance such a project in the 1860s.³⁹ Besides the Imperial Ottoman Bank, a State bank and a Western concern of Anglo-French capital, which had opened in the Ottoman Empire three years earlier with a branch in Izmir, had declined in 1867 to extend any financing to the project. On 6 May 1869, in order to rescue a project they had already committed resources to, Dussaud Brothers bought the concessionaires' shares and took the company over.⁴⁰

In early 1868, with the construction of the quay under way, the French consul noted that Izmir had always been in the forefront of urban developments in the empire and was expected to lead the way in industrial projects as well.⁴¹ Certainly the consul was much in favour of the project, since it was the first large-scale infrastructure work to be undertaken by the French in Izmir. As such it was a challenge to the perceived British dominance of the local economy, or at least of the city's infrastructure. This perception was shared by French diplomatic and business circles and by the Ottoman government.⁴²

British-led opposition

Since it directly affected the quality of life and material interests of many of the inhabitants, the project evoked strong passions and conflicting emotions. Although it took longer than the four years initially estimated (the main parts of the project were started in December 1867 and were not finished until 1876) work encountered fewer problems than other contemporary infrastructure projects such as the Izmir–Aydın railway line⁴³ or the city's gasworks. For instance, while the Smyrna Gas Company was laying its pipes it

inadvertently severed the water and sewer pipes to many of the town's dwellings, with little or no indemnification being paid to those inconvenienced. Subsequently sections of the town were deprived of gas 'owing to the imperfect execution of the concession'.⁴⁴ In the case of the quay there was thus, from the start, participation by a public aware of the pitfalls as well as the benefits of such a project. Such awareness was not just a result of previous problems with industrial infrastructure development in an already built-up area. During the construction of the quay Izmir's inhabitants, wiser from their experience with the gas company, became more vocal and demanding about both personal indemnities and public health hazards. They tried to ensure that the sewer to the houses along the waterfront, already problematic, would not be rendered useless by the construction of the quay, and that greater care would be exercised when the quay sewers were connected to the town drains.⁴⁵ Indeed, the engineers had to spell out the work they were to undertake in that respect, such as running the sewage pipes under the quay and into the harbour, and were made accountable.⁴⁶

From the outset there was consensus about the public utility of the project. This was voiced even by its opponents, who were invariably led by the British. The quay would enhance the town, endow it with a promenade, and it would eliminate the problem of the stagnant water that collected on the sea front and was becoming a health hazard.⁴⁷ Those in favour of it, the Ottoman government among them,⁴⁸ argued that in economic terms there were many advantages to be gained. An entirely new and modern business district would be created, with a number of *hans* (large commercial buildings), shops and warehouses and a tramway linking it with the Customs House, which would help the merchants and improve public transport. The wooden quays and jetties, mostly privately owned, would be eliminated and the traffic of the port would be greatly facilitated. The time taken to load and unload ships would be reduced, since the goods would no longer have to be taken ashore by lighters. An Ottoman official reporting in favour of the quay company estimated that, when the harbour was complete, the savings that would accrue to shipping could amount to £300, primarily from shortening the turn-round time for ships from at least twenty to six days. Gains would also derive from reduced liability to damage or theft, since the goods would undergo less handling and be less exposed to the vagaries of weather, and from lower insurance rates.⁴⁹ As far as the government was concerned, the quay would also permit greater supervision of trade and a chance to curtail, if not eliminate, contraband, besides creating an additional source of revenue for the municipality.⁵⁰ For the Porte (the Ottoman government) had concluded an agreement with the concessionaires to receive 12 per cent of the gross receipts for the fifteen years the company had the right to run the quay.

Whilst increased government supervision was not something the merchants welcomed, it does not explain the ferocity of their opposition to the entire project. This can only be attributed to the conflict of interest between the quay company on the one hand, whose aims were to make as much profit as possible, and on the other the legitimate reaction of a merchant

community that wanted no share in the burden of making a public utility pay.⁵¹ Another important factor was that the project eventually became a contest between two nationalities, the British and the French, for economic dominance of the local infrastructure. It was in just such terms that the project was viewed by the diplomatic representatives of both nationalities in the Ottoman Empire. Imperialist rivalry kept antagonism to the quay company alive even when specific issues had been resolved and reignited it every time another point of contention emerged.

A new project confronts old vested interests

There were clearly some groups who stood to lose. Perhaps the most vocal, and the most immediately affected, were the owners of property along the sea front, who enjoyed no right of access to the sea in Ottoman law.⁵² Among them were members of the town's elite, and they were very articulate in defence of their rights. Indeed, they were probably the group that set the tone of bitter opposition to the whole project, which they saw as a lucrative speculation at their expense. This was also one of the reasons for the consul's opposition, as the British consulate fronted the sea.⁵³ These people would now find their properties facing the quay and thus deprived of the benefits, including, as they believed, the economic value of their location.⁵⁴ The injury was the more grievous as it was only a few years earlier that the government had asked them to fill in some of the sea fronting their properties.⁵⁵ They had shouldered the expense, expecting a return on their investment in the form of a continuing high market value for their properties. Now they were being asked to reclaim yet more land from the sea and moreover against a deadline. Those who had owned the property for more than three years since the granting of the concession in 1867 had a year to reclaim the land from the sea; others had three years. Alternatively they could pay the quay company, which was willing to do the work for the cost of the labour. Not all the owners were willing, or in some cases able, to have it done or pay the Société des quais to do it. Inability to pay the company led to the forfeiture of all their rights over the reclaimed land to the quay company, which would give them in compensation the original price of their properties.⁵⁶ An important reason for their refusal to co-operate was the belief that, once the project was completed, their properties would fall steeply in value:

In some places the quay will come up to the present sea wall, but in others thirty or forty yards will be gained from the sea, and in the latter case the present dwellings will be entirely blocked by the new buildings, rendering its present property value half its former value.⁵⁷

In the event the French company tried to defuse the issue and compromise by, for instance, offering incentives for the purchase of new properties in the reclaimed area once it had filled it in.⁵⁸ It is perhaps ironic that in the long term the reclamation of the land, for all its problems, was a particularly lucrative

investment for the Dussauds. In 1882, during negotiations with a British group interested in buying it, the reclaimed freehold land and the houses erected on it were valued at £142,808;⁵⁹ the hotels, warehouses, cafés, shops and *hans* built on this land were valued at £24,000 and generated annual income of over £11,000 per annum.⁶⁰ In 1891 when Elie Dussaud sold the company to his nephew, Elie Guiffray, the land and buildings were valued – rather modestly since the concern was remaining in the family, given the high premium on land on such a prime site in a city growing as steadily as Izmir – at 3.5 million francs, or £140,000. It represented nonetheless a third of the value of the entire infrastructure complex.⁶¹ It is also ironic that some of the property owners were party to the initial plan to have the quay constructed.⁶² Presumably seeing no benefit, they had withdrawn from the project and started opposing it. They may well have contributed to the lack of local investors which had led to Dussaud Brothers taking the project over and to its becoming a source of Anglo-French friction.

The problem of making room for an infrastructure project of some scale in an already built-up urban area, as well as of taking adequate care over matters of public safety, created further problems when work began, and became another bone of contention. It also led another group to claim that the value of their property had dropped since the Aydin Railway Company had started building a railway line through their neighbourhood to bring materials for the quay down from stone quarries outside Izmir. The line was reckoned a threat to public safety.⁶³ An inquiry by the Ottoman government found the track to be safe,⁶⁴ but there were other problems. At one point the line ran through land that had been designated for a Protestant cemetery although the deeds had not yet been signed by the European consuls. Another flurry of protests ensued.⁶⁵ Indeed, there is an air of modernity about these disputes that is striking: the quay company had the support not only of the Ottoman government but of the Protestant Dutch consul, van Lennep, who was also Director of the Société des quais de Smyrne, and it was through his influence that Dussaud had been able to buy the land intended for the cemetery. A compromise emerged that preserved the rights of the quay company for as long as it needed the land.⁶⁶ At every turn the French company enjoyed the crucial support of the Ottoman government with its determination to see through an important infrastructure project from which the city-port ultimately stood to gain greatly.

Finally, another group that stood, in the short term at least, to lose from the construction of the quay were those employed in lighterage. The lighter service was handled, at least in part, by caiques and other mostly locally owned small boats whose socio-economic leverage, unlike that of the elite property owners on the sea front, was not great. It was left to the British consul to defend their interests in a rare burst of civic solidarity!⁶⁷ It is impossible to ascertain whether the British had any vested interest. They may have owned and operated lighters to transport goods from their private wharves to ships anchored in the bay of Smyrna and vice versa. What may have prompted them was the fact that they had a better organised, more open

sector and hence lower lighterage costs than the French, Austrian or Italian merchants. Unlike the British, the latter paid considerably higher fees to the agencies of the big Continental shipping companies which monopolised the trade.⁶⁸ For those merchants the Société des quais was going to be an improvement on the *status quo*.

At least some of the small-scale local entrepreneurs remained active in the lighter service, for the use of lighters and barges continued after the harbour infrastructure was completed.⁶⁹ For a number of reasons,⁷⁰ besides shortage of docking space during the high season,⁷¹ ships at times moored to buoys inside the harbour but away from the breakwaters.⁷² Weather permitting, if they were carrying part cargoes, they also preferred to moor outside the harbour to avoid quay and other harbour dues. According to the terms of the concession, the quay company had no obligation to provide the merchants with a lighter service free of charge. However, during negotiations between the company and the merchant community, in 1880–82, a free lighter service became one of the conditions the merchants stipulated if they were to accept the elimination of the free space.⁷³ As expected, Dussaud was reluctant to agree and asked the Ottoman government for compensation if additional costs were incurred.⁷⁴ The British officials sought a way out, so that the negotiations concerning the bigger issue, the elimination of the free space, could proceed. The French company accepted a further reduction of 6 per cent in its tariff (an 18 per cent reduction was already being negotiated) and, in return, was freed from all obligation to provide a lighter service *gratis*.⁷⁵ Moreover, should the company be unable to provide such a service in a timely fashion, owing to lack of ‘floating *matériel*’ or any other reason, the merchants would be entitled to use their own lighters to avoid delays.⁷⁶ When the harbour complex came into full operation the use of lighters once more became an area of friction between the quay company and the British merchants.⁷⁷ For the latter, partly as a result of their tussle with the Société des quais over the issue, had become active in this sector.⁷⁸

Mercantile opposition

The most vocal opposition to the quay project came from Izmir’s mercantile community, which also stood to gain most from it. This is not as contradictory as may at first appear, for ultimately it was a question of the profit margin the company running the quay or the merchants using it were prepared to forgo. It also came down to what facilities the company was prepared to offer, at least initially, and how much the merchants were prepared to pay for it. The higher costs the company was expected to charge for wharfage did not endear it to the merchants. Especially since owing to the constant winds it was initially considered doubtful whether vessels would be able to approach the quay without colliding with the sea wall unless there was a breakwater to provide shelter. If ships were unable to moor, they argued, there would still be a need for lighters, at least for part of the year, with the difference that the cost would now be added to the wharfage dues.

Moreover, the opponents of the project believed that the proposed harbour, by the Customs House, could probably accommodate only the coastal trade, not large vessels. Were a port to be built adequate for large vessels, would it be able to handle the steamer traffic, which could allow only a few hours to load and unload without incurring demurrage costs?⁷⁹ Even given that ships could and would use the quay and harbour, why should it cost more than carrying goods ashore in lighters? The merchants wanted to know what facilities the government would provide from its 12 per cent of the gross revenue from the quay, all generated by the users? They had every reason to be inquisitive. Improvements, in the form of better Customs House facilities, did not come about until the early 1900s,⁸⁰ after repeated protests from the merchants,⁸¹ although there were more reasons for the problems than the latter would have cared to admit.⁸²

What enabled the company's opponents to voice such concern was the fact that it was left unclear, in the initial concession, whether a sheltered port would be constructed or not. However, a quay without a breakwater – that is, a retaining wall alone – would have proved more harmful than beneficial, for 'during westerly winds shipping moored alongside will be exposed to the full force of the sea on their broadsides'.⁸³ Although the construction of a mole, as originally planned, rather than a sheltered harbour, would have allowed ships to lie alongside it for loading and discharging without the need for lighters, it would not have given enough protection from northerly winds.⁸⁴ Additional plans and work by the French company took care of all of these problems.⁸⁵

First compromise

For the construction of the quay to get under way, the opposition of the mercantile community had to be overcome. This was done by a compromise worked out among the interested parties – the Izmir merchants, the company and the Ottoman government. A space near the Customs House, around 75 m long (100 pikes in the Ottoman unit of measurement), was initially left undeveloped by the company for the use of merchants who did not want to use the quay and pay dues. It was a compromise reached essentially at the company's expense. If the merchants had the capacity to bypass the quay the company would not be getting all the port's business. In fact in the export trade the merchants continued, to a very large extent, to bypass the company quay. In 1878–79 just under half of all exports passed through the free space and the latter was constantly in use. This was not the case, however, with the import trade, where goods overwhelmingly came in through the quay on payment of dues.⁸⁶ Indeed, in the import trade, the loading and unloading of steamers and sailing vessels in the newly constructed quay was aggressively advertised in the Western commercial press, including the British papers, by enterprising contractors in Izmir.⁸⁷ Despite the polarised nature of the dispute, the British merchants' claim that Britain accounted for half the export trade of Izmir at the time was very likely correct. Indeed, from 1865 to the

early twentieth century Britain's share of the export trade of Izmir ranged from just under 40 per cent to over 50 per cent. In the import trade Britain was not as dominant, though its position was still strong: its share in Izmir's import trade ranged from 30 per cent to 45 per cent.⁸⁸ Clearly for most of the nineteenth century Britain was the port's most important Western trading partner. With such an important group of exporters bypassing the quay company, the latter was losing a lot of business. As far as the import trade was concerned, however, many small-scale local entrepreneurs were active and no single Western nationality or country dominated it.⁸⁹ Despite some falls, in the period from the inception of the quay to the early twentieth century trade grew overall,⁹⁰ allowing an increasing amount of traffic to enter the port. (See Table 1.)

Second compromise

The free space, constantly in use and depriving the company of income, was certainly an 'irregularity' the quay company was determined to end. The Ottoman government had already agreed with the company that, once construction of the quay was finished, that piece of land would also be built upon.⁹¹ For this reason, in May 1878, the company negotiated additional terms to the original concession from the Ottoman government allowing it to take over the free space as well as increase the quay dues. The merchants protested. The Izmir quay dues, it was found, were higher than those charged in the port of Liverpool, and were having an effect on trade, deterring exports of some commodities.⁹² Moreover the British claimed that the French company discriminated against British shipping, the Messageries Maritimes and Austrian Lloyd steamers always apparently occupying the 'choice berths'.⁹³ All this was to lead to another area of contention, as strong as any that had preceded it, between the quay company and the mercantile community, and eventually to a second compromise.⁹⁴

After much negotiation and heated debate about the level of dues to be charged, which lasted over two years and involved many proposals and counter-proposals by all the parties⁹⁵ – the merchant community, the company and the Ottoman government – a second compromise was finally worked out at the expense, this time, of the government. The latter had to give up its statutory right to 12 per cent of the company's gross revenue. This allowed the company to reduce the dues paid by users of the quay to a level acceptable to all the merchants.⁹⁶ In return the merchants had to give up the right to the free space.

Such a compromise reflected partly a tactical and, as it turned out, temporary retreat on the part of the government, which found itself uncomfortably between the two contending parties, and partly the stronger position of the company, which by then had most of the quay built and a profitable enterprise under its control. It also reflected the possibility that Elie Dussaud might sell the business to someone the government might not be able to work with so well, a prospect the government was reluctant to allow. The government

Table I Value of the trade of Izmir (£)

<i>Year</i>	<i>Exports</i>	<i>Imports</i>
1865	4,046,338	2,271,000
1866	3,606,240	3,763,000
1867	4,455,170	3,404,000
1868	4,632,270	3,354,000
1869	4,540,350	3,587,000
1870	3,620,450	3,007,000
1871	4,043,280	3,760,000
1872	4,866,800	3,473,840
1873	4,499,000	4,518,000
1874	3,940,000	4,490,000
1875	3,896,000	3,483,404
1876	4,629,590	2,859,934
1877	4,687,491	3,082,940
1878	3,542,944	4,139,907
1879	4,406,699	4,755,609
1880	3,852,479	3,980,411
1881	3,803,639	4,656,134
1882	3,841,862	3,215,921
1883	4,710,756	3,238,064
1884	4,820,383	2,928,591
1885	4,315,340	2,692,947
1886	4,331,536	2,706,736
1887	4,099,310	
1888	3,867,083	2,710,445
1889	4,535,975	3,236,139
1890	3,708,149	3,030,559
1891	3,927,182	2,985,851
1892	3,647,512	3,010,472
1893	3,282,761	
1894	4,323,839	3,158,263
1895	4,334,097	2,880,727
1896	3,734,000	2,220,000
1897	3,100,000	2,250,000
1898	3,294,529	2,678,000
1899	3,782,781	2,563,000
1900	4,157,405	2,538,000
1901	4,413,370	2,849,000
1902	4,275,233	2,805,000
1903	4,833,931	2,802,000
1904	4,754,533	3,061,000
1905	4,504,162	3,215,000
1906	4,973,412	3,547,000
1907	4,690,107	3,183,000
1908	4,452,983	2,938,000
1909	5,036,000	3,508,000
1910	4,500,000	4,061,000
1911	4,400,000	4,138,000
1912	4,000,000	3,738,000

Source *PP*, Annual Commercial Reports Series, 1865–1912.

had to find a solution that was acceptable to both the mercantile community and the company so that the quay complex could be completed and the harbour become fully operational.⁹⁷ The Porte twice stopped Elie Dussaud from selling the enterprise to British financiers.⁹⁸ As to why the Porte did not want a British take-over, it should be noted that both railway lines as well as the gas and telegraph companies, other than a government telegraph installation, were in British hands, giving the British clear dominance of the local infrastructure sector.⁹⁹ Such dominance, coupled with the strength of the British in Izmir's commercial sector, created a situation the Ottoman government, like the French, did not feel comfortable with.

Abortive British attempts at take-over

In 1881, with the free space eliminated and the financial position and worth of the company obviously improved, negotiations began for its sale to a group of British capitalists, including the Izmir-based A. Edwards, represented by their solicitor, Charles W. Wallis, whose fee, if the deal were successful, would be £20,000. The sale price was £500,000 for the whole enterprise: the quay, the harbour complex and the reclaimed land with its buildings. It included a recent extension of the concession to 1912 which Dussaud had negotiated with the Ottoman government. Payment was to be made in four instalments over a period of eighteen months. For the sum of £20,000 the French company was also to undertake¹⁰⁰ certain other works, including the paving of portions of the quay, to which it was bound by the terms of the initial concession. The nominal capital of the future (British) company was to be £600,000, in 60,000 shares of £10 each.¹⁰¹ The annual revenue of the quay was modestly estimated at £39,000, given the opposition of the British-led merchants to the level of dues charged. However, it was optimistically considered that once the quay was in British hands a revised scale of dues on the basis of 0.5 per cent on the trade of the port, estimated then at £9 million per annum, exclusive of the coasting trade, which was also subject to quay dues, would yield an annual income of £45,000, excluding any income from the reclaimed land. Even setting administrative expenses and a reserve fund against this figure, it would still give an estimated 7.5 per cent dividend on the whole capital of the company.¹⁰² This was in fact not far off the actual dividend in later years.¹⁰³ Faced with the prospect of the quay company in British hands, the French consul lamented whilst British diplomats were jubilant:

It is a matter of great congratulation to the British mercantile community of Smyrna that this long-vexed question is now in a fair way of arriving at a speedy solution, especially seeing that by the transfer of this property to an English company *the political element is eliminated from it*. The three great industrial enterprises of Smyrna, the Ottoman Railway, the Cassaba Railway and the Quay will now be in English hands.¹⁰⁴

Negotiations were quite far advanced, the first instalment of £125,000 (3,125,000 francs) remained to be paid and the definitive contract to be signed,¹⁰⁵ when the deal fell through. According to Kurmus, once the contentious point regarding the reduction of dues had been cleared up, the British financiers withdrew their offer.¹⁰⁶ This does not seem plausible; if anything, it should have made them more eager to take the concern on, for all contentious issues were now resolved. Moreover the value of the company, put at £782,808, or just over 19.5 million francs, had apparently been greatly underestimated by Elie Dussaud during the negotiations when he had set the price at £500,000. This made it even less likely that the British would withdraw.¹⁰⁷

There were other reasons. Both British and French sources relate that the British financiers could not raise enough funds by public subscription from individual investors on the London money market to effect the purchase. With no large-scale *banques d'affaires* in Britain eager to spearhead the deal, the requisite capital was not available.¹⁰⁸ The other important reason was that the Ottoman government, at a crucial point in the negotiations,¹⁰⁹ brought pressure to bear on Dussaud to abort the sale. Again British and French sources concur on this.¹¹⁰ The government even hinted that Dussaud had no legal right to assign a concession to another individual. Although the Porte did not maintain this stance subsequently, it had the desired effect.¹¹¹ The Porte's objections are not difficult to understand. For 'the transfer of the Smyrna Quays to English hands [was] regarded in certain Turkish circles as part of a deeply-laid political scheme for increasing English political influence in Turkey'.¹¹² With the British failure to take over the company, it remained in French hands and the Porte became, to a large extent, the ultimate arbiter in this inter-imperialist rivalry.

Four years later, in 1886, Elie Dussaud, for the second time, proposed to sell his enterprise to a group of British buyers. However, the opposition of the French government and, more important, of the Ottoman government once more torpedoed negotiations.¹¹³ Unable to sell it to the British, Dussaud offered in 1887 to sell out to the Ottoman government.¹¹⁴ Indeed, he was offering the whole concern for 11 million francs, or £440,000, less than he had offered it to the British capitalists for in 1882. He offered the government the quay and harbour complex alone, without the land, for 7 million francs, £280,000. In addition he gave the government the option of setting up an Ottoman company to take over the concern.¹¹⁵ This solution did not find favour with the French government, however, which became, once more, actively involved.¹¹⁶ Eager to prevent the British from dominating the infrastructure sector, but equally anxious not to let the company become Ottoman and slip from French control, the Quai d'Orsay put its weight behind a 'French solution'. A group of French financiers, backed by Crédit Lyonnais and headed by F. Granet, a former civil servant, attempted to buy the French concern and turn it into an Ottoman company.¹¹⁷ They were not the only ones: other European financial consortia showed interest, too. After further negotiations with the Porte Dussaud decided, in 1891, to 'sell' the company to his nephew, Elie Guiffray, who had long been Director of the

company in Izmir. A powerful motive was the government's extension of the concession by forty years, to 1952, along with a favourable revision of the initial terms. At the same time the Ottoman government renegotiated its percentage of the gross revenue to the higher rate of some 15 per cent.¹¹⁸

A successful family firm

The new company was a French limited liability company with a nominal capital of 11 million francs, or £440,000. Its headquarters were in Izmir and it had branches in Istanbul and Marseilles. The terms of the sale were as follows. Although the land and buildings, valued at 3.5 million francs or £140,000, were part of the new company, they remained the private property of Dussaud, who also retained the revenue from them; the latter was calculated at 4 per cent per annum on the total value, to be reassessed annually, of the land and buildings. For the quay and harbour complex, valued at 7 million francs, or £280,000 Dussaud received 3.5 million francs in cash and the rest in shares. The nominal capital of the new company was composed thus: 3.5 million francs were represented by the land and the buildings; 3.5 million francs, divided into 7,000 shares of 500 francs each, were owned by Dussaud; half a million francs, divided into 1,000 shares, were offered for public subscription at 6 per cent per annum and the capital thus raised was to be used for the construction of petroleum and alcohol storage facilities. The remaining 3.5 million francs, divided into 7,000 debentures, were also offered for public subscription at 6 per cent.¹¹⁹ Both shares and debentures were bought almost at par by the founding members of the company and mainly by the Guiffroy family, who became the principal shareholders. Among the directors of the new company were A. Caporal, F. Granet and Aimé Tissot; the latter was Director of the Izmir Tramway Company and a friend of Elie Guiffroy.¹²⁰ With its value enhanced and with greater capital resources the quay company remained, in the late nineteenth and early twentieth centuries, in the forefront of the city's corporate sector.¹²¹ With a dividend of 79 per cent on average for the period 1894–1913, the company continued to be a successful and profitable enterprise.¹²²

The last important issue the quay company was indirectly involved in was that of improvements to the Customs House. The on-going increase in the trade and shipping activity of Izmir resulted in considerable congestion at the Customs House, which, unlike the quay and harbour complex, seemed unable to cope. It was generally accepted, by the mercantile community and the municipal authorities alike, that the Customs House had to be enlarged and its working reorganised so that importers and exporters would no longer suffer undue delay.¹²³ The location of the Customs House amid the quay and harbour complex meant that the quay company would be involved in any solution.¹²⁴ However, it was not merely a matter of the Ottoman government finding the will and the capital to enlarge the Customs House. The Porte was putting pressure on the European merchants in its major ports¹²⁵ to accept an increase in import duties from 8 per cent – the level agreed in the trade convention

of 1838 between the Porte and the major powers – to 11 per cent.¹²⁶ In 1907, following just such an increase in import dues, the construction of the long-sought extensions of the Customs House and related buildings was started by Guiffroy, whilst a reorganisation of the Customs service was put into effect.¹²⁷ The positive results of these measures were felt immediately. By 1909, with the new buildings in place, the Customs House of Izmir was considered ‘to have finally caught up with the exigencies of the port’s economy’.¹²⁸

In the end the quay and its harbour complex were rated a success by public opinion at the time. Although the British could not bring themselves to say so publicly, their other imperial rivals, the Germans, did. Perhaps the best sign of British recognition of the quay’s success, as a worthwhile and profitable project, can be seen in their repeated efforts to take it over. Moreover the foundations had been laid for the creation of a modern and better equipped central business district.¹²⁹ The quay, with its tramway, came to symbolise the city-port in the now famous photographs of Izmir at the turn of the century. As a large and complex infrastructure project at a major port in the Near East, built with private capital and without subsidies from the Ottoman government, it was, in many respects, a result of the dynamics at play among Izmir’s business circles, of the activities of Western capital in the Near East, of Ottoman urban policy and of government policy in the context of inter-imperialist rivalry in the Ottoman Empire in the latter part of the nineteenth century. As such, it constitutes an excellent case study of all of these forces.

Notes

- 1 The term *quais* is used in the plural because, for the purposes of construction, the quay was divided into five sections: in a north-easterly direction along the shore, (1) from the imperial barracks to the Customs House; (2) from the Customs House to the British consulate; (3) from the consulate to an area called Bella Vista; (4) from Bella Vista to Cape Touzla; (5) from Cape Touzla to Aydin Railway Station. *British Parliamentary Papers, Accounts and Papers (PP)*, LXXII (London, 1882), Cahiers des charges de la concession, 1867.
- 2 In 1818 Alexandria became the first port to be improved, and work began on a canal linking the city with the Nile; the port was also deepened, permitting docking, and provided with a quay, warehouses, a lighthouse, an arsenal and a dry dock. In the decade 1870–80 the port was greatly modernised, the work being carried out by the London-based engineering firm of William Bruce Greenfield & Co. at a cost of 75,280,000 francs (£3,011,360). With a harbour (both inner and outer) of 1,852½ acres it was the largest in the Mediterranean. C. Birault, ‘Le port d’Alexandrie’, *Le Génie Civil* XLVI (1904), pp. 81, 83–4; see also Vilma Hastaoglou-Martinidis, ‘Les villes-ports du bassin oriental de la Méditerranée à la fin du XIXe siècle: travaux portuaires et transformations urbaines’, *Études autour de l’oeuvre d’Étienne Dalmasso* (Paris, 1998), p. 509. On the port of Alexandria in the first half of the nineteenth century see Charles Issawi, *An Economic History of the Middle East and North Africa* (New York, 1982), pp. 48–9, and J. L. Miège, ‘La navigation européenne à Alexandrie, 1815–65’, *Revue de l’Occident musulman et de la Méditerranée* 46, 4 (1987), pp. 121–36.
- 3 Guildhall Library, Manuscripts Collection, MS 31,522, Sun Insurance Office, Foreign Agencies, Vol. 274, The Smyrna Quays Co. Ltd, 12 May 1882.
- 4 Algiers was the largest port in France for shipping after Marseilles and the fifth for merchandise. It had a harbour of 173 acres in 1870, extended by a further eighty-six acres in 1880–1914. Although much larger than the harbour of Izmir, it

- also represented a much more costly operation, with 55 million francs (£2.2 million) invested in the port by 1906, compared with what it cost to build the port complex of Izmir (see note 35 below). Issawi, *An Economic History of the Middle East*, p. 48.
- 5 The company was founded in 1857 by Elie Dussaud and his brother Elzéard. The family came from Courthézon, in the Vaucluse. Three other brothers – Louis, Joseph and Auguste – later joined a prospering firm. The founder, Elie, died in 1899 and was actively involved with the quay company in Izmir, at least until 1891. Roman d'Amat, *Dictionnaire de biographie française* (Paris, 1970), p. 865.
 - 6 For a full account of the rise of Izmir and of the commercial history of the port in the eighteenth and early nineteenth centuries see Elena Frangakis-Syrett, *The Commerce of Smyrna in the Eighteenth Century, 1700–1820* (Athens, 1992); see also *id.*, 'Trade between the Ottoman Empire and Western Europe: the case of Izmir in the eighteenth century', *New Perspectives on Turkey* (1988), II, pp. 1–18; *id.*, 'The Ottoman city-port of Izmir in the eighteenth and early nineteenth centuries, 1695–1820', *Revue de l'Occident musulman et de la Méditerranée* 39, 1 (1985), pp. 149–62, and Necmi Ulker, 'The emergence of Izmir as a Mediterranean commercial center for French and English interests, 1695–1740', *International Journal of Turkish Studies* 4, 1 (1987), pp. 1–37. For accounts of the economy of Izmir in the sixteenth and seventeenth centuries see Daniel Goffman, *Izmir and the Levantine World, 1560–1650* (Seattle WA, 1990), and Sonia Anderson, *An English Consul in Turkey* (Oxford, 1989). For accounts of the commercial history of two other major ports in the Ottoman Empire in the eighteenth century see N. Svoronos, *Le Commerce de Salonique au XVIIIe siècle* (Paris, 1956), and Edhem Eldem, 'Le commerce français d'Istanbul au XVIIIe siècle' (Ph.D. thesis, Université de Provence, 1986).
 - 7 *PP*, LXXVII (London, 1890), Report for 1889, p. 2.
 - 8 Archives nationales de France, Paris, AE Bi 1053, French consul Charles de Peyssonnel, Mémoire, Izmir, 22 November 1751. Hereafter this archive will be cited as ANF.
 - 9 ANF, AE Biii 243, Felix de Beaujour, Inspection, 1817; see also Henry Dearborn, *A Memoir on the Commerce and Navigation of the Black Sea and the Trade and Maritime Geography of Turkey and Egypt ...* (Boston MA, 1819) I, pp. 110–11; Eugène Flandin, *L'Orient* (Paris, 1853–76) I, p. 45.
 - 10 Elena Frangakis-Syrett, 'The port of Smyrna in the nineteenth century', in C. Svolopoulos *et al.* (eds), *Southeast European Maritime Commerce and Naval Policies* (Thessaloniki, 1988), p. 262.
 - 11 As far as the literature of the period is concerned there are a number of works relating to Izmir: D. Georgiades, *Smyrne et l'Asie Mineure au point de vue économique et commercial* (Paris, 1885); C. Oikonomos, *Étude sur Smyrne*, trans. B. Slaars (Smyrna, 1868); F. Rougon, *Smyrne: situation commerciale et économique* (Paris, 1892); C. Scherzer, *La Province de Smyrne* (Vienna, 1873). As regards the secondary literature, the following works cover aspects of the economy of Izmir for parts of the nineteenth and twentieth centuries: Resat Kasaba, *The Ottoman Empire and the World Economy: the nineteenth century* (Albany NY, 1988), and Orhan Kurmus, 'The Role of British Capital in the Economic Development of Western Anatolia, 1850–1914' (Ph.D. thesis, London University, 1974); see also *id.*, *Emperyalizmin Türkiye'ye Giris* (Istanbul, 1974), and Frangakis-Syrett, 'The port of Smyrna in the nineteenth century', pp. 261–72.
 - 12 E.g. Elena Frangakis-Syrett, 'American trading practices in Izmir in the late nineteenth and early twentieth centuries', in D. Panzac (ed.), *Histoire économique et sociale de l'Empire ottoman et de la Turquie, 1326–1960* (Paris, 1995), pp. 177–84.
 - 13 E.g. Elena Frangakis-Syrett, 'British economic activities in Izmir in the second half of the nineteenth and early twentieth centuries', *New Perspectives on Turkey*, Nos 5–6 (1991), pp. 191–227.
 - 14 E.g. Serap Yilmaz, 'XVII–XIX. Yüzyillarda Izmir'de Fransizlar', *Cagdas Türkiye Tarihi Araştırmaları Dergisi* 1, 3 (1993), pp. 89–115; Marie-Carmen Smyrnelis, 'Européens et Ottomans à Smyrne, de la fin du XVIIIe à la fin du XIXe siècle', in M. Anastasiadou and B. Heyberger (eds), *Figures anonymes, figures d'élite* (Istanbul, 1999), pp. 119–33.
 - 15 This term meant Greeks in the Ottoman Empire who were nationals of the independent Greek State, as opposed to the Ottoman Greeks, who were subjects of

- the Sultan. On the economic activities of both groups of Greeks in Izmir see Elena Frangakis-Syrett, 'The Greek mercantile community of Izmir in the first half of the nineteenth century', in D. Panzac (ed.), *Les Villes dans l'Empire ottoman: activités et sociétés* (Paris, 1991), I, pp. 391–416, and *id.*, 'The economic activities of the Greek community of Izmir in the second half of the nineteenth and early twentieth centuries', in C. Issawi and D. Gondicas (eds), *Ottoman Greeks in the Age of Nationalism* (Princeton NJ, 1999), pp. 17–44.
- 16 Elena Frangakis-Syrett, 'Concurrence commerciale et financière entre les pays occidentaux à Izmir (XIXe–début XXe siècles)', in J. Thobie, R. Perez and S. Kancal (eds), *Enjeux et rapports de force* (Istanbul, 1996), pp. 117–27.
 - 17 For more details on early twentieth-century Izmir see Elena Frangakis-Syrett, 'L'économie de l'Anatolie occidentale, 1908–14', in M. Bazin *et al.* (eds), *La Turquie entre trois mondes* (Istanbul, 1998), pp. 239–48.
 - 18 The description of the project that follows has been put together from a number of sources: Public Record Office, London, FO 195/910, British consul R. Cumberbatch, Izmir, 14 June 1866, to Lord Lyons, British ambassador, Istanbul. Hereafter this archive will be cited as PRO. Archives du Ministère des affaires étrangères, Paris, CCC, Vol. 51, French consul-general Comte de Bentivoglio d'Aragon, Izmir, 14 January 1868, to Marquis de Moustier, Ministère des affaires étrangères (MAE), Paris. Hereafter this archive will be cited as AMAE. National Archives, Washington DC, RG 84, Vol. 1, US consul E. J. Smithers, Izmir, 17 April 1880, to US consul-general G. H. Heap, Istanbul. Hereafter this archive will be cited as NA. PRO, FO 198/43, Parnis Effendi, Memorandum, Izmir, 1 July 1880; PRO, BT 31/2981 (16769) The Smyrna Quays Co. Ltd, 12 May 1882; Rougon, *Smyrne ...*, pp. 446–7; Vital Cuinet, *La Turquie d'Asie* (Paris, 1894), III, pp. 447–9, and Louis Godard, 'Les ports maritimes de la Turquie', *Le Génie Civil* LV (1909), p. 349. On the canalisation of the river Guediz (Hermus), carried out in 1895–91 by A. Rivet, chief engineer of the Vilayet (province) of Aydin, to ensure that the port of Izmir did not silt up, see Louis Godard, 'L'irrigation en Turquie', *Le Génie Civil* LVI (1909–10), p. 283, and Cuinet, *La Turquie ...* III, p. 446. Louis Godard was another French engineer attached to the Ottoman government responsible for bridges and roads who held the title of Ingénieur-en-chef des Ponts et chaussées.
 - 19 The tramway ended near the Aydin railway station. During construction there was talk of the tramway connecting with the Cassaba railway station too. This, however, did not happen. PRO, FO 198/44, Major Henry Trotter, Report, Izmir, 18 January 1882; see also PP, LXXII (1882), Correspondence respecting the quay dues.
 - 20 Cuinet, *La Turquie ...* III, p. 447.
 - 21 The port of Alexandria, although much larger in area, was in fact of similar depth. Birault, 'Le port d'Alexandrie', p. 84.
 - 22 Over the years the areas along the breakwaters have silted up and the depth of water has been reduced to 2–3 m; however, in the centre of the harbour the average depth has remained approximately the same. British Library, Admiralty chart, Izmir Harbour, 1992.
 - 23 Further port construction and land reclamation led, in the port of Alexandria too, to the development of the celebrated Corniche. Birault, 'Le port d'Alexandrie', p. 85; see also Gaston Jondet, *Le Port d'Alexandrie* (Cairo, 1921), pp. 7–30.
 - 24 PRO, FO 195/910, Société des quais de Smyrne, Convention relative à la construction d'un quai à Smyrne, 28 November–10 December 1867.
 - 25 AMAE, CCC, Vol. 51, Bentivoglio, Izmir, 9, 14 and 20 January and 6 March 1868, to Moustier.
 - 26 Some of these families, such as the Barkers, had been in the Ottoman Empire as merchants and merchant bankers since the eighteenth century. On their activities in Izmir see, e.g., PRO, SP 105/337, Izmir, 25 May 1767 and 8 September 1795. On their activities in Aleppo see, e.g., Elena Frangakis-Syrett, 'Trade practices in Aleppo in the middle of the eighteenth century', *Revue du monde musulman et de la Méditerranée* 62, 4 (1991), pp. 123–32. Some families had long-standing connections with Britain, such as the Charnauds, who had been trading in Izmir as British subjects since the eighteenth century, e.g. PRO, SP 105/337, Izmir, 12 August 1763. Other families, such as the Spartalis or the Alliotis, probably acquired British nationality through the consular authorities in the Levant in the nineteenth

- century. For more details of some of these families in nineteenth-century Izmir see Hyde Clarke, 'A history of the British colony at Smyrna', *Levant Herald* (1860); Edmond H. Giraud, *Family Records: a record of the origin and history of the Girauds and Whittalls* (London, 1934); A. O. Clarke, most likely of the above family, was the British member of the international commission set up to renegotiate the dues charged by the quay. PRO, FO 198/44, Izmir, 13 March 1883. For the economic activities of these families in the nineteenth century see Elena Frangakis-Syrett, 'Implementation of the 1838 Anglo-Turkish convention on Izmir's trade: European and minority merchants', *New Perspectives on Turkey*. 7 (1992), pp. 91–112, and *id.*, 'British economic activities ...', pp. 191–227.
- 27 PRO, FO 195/910, G. Guarracino, agent, Smyrna Quays Co. Ltd, Istanbul, 28 March 1866, to Lord Lyons, British ambassador, Istanbul.
- 28 There is no evidence in the sources as to whether any British engineering firm was approached. It is clear, however, that the French firm was involved from the outset. By the time the concession for the port of Izmir had been acquired Dussaud Brothers had established a reputation as a first-class engineering firm, having already worked on the ports of Cherbourg, Marseilles and Algiers and having participated in the building of the Suez Canal.
- 29 The families of Hanson and Gout were among the long-established European commercial elite of Izmir, owning considerable property in the form of houses, warehouses, shops and wharves in some of the best locations for trade on the sea front. PRO, FO 195/910, Charles Hanson, Istanbul, 6 April 1868, to Sir Henry Elliot, British ambassador, Istanbul.
- 30 PRO, FO 195/910, Guarracino, Istanbul, 7 January 1868, to Elliot.
- 31 *Ibid.*, Guarracino, Istanbul, 29 February 1868, to Elliot.
- 32 *Ibid.*, Ottoman embassy, London, 17 May 1866, to Lord Lyons.
- 33 AMAE, CCC, Vol. 51, Bentivoglio, Izmir, 14 January 1868, to Moustier.
- 34 Although such comparisons can be of only limited value, the ports of Beirut and Salonica – both built in the 1890s and consisting of a single harbour sheltered by breakwaters enclosing in the case of Beirut a body of water similar in area to the sheltered harbour of Izmir but in the case of Salonica a much smaller harbour – were initially estimated similarly, at 6.1 million francs (£244,000) and 6.5 million francs (£260,000) respectively, to that of Izmir. Godard, 'Les ports maritimes de la Turquie', pp. 350–1, and Hastoaglou-Martinidis, 'Les villes-ports ...', pp. 516–20. On the port of Salonica see also Meropi Anastassiadou, *Salonique, 1830–1912* (Leiden, 1997), pp. 142–50.
- 35 PP, LXXII (1882), Elliot, Istanbul, 26 February 1876, to the Earl of Granville, F[oreign] O[ffice], London. This is also the figure given in the prospectus of the British company that was set up in order to buy out the French firm. Guildhall Library, MS 31,522, Vol. 274, The Smyrna Quays Co. Ltd, Prospectus, 12 May 1882. A source of the time reckoned the total costs to be higher, namely 12 million francs, £480,000. D. Georgiades, *La Turquie actuelle* (Paris, 1892), p. 332. An even higher figure of £782,808 (19,550,000 francs) was quoted in the British press during negotiations to sell the company to British interests. *St James's Gazette*, 13 May 1882. Dussaud himself valued it at 11 million francs (£440,000) when he sold the concern to his nephew in 1891.
- 36 In view of the absence of further evidence it can be assumed that it was a 'design and build' contract that the Dussaud Brothers entered into with the concessionaires.
- 37 See below, pp. 30–1 (on the seafront conflict) and pp. 34–5 on the free-space compromise).
- 38 Lack of financing from a Continental *banque d'affaires* was not unusual for an industrial project in the 1860s and 1870s. The European banks were not yet as involved in the financing and running of infrastructure projects in Izmir, or elsewhere in the Ottoman Empire, as they would be from the 1880s on. Elena Frangakis-Syrett, 'The role of European banks in the Ottoman Empire in the second half of the nineteenth and in the early twentieth centuries', in A. Teichova, G. Kurgan-van Hentenryk and D. Ziegler (eds), *Banking, Trade and Industry* (Cambridge, 1997), pp. 263–76.
- 39 In 1912 the Smyrna Fig Packers Ltd, an amalgamation of a number of mainly locally based companies exporting figs, was formed with a capital of £200,000; however, this was nearly half a century later. Frangakis-Syrett, 'British economic

- activities ...', p. 206.
- 40 PRO, FO 195/942, British consul R. Cumberbatch, Izmir, 5 April 1869, to Elliot; see also Rougon, *Smyrne*, pp. 446–7; Cuinet, *La Turquie ... III*, p. 448, and Jacques Thobie, *Intérêts et imperialism français dans l'empire ottoman* (Paris, 1977), pp. 133–4. No *banque d'affaires* seems to have been involved in the financing of the French firm.
- 41 AMAE, CCC, Vol. 51, Bentivoglio, Izmir, 14 January 1868, to Moustier.
- 42 This refers to the refusal of the Porte later on to allow the British to take over the quay company, which would have given them ownership of all large infrastructure concerns in Izmir. Ministère des affaires étrangères, Centre des archives diplomatiques de Nantes, Nantes, Vol. 53, French Foreign Minister, Paris, 21 December 1888, to M. Imbert, French chargé d'affaires, Istanbul. Hereafter this archive will be cited as MAE, CADN.
- 43 PRO, FO 78/1447, British consul Charles Blunt, Izmir, 6 September and 14 December 1859, to Lord Russell, FO, London.
- 44 PRO, FO 195/883, R. Cumberbatch, Izmir, 13 December 1867, to Elliot.
- 45 PRO, FO 195/910, R. Cumberbatch, Izmir, 18 January 1868, to Elliot.
- 46 AMAE, CCC, Vol. 51, Procès-verbal des délibérations du Corps consulaire, Izmir, 6 March 1868; see also *ibid.*, Moustier, Paris, 22 February 1868, to Bentivoglio, Izmir.
- 47 Similar arguments were put forward in Istanbul, when the French company – which won the concession to rebuild the waterfront along the two banks of the Golden Horn – started work, concerning the beneficial effects, from urban improvement and the elimination of smuggling to public health and higher property prices, which would be derived from such improvements. Zeynep Celik, *The Remaking of Istanbul* (Seattle WA, 1993), pp. 74–5.
- 48 E.g. Ali Paşa, Grand Vizier (Prime Minister) 1867–71, was a staunch supporter of the infrastructure project, particularly in its early stages. Pierre Oberling, 'The quays of Izmir', in H. Batu and J.-L. Bacqué-Grammont (eds), *L'empire ottoman, la république du Turquie et la France* (Istanbul and Paris, 1986), p. 325. On the role of the Ottoman government in the whole affair see also Mübahat Küçükoglu, 'Izmir rihtimi inşaati ve işletme imtiyazı', *Tarih Dergisi*, 32 (1979), pp. 495–558.
- 49 PRO, FO 198/43, Report by Parnis Effendi on the Smyrna quay question, Izmir, 1 July 1880. To be fair to the merchants, lack of adequate sheltered space in the Customs House, which remained a bone of contention between them and the Ottoman authorities until the early 1900s, meant that goods could still be subject to damage from exposure to the weather.
- 50 PRO, FO 195/910, Sublime Porte, Istanbul, 17 May 1866, to Lord Layard, British ambassador, Istanbul; see also AMAE, CCC, Vol. 51, Bentivoglio, Izmir, 14 January 1868, to Moustier.
- 51 The conflict of interest between one group of entrepreneurs who stood to gain less from new port facilities than another and were therefore reluctant to share the additional cost was also evident in the port of Liverpool in the middle of the nineteenth century. Graeme J. Milne, 'Port politics: interest, faction and port management in mid-Victorian Liverpool', in L. R. Fischer and A. Jarvis (eds), *Harbours and Havens: essays in port history in honour of Gordon Jackson* (St John's NF, 1999), pp. 47–52. Closer to home, at the port of Salonica, opposition to an expected increase in the tariff of dues delayed the construction of the modern port by eight years, from 1888 to 1896. Hastaoglu-Martinidis, 'Les villes-ports ...', p. 519.
- 52 In Istanbul, too, there was the problem of privately owned areas that had to be expropriated to make way for the new docks and quays. As far as possible, efforts were made to induce the owners to part with their property voluntarily; for instance, if they donated part of their quay for public use they became exempt from tax. Ultimately, however, in cases of outright conflict between the company and property owners compulsory purchase was enforced. Celik, *The Remaking of Istanbul ...*, p. 75.
- 53 PRO, FO 195/910, R. Cumberbatch, Izmir, 7 January 1868, to Elliot.
- 54 PRO, FO 195/883, R. Cumberbatch, Izmir, 13 December 1867, to Elliot.
- 55 The dilemma of the seafront property holders is well illustrated by the case of the Hanson family. PRO, FO 195/910, Mrs E. Hanson, Izmir, 7 December 1867, to R. Cumberbatch, Izmir.
- 56 *PP*, LXXII (1882), Cahiers des charges ... , 1867.
- 57 PRO, FO 195/910, R. Cumberbatch, Izmir, 14 June 1868, to Lyons.
- 58 *Levant Herald*, 19 November 1874.

- 59 Guildhall Library, MS 31,522, Vol. 274, The Smyrna Quays Co. Ltd, 12 May 1882. It is also possible that this estimate was on the low side (see below, p. 37 and note 107).
- 60 *Ibid.* However, the higher figure of £22,000 is given, as the annual income generated by these commercial premises, in another source. *St James's Gazette*, 13 May 1912.
- 61 MAE, CADN, Actes de Chancellerie, box 267, Société des quais de Smyrne, Statuts, 1891.
- 62 PRO, FO 195/910, R. Cumberbatch, Izmir, 14 January 1866, to Lyons.
- 63 PRO, FO 195/942, C. Wood, J. Wilkin, A. Abbot and R. Wilkin, Izmir, 22 February 1869, to R. Cumberbatch; see also *ibid.*, J. Fillipini *et al.*, Izmir, 18 February 1869, to Grand Vizier Ali Paşa, Istanbul, and *ibid.*, R. Cumberbatch, Izmir, 1 March 1869, to Elliot.
- 64 *Levant Times and Shipping Gazette*, 10 August 1869.
- 65 PRO, FO 195/942, R. Cumberbatch, Izmir, 7 July 1870, to Elliot.
- 66 *Ibid.*, R. Cumberbatch, Izmir, 7 July, 26 August and 26 September 1870, to Elliot.
- 67 The consul estimated that the income of 3,000 or so families of boatmen would be reduced to a quarter of its present level, since lighters would be used much less. PRO, FO 195/910, R. Cumberbatch, Izmir, 18 January 1868, to Elliot.
- 68 PRO, FO 881/4605, T. B. Patterson, Izmir, 17 December 1874, to R. Cumberbatch.
- 69 PRO, FO 198/44, Trotter, Izmir, 21 July and 23 February 1883, to Hugh Wyndham, Esq., HM chargé d'affaires, Istanbul.
- 70 For instance, a merchant might want to embark goods outside his warehouse but there might be insufficient depth of water for the ship to moor alongside; lighters would then have to be used. PRO, FO 198/44, Trotter, Report, Izmir, 18 January 1882.
- 71 It coincided with the peak in Izmir's export trade from August to January. The exports of Izmir, being mainly agricultural, arrived at the port in those months. This was also the time of congestion at the Customs House. By contrast, Izmir's import trade continued throughout the year, but, in a good year, it could be particularly brisk during the holiday season at the end of the year. PRO, FO 195/2065, British consul-general H. A. Cumberbatch, Izmir, 26 March 1899, to Sir Nicholas O'Connor, British ambassador, Istanbul.
- 72 Guildhall Library, MS 31,522, Vol. 274, *Constantinople Messenger*, 29 December 1880.
- 73 On this issue see below, pp. 34–6.
- 74 Dussaud estimated the provision of such lighters and the cost of the steam power to operate them – *remorquage*, as it was called – at 60,000 francs (£2,400) per annum (over 6 per cent of his gross annual income from the quay), 'a sum he [was] not prepared to disburse unless on receipt of an equivalent'. PRO, FO 198/44, Trotter, Istanbul, 4 April 1882, to Wyndham. He also set a number of conditions for offering such a service to shipping. *Ibid.*, Trotter, Istanbul, 23 February 1883, to Wyndham.
- 75 *Ibid.*, Trotter, Istanbul, 22 January and 23 February 1883, to Wyndham.
- 76 *Ibid.*, Trotter, Izmir, 21 July 1883, to Wyndham.
- 77 Wishing to use their own lighters, the British once again came into conflict with the Société des quais, claiming that they were discriminated against because their lighters were apparently not given space at the quayside in a timely manner as were those carrying part cargoes of the Messageries Maritimes and the Austrian Lloyd ships. Kurmus, 'The Role of British Capital ...', pp. 270–2.
- 78 Besides lighters, the British were active in the tug sector, as well as in the coal trade and the coastal trade. These were all growing areas of business opportunity and activity. PRO, FO 195/1899, British vice-consul G. H. Fitzmaurice, Izmir, 23 July 1895, to Sir Philip Currie, British ambassador, Istanbul. They were also the result of the increased volume of shipping, trade and general economic activity in Izmir by the early twentieth century. For more details on trade and shipping in this period see *PP*, c (London, 1912–13), and *ibid.*, xcvi (London, 1914).
- 79 AMAE, CCC, Vol. 51, Procès-verbal, Izmir, 6 March 1868.
- 80 PRO, FO 195/2331, British consul-general Henry Barnham, Izmir, 14 December 1909, to Charles Marling, HM chargé d'affaires, Istanbul.
- 81 E.g. AMAE, CCC, Vol. 57, French consul-general F. Rougon, Izmir, 30 January 1898, to M. Gambon, French ambassador, Istanbul; *ibid.*, Rougon, Izmir, 4 February 1898, to M. Hanotiaux, MAE, Paris; PRO, FO 195/2184, H. A. Cumberbatch, Izmir, 18 June 1904, to O'Connor.
- 82 For the resolution of the Customs House congestion see below, pp. 38–9.

- 83 *PP*, LXXII (1882), Admiral Lord Clarence Paget, 27 February 1868, to Elliot.
- 84 A very heavy storm, which swept Izmir in February 1870, showed clearly the need for a sheltered harbour. Oberling, 'The quays of Izmir', pp. 319–30.
- 85 This was the final assessment voiced even by the British diplomatic service. *PP*, LXXII (1882), Admiral Hobart, Istanbul, 22 February 1873, to Elliot; see also Elliot, Istanbul, 26 February 1873, to Granville; *ibid.*, LXXXIII (London, 1877), Report for 1876.
- 86 PRO, FO 198/43, Trotter, Chios, 24 and 26 July 1881, to the Earl of Dufferin, British ambassador, Istanbul.
- 87 *Ibid.*, Extract from advertisement in the *London Commercial Record*, 1 April 1881.
- 88 Kurmus, 'The Role of British Capital ...', pp. 283, 290.
- 89 Frangakis-Syrett, 'Concurrence commerciale ...', pp. 119–25.
- 90 E.g. Charles Issawi, *An Economic History of Turkey, 1800–1914* (Chicago IL, 1980), pp. 111–12; Frangakis-Syrett, 'The port of Smyrna in the nineteenth century', pp. 261–72.
- 91 AMAE, CCC, Vol. 53, French consul-general H. Pellissier, Izmir, 2 March 1880, to M. de Freycinet, MAE, Paris.
- 92 NA, RG 84, Vol. 1, R. Wilkin, J. B. Paterson *et al.*, Izmir, 16 April 1880, enclosed in Smithers, Izmir, 17 April 1880, to Heap.
- 93 *Ibid.*, Smithers, Izmir, 17 April 1880, to Heap; see also *ibid.*, R. Wilkin, J. B. Paterson *et al.*, Report of the Quay Committee, Izmir, 16 April 1880, and PRO, FO 198/44, Trotter, Izmir, 31 December 1881, to Dufferin.
- 94 When the second compromise was finally worked out (see below) it was possible both to charge an acceptable level of quay dues and to run the enterprise at a profit. This suggests that the opposition from the merchants was partial and largely self-serving.
- 95 E.g. NA, RG 84, Vol. 1, Smithers, Izmir, 8 May 1880, to Heap; *ibid.*, US consul B. O. Duncan, Izmir, 28 November 1881, to Heap; AMAE, CCC, Vol. 54, Pellissier, Izmir, 29 November 1881 and 2 January 1882, to Gambetta, Président du Conseil, MAE, Paris; PRO, FO 198/43, Granville, London, 9 August 1881, to Dufferin; FO 198/44, Trotter, Report, Izmir, 18 January 1882.
- 96 The overall reduction in the dues was 30 per cent, made up by an 18 per cent decrease ceded by the company to which was added the 12 per cent share that the Ottoman government had forgone.
- 97 MAE, CADN, Vol. 53, Société des quais de Smyrne, Istanbul, 21 April 1880, to Comte de Montholon, French chargé d'affaires, Istanbul.
- 98 *Ibid.*, Elie Dussaud, Courthézon, 1 September 1887, to the Ottoman ambassador, Paris; see also *ibid.*, Vol. 53, Dussaud, Marseilles, 18 February 1888, to MAE, Paris, and *ibid.*, Vol. 53, MAE, Paris, 21 December 1888, to Imbert.
- 99 AMAE, CCC, Vol. 54, Pellissier, Izmir, 28 April 1882, to Freycinet.
- 100 There is a slight discrepancy in the sources: the press of the period quotes £24,000 whilst British archival sources give the lower figure. See, respectively, Guildhall Library MS 31,522, Vol. 274, *Constantinople Messenger*, December 1880, and PRO, FO 881/4605, British consul George Dennis, Izmir, 10 February 1882, to Granville.
- 101 PRO, BT 31/2981 (16769), The Smyrna Quays Co. Ltd, Memorandum of Association, 3 May 1882.
- 102 Guildhall Library, MS 31,522, Vol. 274, The Smyrna Quays Co. Ltd, 1882.
- 103 Thobie, *Intérêts et imperialismes*, p. 377, and below, p. 38.
- 104 PRO, FO 881/4605, Dennis, Izmir, 10 February 1882, to Granville.
- 105 PRO, FO 198/43, A. Macdonald, London, 20 March 1882, to Sir Charles W. Dilke, FO, London.
- 106 Kurmus, 'The Role of British Capital ...', p. 269.
- 107 PRO, FO 881/4605, Dennis, Izmir, 3 March 1882, to Dufferin. In 1884, admittedly whilst prospecting for new buyers, the French company put the value of its land and buildings, excluding the quay and harbour complex, at nearly 6,697,114 francs (£267,885). AMAE, CCC, Vol. 54, Izmir, 10 June 1884, in Thobie, *Intérêts et imperialismes*, pp. 134–5.
- 108 PRO, FO 198/44, Granville, London, 22 May 1882, to Dufferin; see also AMAE, CCC, Vol. 54, Pellissier, Izmir, 4 and 8 June 1882, to Freycinet. British mercantile opposition to the project – represented in Britain by such institutions as the Manchester Chamber of Commerce – may also have influenced the London money market adversely.
- 109 On 13 May 1882 the prospectus of the new company was published, inviting the public to subscribe to the new company's shares. On 14 May the first instalment was due to be paid to Dussaud; on 15

- May the Ottoman government officially asked Dussaud whether the Société des quais had been transferred to an English company, for *'the Sublime Porte would consider any such transfer as null and void, as it was impossible that such a transaction could be tolerated without the previously obtained sanction of the Porte'* (my italics). PRO, FO 198/44, Trotter, Istanbul, 18 May 1882, to Dufferin.
- 110 MAE, CADN, Vol. 53, A. Caporal, Istanbul, 27 March 1889, to Comte de Montebello, French ambassador, Istanbul. Caporal was a French private banker who acted as agent for Elie Dussaud in the various negotiations for the sale of the quay; see also PRO, FO 881/4605, Dennis, Izmir, 3 March 1882, to Dufferin.
- 111 At the time British diplomats were not certain whether Dussaud had the legal right to do so or not. PRO, FO 198/44, Trotter, Istanbul, 4 December 1882, to Wyndham.
- 112 PRO, FO 881/4605, Trotter, Istanbul, 20 February 1882, to Dufferin.
- 113 MAE, CADN, Vol. 54, Dussaud, Courthézon, 1 September 1887, to Montebello; see also *ibid.*, Dussaud, Marseilles, 18 February 1888, to MAE, Paris.
- 114 *Ibid.*, Vol. 53, Provisional terms of sale to Ottoman government, Istanbul, 27 March 1889.
- 115 *Ibid.*, Vol. 54, MAE, Paris, 17 May 1889, to Montebello.
- 116 *Ibid.*, Vol. 53, Dussaud, Marseilles, 18 February 1888, to MAE, Paris; *ibid.*, MAE, Paris, 21 December 1888, to Imbert, and *ibid.*, MAE, Paris, 17 May 1889, to Montebello. It was certainly not the first time that the French Ministry of Foreign Affairs had taken an active part in the affairs of the Société des quais de Smyrne, e.g. PRO, FO 881/4605, Trotter, Istanbul, 14 March 1882, to Dufferin.
- 117 MAE, CADN, Vol. 54, MAE, Paris, 17 May 1889, to Montebello; see also Thobie, *Intérêts et impérialisme ...*, p. 135.
- 118 MAE, CADN, Actes de Chancellerie, box 267, Société des quais de Smyrne, Statuts, 1891.
- 119 *Ibid.*, Statuts; see also Crédit Lyonnais Archives, Paris, DEEF, No. 18137, Société des quais de Smyrne. This was a rather modest revenue for Dussaud; in 1882 prospective British buyers, who had also calculated the land and buildings at £142,808, had estimated their annual revenue at £11,000 per annum, or 7.7 per cent.
- 120 Crédit Lyonnais Archives, DEEF, No. 18137, Société des quais de Smyrne.
- 121 As regards quayside equipment, the port of Izmir disposed of 235 lighters and barges as well as eighteen steam-driven tugs; these seem to have served the needs of shipping adequately. Thobie, *Intérêts et impérialisme ...*, p. 377.
- 122 It was not the most lucrative enterprise in Izmir, however. For instance, in the 1900s the Oriental Carpet Manufacturers Ltd generated higher dividends for shareholders. Frangakis-Syrett, 'British economic activities ...', pp. 213–14.
- 123 E.g. AMAE, CCC, Vol. 57, Rougon, Izmir, 30 January 1898, to Gambon; PRO, FO 195/2065, H. A. Cumberbatch, Izmir, 26 March 1899, to O'Connor; FO 195/2235, Rapport ... sur les retards apportés à la délivrance des marchandises à la Douane de Smyrne, Izmir, 20 March 1905.
- 124 PRO, FO 195/2184, H. A. Cumberbatch, Izmir, 30 January 1904, to O'Connor.
- 125 For the port of Istanbul see Donald Quataert, 'A provisional report concerning the impact of European capital on Ottoman port workers, 1880–1909', in Huri Islamoglu-Inan (ed.), *The Ottoman Empire and the World Economy* (Cambridge, 1987), pp. 300–8.
- 126 In this interplay of forces the *hamals* (porters), a particularly well regulated work force in Izmir, were also caught up. PRO, FO 195/2209, H. A. Cumberbatch, Rapport sur le service du *hamalik* à la douane de Smyrne, Izmir, 20 March 1905.
- 127 PRO, FO 195/2266, A. H. Cumberbatch, Izmir, 20 November 1907, to O'Connor.
- 128 PRO, FO 195/2331, Consul-general Henry Barnham, Izmir, 14 December 1909, to Marling.
- 129 ANF, F/12, 7389, French consul-general, Izmir, 22 January 1910, to MAE, Paris.

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