

güncel hukuk

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TMK Article 181/II
PROVISION

SHOULD BE REMOVED

FROM THE LAW

THE PRESS

LABOR LAW

MUST BE

COMPLETELY CHANGED

DEMOCRACY IS
THE NAME OF
CONFRONTATION

ARREST

drafts
CODE OF

OBLIGATIONS AND COMMERCE



Transfer of Capital

"The Wealth Tax Disaster"

In its 68th year

"By taking advantage of the hospitality shown by this country, this law will be enforced with all its severity against those who, despite being rich, will avoid doing their duties towards him at this sensitive time." The Prime Minister kept his word and started breaking stones on his citizens, whom he considered as "guests".
He sent it to Aşkale

Attorney Cem Murat Sofuoğlu

The Wealth Tax Law Also Impacted Lawyers

During World War II, similar laws were implemented in some countries affected by the war; the Wealth Tax Law No. 4305 (VVK), a one-time wealth tax, was passed unanimously by the 350 deputies present at the Turkish Grand National Assembly session on November 11, 1942. Seventy-six deputies who would later form the core of the Democrat Party were absent. Among those absent were Celal Bayar, Reşat Nuri Güntekin, and H. Rahmi Gürpınar.

The apparent aim of the VVK was to find resources for the state; to reduce inflation by withdrawing money from the market and, in particular, to both recover the "excess profits" (ihkar) of black marketeers through heavy taxation and to punish these people.

Although the word "non-Muslim" is not used anywhere in the law, this tax targeted minorities in practice. While this law was being discussed in a closed session of the CHP parliamentary group meetings (the minutes of these sessions have not yet been published), we learn from the memoirs of Faik Ahmet Barutçu, a prominent figure in the party who personally contributed to the drafting of the law. Prime Minister Şükrü Saraçoğlu stated in his speech that this law was also a revolutionary law, that we were facing an opportunity that would grant us (i.e., Turks) economic independence, and that by eliminating the foreigners (i.e., minorities) who dominated our market, the Turkish market would be handed over to the Turks.

He stated his

To this end, before the law was published, the Ministry of Finance sent a circular to the revenue offices requesting that the assets of minorities be identified and tabulated. The revenue offices classified earners into four categories: Muslim (M), Non-Muslim (G), Convert (D), and Foreigner (E).

According to Article 6 of the law, the amount of tax to be assessed would be determined by commissions. Governors in provinces and district governors in districts would chair these commissions. Other members would consist of "the highest revenue officer and two members each to be elected by the chambers of commerce and municipalities from among their own members." Commission decisions were final and absolute. It was also impossible to file lawsuits against these decisions in administrative or judicial courts. Lacking data and information, often biased against minorities, and racing against time, these commissions assessed the tax arbitrarily and mercilessly. For this reason, Faik Ökte, the Istanbul Provincial Treasurer at the time, titled his memoir "The Wealth Tax Disaster." As if to confirm the word "disaster," the law set a 15-day deadline for the payment of the assessed tax.

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The highest civil administrator of the locality is the if it deemed necessary, it could decide to impose a precautionary seizure on the movable and immovable properties and rights of the obliged, without even waiting for this period to pass. Those who failed to pay their taxes would be subjected to forced labor in accordance with the Labor Obligation Regulation no. 19288, issued by the government dated January 7, 1943 (they would be sent to Ash-kale and Sivrihisar); they would be taken into police custody and sent to labor camps; the subsistence expenses of those sent would be covered by their own; no taxpayer would be employed within the province in which they resided or did business; taxpayers would receive 250 kuruş in return for their work, 60 kuruş of which would be deducted for food, accommodation, etc. expenses, and the remaining 190 kuruş would be offset against the Wealth Tax debt.



Non-Muslims victims of wealth tax.

The forced labor of women was conditioned on a decision by the Council of Ministers. The Council of Ministers refused to take this decision because the aim was to threaten female taxpayers who did not pay their taxes.

The tax payment deadline expired on the evening of January 20, 1943, following the additional period granted. On January 21, 1943, the homes and businesses of taxpayers who had defaulted on their debts began to be seized under the Law on Collectible Properties (corresponding to today's Law on the Procedure for the Collection of Public Receivables). According to Article 14 of the law, the real estate and movable property of taxpayers who had defaulted on their debts, whether belonging to themselves, their spouses, or their children, parents, or siblings living with them, were considered collateral for the debt and could be seized. The debtors' uncles were excluded from the law at the last minute, declaring that "this is too much." The principle of "personal ownership of debt," the foundation of law, was trampled underfoot, and the right to property, which had endured since Locke, suffered a severe blow. There was an illegality that could be seen in totalitarian and authoritarian regimes.

Again, in accordance with the law, taxpayers with outstanding debts were first detained by police to force them to pay their taxes through physical labor. Then, the first group of 32 people departed for Aşkale by train on January 27, 1943. In İzmir, 88 taxpayers were brought to the collection center, and because seven of them had paid their debts, 81 were sent to Sivrihisar, which was designated as a labor camp. There was not a single Muslim among those sent to Aşkale. The final act of the "disaster" had begun.

Between February and September 1943, 1869 people, all non-Muslims, were gathered in Istanbul and held at the Kadıköy Public Education Center (next to the criminal courthouse) and the Sirkeci Demirkapı concentration centers.

1229 people who were brought to Aşkale and did not pay their debts were sent to Aşkale. 636 people paid their debts either while waiting to be deported or after they were sent to Aşkale.

Although the law did not provide for a right of appeal, an intimidation campaign was launched against the lawyers of those who objected to the assessed tax. The lawyers of the minorities who objected to the tax were generally non-Muslim. Consequently, high tax rates began to be assessed to non-Muslim lawyers as well. Furthermore, newspapers began reporting that lawyers who

failed to pay their taxes would be **disbarred. This would** lawyers who filed complaints and discourage them from representing minorities.

Among those sent to Aşkale was Gad Franko, a lawyer with the Istanbul Bar Association, registration number 839. Fluent in English and French, Gad Franko wrote the first commentary on the Turkish Civil Code, two volumes of which were printed in the old script and two in the new script (a copy of this work still resides in the US Library of Congress). He also published a law journal, "Hükuki Bilgiler," from 1926 to 1941, covering his own expenses.

Despite appealing to the Bar Association **11 times to take legal action against the** lawyer Gad Franko, the then **President of the Bar Association, Mekki Hikmet Gelebeğ, did not take any action, and after the law** was repealed, the decision that "there **was no need to open a disciplinary investigation" was notified to the complainant public prosecutor's office in a response letter dated March 30, 1944.**

The commission assessed 420,000 lira in taxes against Gad Franko. Before he could even sell his inn, our 63-year-old colleague was sent **to Aşkale to break rocks for road construction. From** there, he sent a message to the Prime Minister, who was a student **of his, through journalist Feridun Kandemir, saying, "Tell Saraçoğlu that the state can demand everything from its citizens, even their lives, but it has no right to demand something it doesn't have." He was released 20 days later.**

After his release, he criticized the VVK and called this law "Kurun-i Vustai" (Medieval Law) and criticized the moral personality of the government, **because he was prosecuted by the public prosecutor's office,**

Although a complaint was made to the Bar Association 11 times, starting from 14.05.1943, in order to take action against him, the then President of the Bar Association, Mekki Hikmet Gelebeğ, did not take any action and after the law was repealed, the decision that "there was no need to open a disciplinary investigation against the lawyer Gad Franko" was notified to the complainant public prosecutor's office with a response letter dated 30 March 1944.

Since all his assets were sold, Franko returned to his profession in a rented inn room and, according to his son, lawyer Emil Franko, he died resentful of the Republic.

Another lawyer sent to Aşkale was Şekip Adut, who was assessed a tax of 375,000 lira. Adut protested the tax and paid only 4,000 lira. Şekip Adut's household goods at the Taksim Palace were put up for sale, and he was sent to Aşkale with the first convoy.

According to Faik Ökte's memoirs, İbrahim Ali, a Muslim lawyer who quickly concluded lawsuits against the treasury at the Council of State, was initially assessed a tax of 100,000 lira. Following objections to the commission, this amount was increased to 200,000 lira, and ultimately, 300,000 lira was assessed. According to Ökte, lawyer İbrahim Ali was punished for winning a lawsuit against the state. This incident alone demonstrates the arbitrary and excessive application of the tax.

By the time the deadline expired, only around 20,000 of the 61,673 taxpayers in Istanbul had paid their debts, while over 40,000 were still unable to make payments. This number was 600 in Ankara and 1,700 in Izmir. That same day, Prime Minister Saraçoğlu had made the following speech: "This law will be enforced with all its severity against those who, despite having benefited from the hospitality shown to this country, will shirk their duties at this critical moment." The Prime Minister kept his promise and sent his citizens, whom he considered "guests," to Aşkale to break stones. There wasn't a single Muslim on the trains heading to the Aşkale concentration camp, which was inspired by the concentration camps in Europe occupied by Nazi Germany at the time. Therefore, minorities believed these trains were heading to the death camps they had heard rumors about at the time. Indeed, the government's aim was to accelerate collection by creating this suspicion.

Since it was now clear that Germany was losing the war, the government, which had followed a pragmatic and pro-win policy until then, predicted that similar practices would never be accepted in the new post-war world order, and thus passed the "Law on the Cancellation of the Wealth Tax Remainder", numbered 4530 and dated 15 March 1944, from the Turkish Grand National Assembly, thus abolishing the VVK and deleting uncollected taxes.

The VVK has gone down in history as a racist law that completely disregarded fundamental legal principles, something even those who drafted and implemented it failed to embrace and defend. Faik Ökte, the Istanbul Treasurer at the time and author of "The Wealth Tax Disaster," wrote in his memoirs about the injustice of the practices, saying, "We were so fed up." Similarly, Ferit Melen, a former prime minister and General Director of Indirect Taxes and Finance Inspector at the Ministry of Finance at the time, stated that he was "horrified" when he saw the draft law. Ahmet Faik Barutçu also



An Armenian family forced to sell all their assets due to the wealth tax.

Between February and September 1943, 1,869 people, all non-Muslims, were gathered in Istanbul and brought to the concentration centers in Kadıköy Public Education Center (next to the criminal courthouse) and Sirkeci Demirkapı, and 1,229 people who could not pay their debts were sent to Aşkale.

In his book, which compiled his memoirs, he stated that, while the VVK draft was being discussed in the Parliamentary Commission, "None of the articles of the law were compatible with legal principles." Hilmi Uran, a prominent CHP member of parliament at the time and serving as an MP in parliament, self-criticized in his memoirs by saying, "Because the implementation of the law took place before all our eyes at that time, the responsibility belongs entirely to the People's Party, and if there is any, the blame belongs to all of us."

The VVK (Vow) represents the largest single capital transfer from non-Muslims to Muslims in these lands, a process that began with deportations. The 1915 deportation; the Thrace Incidents of 1934, when Jews were forced to abandon their homes and businesses; the VVK implemented in 1942; the events of September 6-7, and the 1964 deportation of Greeks living in Türkiye with Greek passports and the blocking of their real estate (the abandoned buildings seen in Beyoğlu belong to them) and money by the "1964 Decree"—these are the chronological order of this transfer. But none of these capital transfers were carried out with such a trampling on the law as the VVK. The VVK is a page in our recent history that we must confront.

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