

SOCIAL CLASS AND SOCIAL DEVELOPMENT  
The Case Of Egypt And Turkey

by

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## INTRODUCTION

The thrust of this thesis is to examine major postulates of the theories of development and underdevelopment to study the linkage between development and social class in the Middle East. We will examine specific hypotheses based on these theories. The accuracy of the stated hypotheses in the thesis will be examined in the analysis of the history of development of two Middle Eastern societies: Egypt and Turkey.

Focusing on Egypt and Turkey in detail, a substantial part of the analysis is devoted to: 1) examine the diffusionist mode of conceptualization, 2) provide a critical appraisal of the Metropoles-satellite formulation of A.G. Frank and, 3) consider a viable alternative model for a historical and comparative approach to study the process of development and underdevelopment.

Chapter One will present a critique of major current perspectives on development and social class. Based on a theoretical perspective and an outline for an alternative approach to the problem, Chapter Two and Three will provide an historical overview and an analysis of the socio-economic situation of the case of Egypt.

Chapter Four and Five will focus on the specific situation of the case of Turkey. The final Chapter Six, will conclude the thesis with a summary of the analysis and the implications of the conclusions for further research in the area of sociology of development.

## CHAPTER I

### Perspectives on Development and Social Class:

The field of sociology of development is a relatively new inquiry in the social sciences. An enormous amount of literature and important studies have focused on the developmental concerns since the post-war period. A number of empirical studies have formulated theoretical frameworks for the understanding of social, economic and political development in various parts of Asia (including the Middle East), Africa, and Latin America.

The primary reason for this upsurge is perceived to have stemmed from the dissolution of formal colonial empires and the rise of nominally independent countries of what is now called the Third World. Intensive developmental research has recently triggered great interest and quickly produced an abundant amount of literature (Balandier, 1970:60-70). It has inspired a whole generation of Western social scientists who have devoted themselves to explain developmental issues of what has been commonly called an "interdisciplinary science of development" (Brookfield, 1972:1).

Despite the research and studies carried out during the past decades, great difficulties still persist. The widening gap between the developed and underdeveloped countries who represent the great majority of societies and possess the largest population, has become en-



larged over time. The challenge thus requires a new form of knowledge, owing to the diversity of these societies, degree of transformation and complexity of the problems related to development and underdevelopment.

There are numerous sociological theories of development available. In non-Marxist sociological literature they are often referred to as "theories of modernization" as distinct from Marxist "theories of development". Against obvious terminological distinction these theories merely reflect on the pattern of "development" in the now generally known ex-colonial and semi-colonial, dependent countries by attributing to them the euphemistic or polite term "developing" or "Third World". The consequences of theoretical and policy implications, not only refuse to acknowledge these countries' developmental concerns but also exempt the now developed countries of Western Europe and North America from the need to development.

But the difficulty persists mainly because the current sociological approaches to development are based on a limited experience- that of the Western societies- and in relation to the assumptions and implications of the particularly privileged situation of the industrialized countries originating in Europe.<sup>1</sup> Under these circumstances, concepts, theories, particular mode of conceptualization and research techniques have frequently proved unsuitable to the developmental situation of the Third World countries (Balandier, 1972:70). Consequently, the sociology of development is currently being produced by the Western industrial countries, for use in the undeveloped countries. This type of sociology of development is called in question, as unsuitable and ineffective for empirical and political reasons (Frank, 1967:20). It is precisely on these

grounds that the general validity of the sociological studies have been recently challenged and it has caused the reversal of the mode of conceptualization and the rejection of limited interpretations concerned with development.

By numerous sociological theories of development, the distinction of the terminological differences imply "economic growth" as expressing continuous and qualitative changes, in the now developed countries.<sup>2</sup> That is, in the developed societies, growth is development and it has an integrating effect. But in the undeveloped regions, growth is not development and its effects are to disarticulate these societies in the social, economic and political sense.<sup>3</sup> Advocates of the former theories postulate a certain degree of "economic growth" as a precondition for the transition to "self-sustained" or optimum economic growth. Central to the latter persuasion is the notion that economic development does not occur through the same succession of stages in each country or the entire undeveloped region which have long been passed by the now developed countries. They argue, that today's developed countries were never underdeveloped in the same way. They view the underdevelopment of the Third World countries as historical process and based on their integration into the world market to produce raw materials to meet the industrial needs of the now developed countries. Specifically, economic growth in the underdeveloped countries means the development of underdevelopment.

This thesis will examine the assumptions and implications of a particular mode of conceptualization, the diffusionist model, which draws heavily on the notion of modernization and has provided the prevailing characteristics, empirical, theoretical and policy formulation of the sociology of development. This review will be contrasted with the above-mentioned prevailing theory known as the development model. The review

of the development model will follow the analysis and critique of the main postulates of this model to consider the formulation of an alternative approach that will be applied on the Middle Eastern societies under study.

In the diffusionist model it is made explicit that modernization is a total social process associated with economic development in terms of pre-conditions and this process constitutes a "universal pattern" (Berstein, 1971:141). Lerner(1958:47), for instance, refers to modernization as the social process of which development is the economic component. Both Lerner and Huntington(1963:32-39) refer to urbanization, industrialization, secularization, democratization, education and media participation as interrelated process all reflecting modernization. With added emphasis Blanksten(1963:184) refers to this as "the process by which people on a lower standard of living become acquainted with the benefits of a higher standard, and in consequence of this 'demonstration effect' come to desire or demand the goods of the higher level." De Sola Pool(1966:106) refer to the "sectors of the world not yet modernized(which) have an image of the modernized portion of the world", and states that the "mass media disseminates awareness of aspects of life that are not part of the personal experience of the reader or listener or viewer himself... The medial create knowledge of desirable things faster than things themselves can be produced....they prepare men's minds for new desires more rapidly than those new desires can be satisfied..."( Lerner (1963:333) furthermore states that"the spread of frustrations in the areas developing less rapidly their people which can be seen as an outcome of a deep imbalance between achievement and aspiration." Deutsch(1961: 493-

514), Lipset (1963:70) and Apter (1967-9) stress the structural aspects, social mobilization and cultural assimilation as being critical in the transformation of an underdeveloped society to a modern nation.

The conceptual generality of the diffusionist theory suggests the replacement of old social, economic, and political institutions. These factors are explained as having a limited span and incorporating archaic constraints to the formation of new institutions which facilitate optimal allocation of resources and the development of modern technology. The diffusionist theory heavily relies on the concept of what Brookfield (1972:2) calls "spatial diffusion" or the spatial patterning of change in developing countries. The diffusionists combine the concepts of temporal progress (modernization over time) and "spatial diffusion", which are viewed to be complementary and functionally related, in that temporal progress is seen as a function of one way of the "spatial diffusion" of "modernizing forces" from the center or metropolis to the periphery or hinterland. From this perspective modernization is essentially a one way process of transformation from the traditional to modern or from an underdeveloped to developed (the process of moving away from underdevelopment)---the concern being how the typical characteristics of "development" are supposedly diffused from the developed countries to the underdeveloped ones. The diffusionists argue that one part of the world, Western Europe and North America, diffuses and helps the other part, Asia (the Middle East), Africa, and Latin America, to develop. Explicit in this view is the conception of the national metropolis of these three underdeveloped continents that have already received the benefits of this diffusion, in turn, help develop their own hinterland (backward areas).

As far as the scientific validity of the diffusionist approach is concerned, it is sufficiently criticized by the Marxists, especially A.G. Frank (1967), R. Stavenhagen (1969), T. Szentes (1971) and S. Amin (1974). In contrast to the diffusionists, the Marxist critics view that the promotion of diffusion from the developed sectors and the persistence of underdevelopment as obstacle to this diffusion has the reverse effects. That is, the developed sectors, either foreign or indigenous, structurally block the development of the traditional sectors of the entire undeveloped region. Frank and Stavenhagen by examining capital investment, technology and institutions, the primary factors of development in the diffusionist approach, demonstrate that the human and material resources have diffused backwards: from the underdeveloped countries to the developed metropolis; causing decapitalization, unequal exchange and migration of workers in the impoverished underdeveloped areas (Stavenhagen, 1969:102-117; Frank, 1967:315-318, 46-47).

Based on available empirical evidence, these critics propose that intercourse between the developed and underdeveloped areas leads to integration of the latter into an unequal exchange which determines and promotes the growth and expansion of the developed areas, leaving the underdeveloped areas relatively if not absolutely worse off. Frank and Stavenhagen view socio-economic development not, as mere increases in productivity as diffusionists do, but as a conflict between forces that maintain the unequal exchange relations and those that radically change these terms. This conflict does not arise, they argue, from the unbalance relations between the leading diffused manufactured goods and lagging traditional blocks to development, but is inherent in capitalist

contradictions and deliberate policy of promoting the development of underdevelopment.

In contrast to diffusionists who see the political, economic, and social integration of backward areas with developed areas as favorable to development, Frank views the internal structures of the underdeveloped societies as corresponding to the external socio-economic forces which are imposed and have created their own specific interest zones within these countries. Such unbalanced relationship never serves the interests of the impoverished areas. The economic surplus of the undeveloped countries is expropriated and appropriated by the metropolises-satellite mechanisms eventually channelled to the world metropolises centers. This process of expropriation or decapitalization has been amply documented by Baran, Sweezy and Frank.

A.G. Frank's theoretical formulation of metropolises-satellite model consists of the following postulates:

1) it is false to suppose that development would occur through the imitation of the same succession of stages historically experienced by the West in the undeveloped countries. The now developed countries were never underdeveloped in the same way though they may have been underdeveloped.

2) it is erroneous to view underdevelopment as a mere reflection of the economic, political and social structures of the underdeveloped country itself. In large measures, underdevelopment is a discrete historical phenomena created by the historical relations between the underdeveloped satellite and the now developed Western capitalist

countries. These relations were maintained on a world scale- the consequences were that the metropolises destroyed and transferred the existing viable social and economic systems of these societies and incorporated them and converted them into the metropolises and sources of its own capital accumulation and development and resulting in the underdevelopment of the newly transferred societies.

3) the dualist perspective which views underdeveloped societies as having a dual structure-each with its own dynamics-one sector being more developed than the other and another confined to isolated and feudalistic- is challenged as incorrect because capitalism has completely penetrated even the most isolated parts of the undeveloped world.

4) the mechanism of metropolises-satellite relations are not confined to the inter-national level; they penetrate and integrate the economic, political and social life in the satellite countries, creating national metropolises to which the interior regions become satellite. This same metropolises-satellite relations extend deeper and characterize all level and parts of the capitalist system. The contradiction of capitalism are recreated within these countries and generate tendencies towards development in the national metropolises and toward underdevelopment in the subordinated satellites.

Based on the above postulates, Frank formulated the following major hypothesis:

1) the degree to which the satellites remain underdeveloped is limited to their subordinate status and lack of access to their own surplus; 2) a weaker or lesser degree of metropolises-satellite relations

may generate less deep structural underdevelopment and allow for the development of the subordinate satellites. The satellites have experienced their greatest economic development, including industrial growth, only when their links with the metropolises were weakened. But these upsurges of development were stopped when the metropolitan centers recovered economically; 3) the satellite regions most underdeveloped now were in the past most systematically linked to the metropolitan centers; 4) the big landowners (the latifundia) were originally typical capitalist commercial enterprises, responding to growing demand in the national and international markets, expanded their accumulation of capital, land and labor in order to increase their supply of commodities; 5) these landlords are not isolated, were not so in the past, but were in control of sectors of the economy which underwent changes due to drop in demand for their products.

Frank maintains that Latin America has been under capitalism since the European colonization and expansion of mercantile capitalism. Remote and isolated regions of Latin America has been integrated to the general process of commodity exchange and this change has structurally linked Latin America to the world's metropolitan centers. According to Frank, it is erroneous to refer to Latin America as feudalistic or a closed universe where a subsistence economy predominates. Thus for historical and empirical reasons the socio-economic policies based on metropolises-satellite relations aim at eliminating the possibilities of the development of the capitalist system and they are determined to increase the development of underdevelopment in Latin America.



Alternative Approach:

The diffusionist approach fails to reflect the historical experience of the colonial period in undeveloped countries and keeps us uninformed about the class structure of these countries. For the purpose of this thesis, we find not much use for the application of the diffusionist approach beyond its ability to point out the characteristics of the process of underdevelopment and the existence of the developmental concerns.

In the analysis of the situation of the Middle Eastern societies under study, we will apply A.G. Frank's metropolises-satellite model in a modified version. Although Frank's framework demonstrates the contradictions in capitalist development and the exploitation of the satellite nations by the metropolises centers, it is not satisfactory in its application in entirety:

- 1) there are fundamental structural differences between the historical patterns of the colonial period and the character of contradictions in the development of capitalism in the region.

- 2) the class phenomena, which is central in explaining patterns of development, receives less emphasis in Frank's work than the treatment of the appropriation of Latin America's national resources by the international metropolises.

The main emphasis in Frank's historical analysis has been to demonstrate continuity in the penetration of capitalism in Latin America and to establish that the metropolises-satellite relations created are the sources of underdevelopment and that capitalism cannot guarantee development. For Frank the history of Latin America since the 16th century is essentially one of intensification or temporarily decline of

these relations. For him the extraction of surplus from the satellite to metropolises is continuous and more important than changes occurring in the relations of production whether of agricultural or industrial interests (Phillips, 1977:12). According to Frank development in one part of the world is based on, and must guarantee underdevelopment in another- and with the same token class structure in the satellite countries has been the colonial capitalist structure imposed and passed from one colonial power to another: "If the ruling groups of the satellite countries have now and then found it in their interest to undertake a relatively greater degree of autonomous industrialization and development,...it was not because the essential structure of the world capitalist system had changed but only because the degree of their satellite dependence on the world metropolises had temporarily declined due to the uneven and war-torn historical development of the world capitalist system." (Frank, 1967:28). Frank in the metropolises-satellite relations stresses the continuity of exploitation and rejects the persistence of pre-capitalist or feudalistic-structures to account for underdevelopment. At the same time, Frank's framework, beyond recognizing the acceptance of dependency by the dominant classes in the satellite countries, does not account for any transformation in these societies. Although the metropolises satellite model recognizes the determinant role of a precise nationality of the foreign capitalist development-trade and commerce, for example- and changes in the form of dependency, the entire analysis remains schematic, quite static in character and overlooks the importance of the transformation of the internal structure in favor of satellization of the undeveloped society.

In the application of the metropolises-satellite model formulated by Frank, we are incorporating two additional concepts: the colonial situation and the class structure. As we pointed out earlier both of these aspects of the theory of development and underdevelopment had received less stress in Frank's formulation. The theoretical framework proposed by Frank is characterized by the concept of the accumulation of capital. Through the metropolises-satellite schema Frank has asserted one of his major hypothesis. He has shown the total integration of the undeveloped societies into the process of capitalist expansion and shows how the capitalist countries have exploited the satellite nations--- the process of the development of underdevelopment. By showing the degree of integration, Frank has rejected the notion of independent pre-capitalist economies and societies because of their integration into the determinant capitalist world---through the historical fact of the colonial rule. One of Frank's main assumption is that capitalist world economy will always take the form of a series of metropolises-satellite relationships---and the individual countries will move from one category to the other in varying degrees of strengths and weaknesses in this relationship.

For the purpose of this thesis, we will work with Frank's central hypothesis from a somewhat different direction---to analyse a single process of transformation in each one of the countries under study which is at once a process of development and a process of underdevelopment. This will urge us to redefine the major concepts used in Frank's formulation and question the postulates in relation with the specific socio-economic and historical circumstances of another region in the Third World.

We will argue that the fact that the individual countries

move from one category to another in the metropolises-satellite relationships is not so much because of these relationships but in that conjuncture the satellite society goes through a process of transformation. This transformation is determined by the internal class structures of the satellites (and the metropolises as the successful development of capitalism in Western Europe was determined by a class system) and in turn reflects on the basis of the relations of production- and its subsequent analysis- that may adequately explain the problematic notion of underdevelopment as the basis of capitalist development and not its result only.

#### 1. The Colonial Situation

Central to the historical analysis of development is the colonial situation of the now undeveloped societies. The impacts of the initial period between the developed and undeveloped societies- a point of departure for both the diffusionist and Marxist theories of development- includes the colonial social structure, the socio-economic, political and cultural organizations and involve a pattern that historically shows how these societies were colonized and responded to the colonial order. A historical realization of the colonial situation further reveals the social and political responses of the colonized societies and how they came to terms with, resisted, escaped and the type of conflict that emerged as a result of the new situation. The colonial situation in its profound socio-economic impacts involved cultural dislocation and disorganization- through designated industrial projects and political subjugation- paved the way

for the colonial order to set external limits to the social and political actions of the colonized societies. This arrangement imposed a social structure which would inhibit the growth of the colonized own vision and understanding of historical facts and therefore makes it imperative to use the colonial situation as the ultimate frame of reference in the historical analysis of development and underdevelopment (Magubane, 1971: 419-420).

Whatever the impacts, the degree of socio-economic, political and cultural aggravation of the colonized society- in each region and country- the colonial situation was a complete hegemonic system which, when stripped of all rationalizations, it was simply domination of one group over another. This relationship was structured in such a way to include extra-economic considerations and coercive political measures of the colonial order and the loss of the colonized value system, cultural degradation and dislocation in their social structure reinforced by external forces of industrial and political subjugation. In this sense the most important impact of the colonial situation in the process of development and underdevelopment remains to be a dependent structure that deepens and aggravates the social structure of the undeveloped societies.

In Frank's model, the colonial situation is incorporated as the integration of the colonized societies in the metropolises-satellite relations which links underdevelopment to their subordinate status as satellites and their lack of access to their own resources. Further, the European colonization and expansion of mer-

ropoles-satellite relations that led to deep structural underdevelopment in the colonized societies and have integrated these regions to the world capitalist system for the process of commodity exchange and the economic benefits of the metropolises. And finally, according to Frank, that a weaker or stronger degree of metropolises-satellite relations may show momentary economic recovery or severe underdevelopment in the satellite countries. The historical data presented by Frank, confirms that the metropolises-satellite relations have strongly changed to the detriment of, and largely at the expense of, the now underdeveloped countries. The terms of this relationship has been exploitative both when the terms of trade improved and when they declined again. During the colonial era of the 19th century, for example, Britain's terms of trade declined during the first part of the period, her exports increased more rapidly than her imports in order to pay for the latter. This points out to the fact, according to Frank, that the exchange was unequal- even at the lowest terms of trade for Britain, her real gain and the now undeveloped countries' real loss from international trade during these years was correspondingly greater:

Britain's terms of trade declined and her exports increased during the first part of the period when Britain was conquering overseas markets for her industrial, especially cotton textile, exports through low prices and was destroying manufactures and even industry in Latin America, Africa and Asia....(Frank, 1976: 173).

Frank's data indicates, the effects of the colonial era as having deep impacts- and over time- the hold of the international metropolises became finer and replaced free trade and the undeveloped countries were exploited through the declining terms of trade and therefore unable to challenge in the presence of two factors: 1) increasing dependency of the metropolises on raw materials, 2) and the colonized countries, in turn,

began themselves to produce industrial products. In the first instance, the international division of labor contributed that unequal term of trade, and in the second, "industrial growth accelerated in most 'Third World' countries precisely when, during the depression, their terms of trade deteriorated most seriously and when, during the war, favorable terms of trade were not immediately significant because the imports use of foreign exchange so earned was blocked by that war" (Frank, 1976:174).

The metropolises-satellite relationship assumes a structural dependency that reflects the formal or informal control over local economic resources in a manner advantageous to the metropolitan power, and at the expense of the local economy (O'Connor, 1970:118). This relationship also suggests the many forms and mechanisms used by the colonial order and the capitalist development inherent in that dependent structure. Precisely structural dependency assumes a situation when the socio-economic structure of a country is conditioned and subjugated by the development and expansion of another socio-economic system. This relationship assumes a form of dependency when the dominant countries can expand and can be self-sustaining, while the dependent ones can do this only as a reflection of that expansion. This can of course have either a positive or negative impact on their immediate socio-economic development (Dos Santos, 1970:231).

In Frank's formulation this development is explained in the metropolises-satellite linkage which is responsible for the production of raw materials for export aimed at the transfer of local accumulation of capital. But the main question is still why the rapid expansion of

raw materials production did not, historically, permit or generate a take-off into self-sustaining domestic production of the more backward linked producers or forward linked processed goods in Asia, Africa and Latin America- but did so only in the metropolises. That is, this development created the increased industrialization in the metropolises and de-industrialization in the satellites. External dependence is at once the origin and the result of this complex situation. In a more informative manner, Samir Amin has found out more false continuity in the complex development process and emphasizes changes in the relationships between developed and undeveloped countries. According to Amin, the recent historical changes have witnessed a sharp decline in capital accumulation in the peripheries. In the past, the world capitalist system was able to resolve its inherent crisis, and sustain itself by providing markets with excessive consumer goods. At the present period this imbalance is resolved through a more co-ordinated efforts within the Western capitalist markets and capitalist development no longer relies on the spatial expansion of further market penetration of the peripheries. Some 80 per cent of the trade of the developed countries consists of exchanges among the developed countries themselves and the remaining 20 per cent with the undeveloped countries, while the exchanges among the undeveloped countries barely consist of 20 per cent (Amin, 1974:17). In other words, whether taken individually or jointly, these areas are simply the peripheries; although they have a 'new' role in the international division of labor. This assertion is made on the counts of capital accumulation on a world scale which takes place to the advantage of the developed countries-the center-and supplied by the undeveloped countries- the peripheries (Amin, 1974:3-4).