The Undebted

An Analysis of the Exclusion of Syrian Refugees from Debt in Turkey

Can Cinar

Durham University

In the first week of July 2022, I arranged my first interview in Esenler, Istanbul, with two Syrian refugees: Alam and Abbas. I met with my interviewees at a Syrian restaurant.[1] I knew Alam, who worked as an Arabic–English–Turkish translator, through a mutual friend. We ordered tea and *ka'ak*: sesame seed sprinkled bread made of farina served with a date and walnut filled, buttery Syrian cheese. Abbas was not fluent in Turkish, which meant that Alam was both answering and translating my questions. Just when I started to explain my project about debt, Alam stopped me to ask what I meant by 'debt'.

> Do you mean *dayn* as in 'liability', because of a settlement being deferred to the future? *Qard* as in money or an item being borrowed? Or *qard al-Hasan* (benevolent lending) as in 'gratuitous money' lent without interest? Debt can be a part of *muamalat* (human relations), or *duyun albunuk altijaria* (commercial bank debt).You should specify it.

This initial indication of the complexity of the concept of debt foreshadowed the difficulties I inevitably encountered during my fieldwork. We continued our conversation about daily life, discussing the hardships faced by Syrian refugees in Turkey and their working conditions. Knowing that Abbas was a devout Muslim, I asked him whether he would consider borrowing money from a bank, as interest is forbidden in Islam. He answered: '*Riba* (growth/interest/usury in Arabic) is usury. But if a debt is not given for predatory purposes, interest is allowed in Islam. The prophet himself said that "every charity is rewarded ten-fold, every loan rewarded eighteen-fold in paradise!"' Subsequent interviews also revealed that religious-minded refugees, especially the younger generation, do not necessarily avoid debt with interest.

The above citation by Alam highlights that debt is a multi-layered concept that encompasses a wide range of experiences. The term itself attempts to capture several conflicting notions. It simultaneously means credit and liability; obligation and opportunity; sin and virtue. This article examines the informal debt networks utilised by Syrian refugees, thereby distinguishing between debt owed *within* a community and debt owed *by* a community. Based on in-depth interviews and the analysis of data gathered from a survey which was conducted with Syrian refugees in Turkey between July 2022 and November 2022 in the cities of Istanbul and Bursa, this study seeks to empirically trace the development of innovative social networks and unique informal institutions created by refugees in order to fill the gap caused by financial and other forms of institutional exclusion. It is *de facto* impossible for refugees to access credit from a formal institution in Turkey. The informality of their citizenship status and the fact that they often rely on unregulated work prevents them from obtaining the necessary documents, while banks are also wary of taking on refugees as clients. I posit that the term 'undebted' best captures the peculiar situation of refugees in Turkey which is characterised by both institutional precarity and social innovation.

The term 'undebted' does not imply the complete absence of debt relations among individuals within a social group. Instead, the signifier 'undebted' indicates a community that is barred from external and institutionalised sources of credit. Lacking access to formal credit institutions leads to instances of precarity that cannot be resolved by a recourse to traditional and informal arrangements of lending. This results in the emergence of novel networks of debt. Therefore, as I will illustrate, the 'undebted' still owe but without any increase in the overall amount of debt/credit within the quasi-isolated financial system that refugees operate in. Despite the refugees' mobility, borrowing by refugees within their networks still constitutes a closed, zero-sum-game as it does not increase the total level of debt owed by refugees. The *monetary base* of refugees, that is the sum of their cash and bank reserves, always equals the total amount of money in circulation, that is the *money supply,* within the community. Informal lending does not involve the creation of new money. When someone borrows money informally, they are essentially taking money that already exists. The lender is not creating new money out of thin air, but rather lending money they already have. Formal credit institutions, on the other hand, hold the power to expand the money supply beyond the monetary base by creating deposits. This process of money creation does not rely on borrowing the life savings of a person. Instead, the injection of liquidity happens instantly when banks extend loans. However, as is the case for Syrian refugees in Turkey, when the relationship between the monetary base and money supply is kept static, it significantly limits economic activity. As I will demonstrate, this puts considerable restraint on social relations as well.

The link between the effects of financial exclusion and indebtedness is not entirely intuitive. On the one hand, being indebted means being in a relationship of subjugation vis-à-vis a creditor. The oppressive force of indebtedness can subdue and humiliate individuals and sovereign nations alike in the modern economy. The impact of the intensification of this unequal relationship on social relations through financialisation, whereby vast amounts of wealth are transferred through interest paid to creditors/capital-owners, has attracted the attention of several critical social researchers (Graeber 2012; Soederberg 2014). Already in the mid-1970s, Ardant (1976: 442) argued that 'credit is one of the most effective instruments of exploitation man has managed to create, since certain people, by producing credit, are able to appropriate labour and wealth of others'. The absence of debt jubilees, which used to happen periodically throughout history, and the introduction of securitisation, which transforms debt into tradable assets, means that the creditor-debtor relationship has become a centrepiece of daily life.[2] Today, almost everyone is indebted; workers, retirees, the unemployed, and owners of capital alike. Global debt levels have long outstripped global GDP (Gross Domestic Product) and household debt now exceeds disposable income in both industrialised and developing countries (Campbell and Hercowitz 2006).[3] This has shifted critical social researchers' understanding of debt as an indissoluble social bond, informed by the work of Marcel Mauss (1950), to debt being a destructive force that eats up real wealth. As Peebles (2010) notes: 'a near universal crystallizes out from ethnographic reports, in which local populations describe credit as power and debt as weakness'.

On the other hand, mainstream economists have consistently perceived debt akin to the grease of the economic machine, as it facilitates and ensures the smooth working of the engine of production and consumption (see for instance Holmstrom 2015).[4] For Marx (1997), debt is an indispensable form of social capital. Debt allows private households to finance and increase their economic activities without forgoing necessities. Businesses also require large investments that can only be provided by institutions that pool together resources. For nations, borrowing speeds up the convergence of per capita income according to certain models of growth (see Barro et al. 1995). Notably, the Nobel Prize for economics in 2022 was awarded to Ben Bernanke, Douglas Diamond, and Philip Dybvig for their work on the key role of banks and lending institutions in recovering from crises. For both households and states, borrowing indicates creditworthiness. Only the trustworthy and reliable have access to loans.

Debt is thus Janus-faced: it implies subjugation to creditors, as well as access to resources that enable private household consumption and investments in material and human capital for businesses. Certain forms of debt can be enabling and mutually beneficial, as my first interviewee implied. In what follows, the article first provides a broad overview of the conditions experienced by Syrian refugees in Turkey, before examining the social and entrepreneurial networks developed by displaced Syrians over the last decade. In the concluding section, I will explain why the source of debt is crucial in comprehending its effects and influence. This paper aims to show that innovative yet closed networks are indispensable in the context of current precarity, but insufficient in ensuring the ability of the Syrian refugee community to enjoy economic prosperity in the future.

Syrian refugees in Turkey: Unwelcome 'guests'

The beginning of the so-called Arab Spring in 2011 and the ensuing civil war in Syria prompted one of the largest waves of forced migration in history. Over 6.8 million Syrians were forcibly displaced during the conflict. For the vast majority of Syrian refugees, Turkey functioned as a transitory destination. Most migrants do not choose their terminus based on the asylum system or financial support available in a potential host country (Moorthy and Brathwaite 2016). Instead, factors like the accessibility of the labour market (Hatton 2009), familiarity with the language (Neumayer 2004), and the reputation of the host country as developed and safe are often the leading influences. Given Turkey's high unemployment rate of over eight percent throughout the 2010s (World Bank), the well-known difficulty of learning Turkish, a Latin-script language, and the country's ongoing struggles with domestic and international conflicts, the majority of forcibly displaced Syrians did not perceive Turkey as a permanent refuge. Nor did the Turkish government consider Syrians as permanent citizens.

Syrians living in Turkey are not recognised as refugees but as 'guests' with 'temporary protection status' (Simsek 2018). Despite being a signatory to the 1951 Geneva Convention, only European migrants are granted refugee status in Turkey. Due to this arbitrary geographical limitation to the Geneva Convention, state assistance and the provisioning of fundamental human rights became a 'gift' to Syrian refugees, instead of a right. The two key results of this policy have been the impoverishment of large numbers of Syrian refugees and the widespread informalisation of their labour (İçduygu 2016).

The informal sector is virtually the only platform of employment for Syrian refugees in Turkey. According to the ILO, out of two million working-age Syrians, 97 per cent is employed informally (ILO2017). Although Syrians can apply for a work permit, the application process is arduous, and the granting of permits is rare. Refugees cannot start a business without a work permit either. The available informal jobs are unregulated and often pay less than the minimum wage. In addition, these jobs can be dangerous, precarious, and often resort to child labour. Most Syrian workers are employed in the garment and textile, construction, and manufacturing sectors.[5] The informality of their labour, coupled with the uncertainty of their citizenship status, leads to the rampant exploitation of the Syrian workforce. For example, there were numerous reported cases of Syrians being paid very late, or not being paid at all for their work.[6]

Financial assistance is mainly offered in the form of aid by different organizations and government bodies. Via a written petition, a refugee can ask for a small amount of cash assistance, clothing and coal aid, shelter, health care, and other everyday needs. Sub-national municipalities also offer socio-economic support and care assistance. The largest support system is the Emergency Social Safety Net programme, mainly funded by the European Union (EU), which is also its largest humanitarian cash programme. Refugees are given a debit card that is charged with 230 Turkish liras (12.32 US dollars) per family member each month. As a condition to this financial support from the EU, the Turkish government agreed that migrants that reached EU soil would be returned to Turkey (Lehner 2019).

With the European Union blocking migratory routes, Turkish citizens came to realize that Syrian 'guests' were bound to stay for the long term. This triggered widespread racist rhetoric against refugees. As of 2022, 78 change.org campaigns, demanding Syrians to be deported from the country, collected close to 1.5 million signatures. According to a survey conducted by the International Migration Organisation, almost half of the respondents in Turkey believed that Syrians are a 'less talented race'.[7] Syrians regularly experience overt racism when applying for housing, jobs, credit from financial institutions, and so on.

Since 2011, Turkey's economy went through radical changes. The first decade of 2000s was marked by relative economic success. Inflation was slowly tamed and remained mostly within single digits while the economy grew consistently between 2002 and 2008. In the same period, household debt to gross domestic product (GDP) ratio steadily climbed from 1.8 per cent to twelve per cent (World Bank). This exponential increase kept consumption growth moving and generated large amounts in tax revenues. However, the Global Financial Crisis of 2008 triggered a spike in unemployment and dampened both GDP growth rates and household debt. Despite an initial slower increase in household debt until 2013, by the end of 2022 household debt to GDP levels fell below thirteen per cent, i.e., below 2010 levels. In the same period, the country entered a long-running devaluation spiral whereby the Turkish lira steadily lost value. This inflationary period made importing goods, fuel, and technology more expensive. Decreased access to credit, due to reduced financial deepening, removed the necessary levels of debt to sustain consumption expenditure which also contributed to economic growth slowing down after 2013. The GDP in Turkey was worth 957 billion US dollars in 2013, and it gradually declined to 719 billion US dollars by 2020 (World Bank).

One group that was held responsible for this economic downturn by many Turkish citizens were the 4 million refugees and asylum seekers now living in the country. They were accused of 'stealing jobs' and increasing unemployment by supplying low-cost labour (Terry 2021). A new far-right party (the Zafer Partisi, Victory Party) was founded in 2015 with the sole promise of 'getting rid of the Syrians' and is currently polling at 7.4 per cent (Esen

2022). This ecosystem built upon informality and racism ensured the rapid precarisation of the Syrian labour force, creating a new reserve army of labour.

Syrian refugees are also unable to invest in their own communities. While Syrian refugees have digital identities, bank accounts, and mobile phones that are under strict surveillance by local and national authorities, they are excluded from formally accessing credit through banks and other lenders. This effectively cuts them off from resources that are required for entrepreneurial activities and setting up businesses to cater to the needs of their communities.

According to the data I compiled from the Union of Chambers and Commodity Exchanges of Turkey (TOBB), 253 corporations and 12057 limited companies were set up with Syrian financial capital between January 2013 and November 2022.[8] According to ILO estimations in 2017, the total value of Syrian capital in these companies is just over 1 billion dollars.[9] Considering the deepening financial crisis and soaring liquidations over the last three years, which becomes clear from the data I compiled from TOBB, we can assume that this value has not increased. This is just a fraction of all newly established capital in Turkey, despite the fact that the Syrian community comprises 4.4 per cent of the country's population. This indicates a substantial lack of capital. Without access to external funding to feed the growing needs of businesses and the community, Syrian enterprises struggle to purchase necessary resources and equipment, hire employees, compete in the marketplace, or even sustain their businesses. Based on wide survey data, on average Syrian small and medium-sized businesses need 300,000 US dollars of capital within a year, with 73 per cent reporting that they are not bidding on procurement opportunities (ibid). Syrian businesses are thus starved of capital, and the need for capital far exceeds their personal savings.

Due to limited financial capital and the absence of access to formal institutions that offer debt, Syrian businesses are unable to grow in accordance with the needs of their communities. This creates a vicious cycle: the uneven and disturbed flow of credit prevents the establishment and expansion of businesses, which in turn renders a growing number of refugees heavily reliant on cash-based assistance. As of 2022, 3 million refugees have applied to the Emergency Social Safety Net programme as to cover their basic needs.[10]

Despite these challenges, Syrian communities are attempting to overcome formal obstacles by resorting to novel networks of borrowing and lending among themselves. Refugees pool their resources together via community events, utilise complex financial instruments, and establish various networks of information/solidarity to support each other. During my three months in Istanbul and Bursa, the cities with the largest migrant worker population, I further explored the aims, nature, and effects of these networks.

Methodology

The data presented in this paper were gathered between June and November of 2022. I conducted nine in-depth and in-person interviews with Syrian workers and business owners, eleven interviews over Facebook and phone, as well as informal conversations over coffee with Syrian friends. While I do not speak Arabic, all my interviewees spoke my native tongue, Turkish. As all my interlocuters work informally, and therefore illegally, my questions about their personal lives were bound to be highly sensitive. Combined with own my ethnicity (mixed Turkic) and my position as a researcher in the United Kingdom, this made immersion and inclusion into the daily lives of migrant workers almost impossible. However, due to gradually gaining the trust of my interviewees and their desire to share their stories, I was able to get a partial image of a much larger story, albeit on a biased and limited basis.

To complement my findings, I undertook a survey in Arabic with the assistance of a translator. This survey consisted of demographic multiple-choice questions (such as age, education, income) and open-ended yet specific queries about refugees' sources and use of credit (such as: 'Do you owe money? To whom?', 'If/when you borrowed money, was it to cover basic needs, new expenditure, open a new business, to pay debt, etc?'). I utilised Bursa- and Istanbul-specific Facebook groups to disseminate the survey and received 79 responses, 37 of which included extensive answers to the open-ended questions. I maintained contact with four survey participants who wished to share additional information and we exchanged text messages. I kept in touch with my interviewees and asked additional questions as I began to grasp the significance of the lack of debt within the refugee community. I also shared new concepts that emerged during informal discussions and readings with them after my return to the U.K., ensuring that my analysis was grounded in the actual experiences of the people I worked with. All interviewees and survey participants will remain anonymous, but I am able share the results of the survey upon reasonable request. Considering the small sample size here, I do not infer statistical relevance.

The making of the *un–debted*

In late August 2022, I met my final interviewee, Ismail, in Istanbul. Ismail is a single father who works as a construction plumber and he introduced me to his two young sons, Bewar and Varşin. In Kurdish, the name Bewar means 'nationless', and Varşin means 'merry country'. As I told Ismail about my research, he raised various issues that are emblematic of refugees' approaches to debt, investment and borrowing patterns:

> It is not possible to know who owes or owns what among refugees. To protect what we have from inflation, everyone buys dollars with whatever is left of their earnings at the end of the month. Since I know how to do online banking, all my elders send me their money to exchange it at the end of every month and I keep it all in my account. When they need the money and ask me to exchange it back to liras, which happens a lot, they actually want me to lend them the money, since selling dollars means losing money.

Like Turkish citizens, Syrian refugees have to contend with the much-discussed phenomenon of hyperinflation in Turkey. The main tactic that the refugees I met resorted to in order to protect their savings from hyperinflation has been dollarization. However, as Ismail pointed out, this makes people averse to using their funds. Not only is the bid-ask spread between the dollar and lira wide, merely keeping liras also represents a loss of value due to the currency constantly losing value. Keeping dollars is not the only strategy used by refugees, as it simply helps to buffer the impact of hyperinflation but does not add net value to savings.

A further mechanism to offset inflationary pressures on savings is using cryptocurrency. In the survey I conducted, five people stated that they are currently holding cryptocurrency. I saw many small shops in Istanbul where one can simply walk in and exchange cash for cryptocurrency. Without a driver's licence, birth certificate or identity card, many refugees struggle to even take over water and electricity bills when they move into a new place. No formal documents, however, are required for buying Thether or bitcoin. Hasan, a 26 year old refugee who was a first-year veterinary student when the war broke out, explained to me that you do not even need to have an email account. Having a smartphone is enough to create a valid identity and undergo the bio-identification process of various apps. Buying Thether or bitcoin provides some level of independence from the constant devaluation of the lira, from state restrictions on refugees' financial activities and surveillance, and potentially from poverty. It is also a highly risky venture. Hasan told me that in early 2020, he had made considerably more money via Tether than he could have earned in months by working at his job as a waiter in a Turkish restaurant. But he also lost most of that money with the plunge of Tether: 'I should have sold [my coins] back in 2021 when it was up. But still, I would have lost even more if I kept my money in liras!' He had convinced his family members to lend him money to invest in cryptocurrency as well.

In terms of socio-centric rather than market and technology-centred mechanisms of saving, borrowing, and lending, interpersonal debt is a traditional but highly effective tool of accessing resources. In the absence of formal lending by banks, many people often resort to interpersonal debt for credit. Exchange relationships develop gradually as people share goods, visits, friendship, news, and emotional support, thereby slowly accumulating trust in their counterpart's ability to reciprocate. According to Goodman (2017), these exchange relationships do not only function as a provider of informal credit, they also provide marginalised people with the resources needed to flourish. Syrian refugees, however, do not always have the time to fully develop these relationships as most of them are actively looking for alternative destinations to migrate to. Nonetheless, my observations showed that a majority of refugees built up the trust to borrow sizable amounts of money from friends and family.

In the survey I conducted, 60 per cent of respondents stated that they either currently owe money to friends or family, or that they had recently lent money to friends or family. Six of my face-to-face interviewees mentioned how they borrowed from family members or lent money recently. They all remembered the amount, but never wrote it down. This trust-based, long term debt is radically different from commercial transactions, as observed by Domínguez and Watkins (2003) and Mauss (1950). Graeber (2014: 130) makes this distinction by identifying the former as 'human economies', in which the primary function of money is as social currency: a tool to create, rearrange or destroy relations. Commercial economies, on the other hand, are principally concerned with the accumulation of wealth. Here, every individual is quantitatively identical. This is not the case for refugees as they are able to access debt according to their particular skills and capabilities. Hasan, for example, told me how he, being fluent in Turkish, provides crucial news to his family members that do not speak Turkish. This includes information about job opportunities, free distance-learning programs, and important policy changes that can affect refugees. Hasan was the person who filled out forms to apply for state help for his family members. As a reliable source and disseminator of information, Hasan has been providing a crucial function that merited enough trust from his family members to lend him money. Only within Hasan's unique nexus of relations within his community does his access to debt become meaningful.

While this type of informal lending is thoroughly analysed in the anthropological literature (for example, Lont and Hospes 2004), it is largely ignored in economics. Beyond the growth of empathy, social capital, and reciprocity, there are no simple ways to assign market values to this type of transaction due to the absence of legally binding contracts or set interest rates. The main economic analyses on this topic focus on the so-called 'spillover effect' that interprets interpersonal debt as funds flowing from surplus households to deficit ones, and then vice versa (Hoff and Stiglitz 1990; Demont 2013). Furthermore, this type of analysis almost exclusively focuses on people who do not have access to formal banking institutions (Turvey and Kong 2010). This line of approach does not apply to Syrian refugees in Turkey as there is very limited surplus to flow and virtually all refugees over the age of fifteen have access to banks, but not to credit. In fact, having a current account in a bank is vital for every refugee as the cash assistance programme and the majority of state and NGO aid programmes use the existing banking infrastructure to reach refugees.[10]

The two key terms used to describe the situation of people who cannot borrow are 'financially excluded' and 'unbanked'. Usually used synonymously (Peterson 2021), these terms indicate people who lack access to a range of financial services mainly due to low income (Luca and Tejada 2022), excessive interest rates (Lopez et al 2020), lack of information on the availability of financial services (Lyons et al 2019), or cultural barriers such as lack of services that adhere to Islamic law (Khmous and Besim 2020). However, these conditions do not explain the situation of Syrian refugees in Turkey. Syrians in Istanbul and Bursa use complex financial instruments such as cryptocurrency and have very high financial literacy. Living in urban areas and mostly working in manufacturing businesses, they receive regular income that is on average only slightly lower than their Turkish counterparts'.[5] The mushrooming literature on the 'unbanked' focuses on people living in rural areas (Koku 2015), or the impoverished as 'financial exclusion is invariably experienced by the poorer members of society' (Carbo et al 2007). The limited research on particular communities that are unbanked, such as the Roma in Europe (Durst 2015), points out various reasons for their financial precarity, like discrimination experienced by members of the community and their informal status. Even though this is similar to Syrian refugees' situation in Turkey in some important aspects, such as institutional precarity and social marginalization, it is not entirely comparable. With complete access to financial institutions but practically zero access to debt, Syrians in Turkey are not unbanked, but 'un-debted'.

This condition is unique to refugees in Turkey as other host countries employ a range of strategies to incorporate refugees into the flow of debt routes. For example, in Jordan, refugees can open electronic financial accounts called 'mobile wallets' which have access to limited credit[12]; the UK provides special banking privileges to allow refugees to open bank accounts with embedded 'refugee integration loans'[13]; and in Colombia there are state-supported microfinance banks for Venezuelan refugees[14]. These options provide external sources of finance that are not readily available within the community. The funds for these credits come from formal banks that have access to central bank resources and use fractional reserve banking to multiply existing capital within the system *ad infinitum.*[15] On the contrary, informal debt is limited by the already existing lendable money within the community, rather than bringing in new capital from outside. When money exchanges hands through informal lending, it does not create new capital, but instead remains in short supply. Even the social capital used to access informal debt is finite, as shown in Smets and

Bahre's (2004) analysis of informal microfinance schemes in India and South Africa. When social capital is depleted, coercion can take over to collect repayments.

Hasan, who had lost a considerable amount of borrowed money by investing in cryptocurrency, downplayed the impact of the cryptocurrency crash on himself in our interviews. The loss of money borrowed from family members who are struggling financially can be much more distressing than defaulting on a bank loan resulting from a risky investment. When refugees borrow money informally, it is typically done out of urgent need, with the borrower requiring the funds more desperately than the lender. Consequently, the lender is unable to use the lent money until it is repaid. However, if the same amount is lent through a bank using fractional reserve banking, the lender can still access their money even while it is being loaned out. The limited debt circulating among refugees through informal networks is always rationed as credit provided informally is money that cannot be spent by the lender. While Syrian refugees may be indebted to one another, as a community they remain undebted.

***Cemiiye*: solidaristic but limited lending**

In early November 2022, I was contacted by Eflin, a participant of my survey. Eflin is a 24 year old successful businesswoman who lives in Bursa. She created an online business where she sells dresses, skirts, and sportswear for women over Facebook. When she realised how easy it was to sell her old clothes on Facebook, Eflin decided to start buying new clothes with the purpose of selling them online.

> The business snowballed too fast for me to handle when I started! I had stored a bunch of clothes in my room to sell and the orders surpassed what I had on the second day already. I had to package and ship everything by myself, order more items from a nearby store, and keep track of who ordered to what address. I received a surprising number of sports bra orders, because Syrian girls are shy when it comes to buying these.

Eflin expanded her business, hired a friend to help her with the day-to-day tasks, and allocated a room in the house where she lived with her mother to store boxes of clothes. She told me that the business had slowed down considerably in the last two years due to the financial crisis. I asked if it was easy to expand her venture and whether she had to borrow any money, to which she replied: 'Yes and no, I didn't have to borrow but we used the money my mother got from *Cemiiye* and we had to ask for a bit of extra time when it was our turn to give the money back'.

Cemiiye is a type of rotating saving/credit association that is very common in developing countries. Known as *cundinas* in Mexico, *altin gunu* in Turkey, *game'yas* in Egypt, *hagbads* in Somali, or *sundugs* in Sudan, these 'debt societies' are, as Bouman (1983) identified, 'the poor man's bank, where money is not idle for long but changes hands rapidly, satisfying both consumption and production needs'. *Cemiiye* is an interest-free money-sharing pool that caters exclusively to women. Each participant agrees to pay a specific sum for a designated period. Members take turns in hosting the group, by preparing food and entertaining everyone for a day. On that day, the host receives all the money that has been collected during that period. This rotates until everyone has had their turn and received their money back. *Cemiiye*s, Eflin told me, were held every three weeks in their group and the amount paid was defined by the value of a fixed amount of gold that week. Eflin's mother's *Cemiiye* was quite large with seventeen participants.

If a *Cemiiye* was to be held at the time of writing (January 2023) with seventeen participants, the host today would receive cash at the value of seventeen quarter gold coins (1.75 grams), which equals to 1683 US dollars (31671TL). In return, the host would have to meet triweekly payments of 99 US dollars (1863TL) for a year. The rules around *Cemiiye* are simultaneously very strict and very loose. The amount to be paid, the time of the event, and even the quality of the food that needs to be prepared are all set and strengthened by the expectations of participants. On the other hand, if someone is in urgent need of money, their turn as host can easily be moved forward. Eflin mentioned how the hyperinflationary period had put exceptional pressure on the ongoing *cemiiye* groups. The heavily fluctuating gold prices turned this community solidarity group into a risky venture where people could lose or win money just by being the host in a week when gold prices were going up.

Sharing food is a vital tactic to establish and mark relationships (Graeber 2014, Mauss 1950). The food prepared for *cemiiye* has considerable meaning attached to it. It can display respect and appreciation to other participants, but also signal hardships faced by the host, depending on how many expensive ingredients used. As Barthes argued, food should be studied as 'a system of communication, a body of images, a protocol of usages, situations and behaviour' (Leeds-Hurwitz 1993: 86). As such, *cemiiye* is a ritual, based on sharing debt/credit and food; it is a performance of patterned behaviours to combine limited funds, sustenance, news, and stories.

Certain staple dishes must be presented in a *cemiiye*: a bulgur and molasses-based salad, a sweet cake made out of syrup-soaked farina, *hummus*, *falafel, shaakriyyeh,* and *mtabbal.* Preparation can take days and cost a considerable amount for the host. A clear sign of inattentiveness to the quality of food can result in being expelled from the group. Each Syrian dish recreated with Turkish ingredients on the table is more than a meal: the thinly sliced aubergines in a *makdous* are not just a full day's work, but also represent economic difficulties, remembrance of a lost country, a decade of surviving racism, and a blunt knife that cannot be easily mended. I told Eflin about an *altin gunu* my grandmother took me to in Turkey when I was six years old. Women of all ages chatted, danced in the living room of the host, and following a mini-feast, money exchanged hands. *Cemiiye* follows the same structure, I was told by Eflin, as she laughed since boys, regardless of how young, are not usually allowed in this female domain in Syria. It was this accumulated capital that provided the initial investment for Eflin's business, and her success made the following monthly payments effortless. Yet since *cemiiye* solely relies on the goodwill and honesty of its participants, a personal default can seriously harm the participants and the community. The cost of defaulting on social capital pledged in informal credit can be much higher compared to a failure to return formal loans. Instead of physical assets as security for extending a loan, informal debt relies on social collateral. A default in a *cemiiye* does not only mean an end to that credit association group, it also severs relationships between the lenders and the debtor.

While Eflin was able to utilise the credit she accessed through her informal network effectively and repaid her debt, this is not always the case. The majority of small- and medium-sized businesses fail, trapping the borrower in cycles of debt. Defaulting on a formal bank loan can lead to extreme hardship for the borrower. But defaulting on money borrowed from friends and family has devastating effects, erasing limited resources, blocking the flow of credit, and damaging the social relations painstakingly built during times of scarcity. Eflin's loan was arranged and granted arbitrarily, without a business plan, evaluation of her income and assets, or an impartial assessment of her creditworthiness. It is unreasonable to expect informal lenders to have the same level of oversight or accountability as formal financial institutions. This type of arrangement is not sustainable for the economic development of a community in the long run. A reliable, external source of funding that does not depend on vital social relations is essential for investment, job creation, and consumption.

Conclusion

What is worse than being indebted is not being able to borrow. For a decade, millions of Syrian refugees living in the hyper-financialised economy of Turkey have been excluded from financial services normally offered by formal institutions. The impact of exclusion from formal sources of credit has not only had financial implications, but also (re)shaped social relations. Placing trust in younger, financially literate family members and friends acts as a complementary currency to escape the pressures of hyperinflation. This creates networks of collaborations whereby money is pooled into a single person's bank account, which can act as a connective tissue among refugees. Relying on interpersonal debt is an attempt to fill the gap caused by financial exclusion. However, the inhospitable and hyperinflationary environment in Turkey puts excessive pressure on the fragile connections between individuals through which debt flows. The risky ventures many refugees had to resort to, like cryptocurrency, drain both limited funds and the mutual trust between Syrians. Trust, as such, still stands as the sole 'politics of possibility within the vicissitudes of neoliberal governance' (Williams et al. 2014: 2811).

Clearly, some forms of debt are needed by these communities that are keen to access capital rather than relying on minimal state handouts that enable them to survive, but not thrive, even in a situation of precarity. Social innovations that draw on traditional practices like *cemiiye* bridge some gaps but are not robust enough on their own to overcome institutionalised precarity. These networks rely solely on existing, already stretched resources and are unable to provide the community with the necessary liquidity. The absence of contracts, regular payment schedules, competitive interest rates aligned with the economic forecasts, and impartial assessments of credibility – in other words: what formal financial institutions are supposed to provide – puts strains on social bonds. Debt without sufficient interest and collaterals, and in a context of devaluating currency, is a risky venture for the creditor. Innovations, such as fixing the value of money collected at a *cemiiye* to gold, can help with providing much-needed structure to debt relations. Yet, interpersonal debt does not inject any new capital into the community. That is, it only constitutes a circulation of existing wealth through merging and rotating already existing money. Informal arrangements are an important aspect of economic activity in the Syrian community. However, it is important to recognise their limitations, particularly when it comes to long-term financing for business planning and investment. Informal financing arrangements are useful for short-term needs, but they often fall short in providing the stability and predictability that businesses require to grow and prosper over time.

To gain a better understanding of the experiences of the *undebted*, it is necessary to re-theorise debt through empirical comparison. The academic literature that investigates new patterns of precaritisation and informalisation must take into account complex social relations. Post-wage scholars, such as Denning (2010) have opened up an avenue for these discussions by scrutinising the fluidity of the term 'informal work' and questioning its usefulness in explaining complex social relations. Informal, community-centred modes of lending also need critical assessment. As Laclau and Mouffe (1985) remind us, the term 'community' can function as an empty signifier with overly positive connotations that obscure differences and power relations. The romanticisation of social relations can lead to ignoring the limitations of informal networks and the underlying power dynamics at play.

When understood as a resource, rather than as aid, access to debt enables lives to be led with dignity, and targeted investments to be made with specific needs in mind. Not having access to debt, therefore, poses a range of challenges for Syrian refugee communities who are excluded from these formalised relationships between banks, other lenders, businesses, and households. In this article, I have argued that the common notion of the 'unbanked', which describes people who do not have access to the services of a bank, does not fit Syrian refugees as they have digital identities, bank accounts, and mobile phones that are under strict surveillance by local and national authorities. Instead, I used the term 'un-debted' to portray the peculiar situation of refugees in Turkey which is characterised by both institutional precarity and social innovation.

E–mail: can.cinar@durham.ac.uk

Notes

[1] Some of the names of the interviewees were changed at their request to protect their identities.

[2] From human sacrifices (Lysaught 2015) in ancient times to the dissolution of all debt owed by Iraq after its invasion (NBC news 2004), there is a long history of debt jubilees (Graeber 2012).

[3] Global debt has reached an all-time high of 303 trillion US dollars in nominal terms in 2022, over 300 per cent of what we produce as humanity (World Bank 2022).

[4] Of course, such monolithic understandings of economic or anthropological approaches are not entirely accurate. There are heterodox economists, like Aglietta and Orléan (1990), who argued that 'debt power' gave the elite the ability to transform debt into money and property and thus acts as an apparatus of extraction. However, we can still see a clear pattern that differentiates the two disciplines.

[5] According to ILO, only 7.8 per cent of refugees work in the agriculture sector. More information available at: https://www.ilo.org/wcmsp5/groups/public/ – – – europe/ – – – ro – geneva/ – – – ilo – ankara/documents/publication/wcms_735595.pdf (accessed on 11 January 2022).

[6] Based on various Turkish news stories about such incidents, for example: [Syrian worker who demanded his unpaid salary was attacked by his boss], available at: https://haber.sol.org.tr/haber/odenmeyen – maasini – isteyen – suriyeli – isci – patronu – tarafindan – dovuldu – 304792 (accessed on 20 January 2023).

[7] Results of the survey available at Istanpol's website: [Attitudes Towards Syrian Refugees in Istanbul], https://www.istanpol.org/post – i – stanbul – da – suriyeli – sig – nmac – lara – yonelik – tutumlar (accessed on 8 January 2023).

[8] Data available online at the TOBB website:https://www.tobb.org.tr/BilgiErisimMudurlugu/Sayfalar/KurulanKapananSirketistatistikleri.php (accessed on 10 January 2023).

[9] UNDP report based on ILO data is available at: https://reliefweb.int/report/syrian – arab – republic/jobs – make – difference – expanding – economic – opportunities – syrian – refugees (accessed on 10 December 2022).

[10] Based on a report from European Union Civil Protection and Humanitarian Aid. Available at: https://platform.kizilaykart.org/en/suy.html, accessed on 10 December 2022.

[11] See the 2021 UNHCR Kizilaykart Fact Sheet – February 2021, available at: https://data.unhcr.org/en/documents/details/85715 (accessed on 10 January 2023).

[12] See the 2022 report prepared by UNHCR titled 'Financial Inclusion of Refugees in Jordan'.

[13] More information on the program available at https://www.gov.uk/refugee – integration – loan (accessed on 7 January 2023).

[14] See Amir Paivar's 2022 report titled 'For Venezuelans in Colombia, Micro-loans Offer Fresh Start'.

[15] Fractional reserve banking is a system in which banks are required to hold only a fraction of their deposits in reserve and can lend out the rest. This creates new money in the economy through the process credit creation, in which banks create new money by lending out a portion of the deposits they hold, allowing borrowers to spend more than what they originally had.

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