European money in a time of separation: an ethnographic note from the Greek front

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Money has been likened to an acid in classical political economy, corroding the ties that bind people together in mutual obligation. Yet the euro was supposed to do the opposite, tying the peoples of the eurozone’s member states together in mutual obligation, through tying their economies together. The financial crisis in Greece, initially supposedly providing an opportunity to demonstrate that mutual obligation, in the end severely challenged it, generating a sense of deep hostility between all sides involved. The accusations of bad faith were sent in all directions. And then, in the middle of that trouble, people who needed help and shelter began arriving in Greece in large numbers from the east, and they kept coming, week after week, month after month. The idea of moving them on from financially crippled Greece, as part of a mutual obligation to house such people within the European Union region, fell on deaf, and then increasingly hostile, ears. This presentation considers value of both European money and its implicit ideals in this moment of things coming apart.
Introduction

“We remember how in 1970, one gold lira was worth 366 drachma, and one Euro is now worth 400 drachma.”


“Consumer! Think through money, not through Euros.”

(“Καταναλωτή! Να Σκέφτεσαι με λεφτά, όχι με ευρώ.” Sticker on wall, central Athens, 2008)

“FUCK EURO’S” [sic]

(Graffiti, Mytilene, Lesvos, 2008)

Money is one of those strange entities, like shadows and music, that nobody entirely grasps. Nigel Dodd, a sociologist of money who has particularly focused on the peculiarities of the euro, noted “there is no common view of what counts as 'money' in a more general sense” (Dodd 2005: 387). Bill Maurer, an anthropologist of finance and money, suggests an explicit reason for this problem: “because of its implication in the problem of the relationship between a material reality and an abstract representation, money in the Western philosophical tradition has often served as the sine qua non of the problem of the possibility of truth itself” (Maurer 2005: 100). In other words: in classical western philosophical understandings at least, money is difficult to understand because everyone knows it is simultaneously both an abstraction (an idea; a fantasy, even) and a material reality whose importance is difficult to over-estimate in today’s late capitalist globe. Money relies on people to believe in it sufficiently for it to ‘work’ as money; but it also ‘works’ in a way that has daily, visceral, effects on people’s material and embodied lives.

Money has also been blamed for many terrible ills in the world. Andrew Leyshon, a human geographer of money, puts it rather straightforwardly, in suggesting that classical theorists of money “have held money responsible for a wide range of social ills, such as the breakdown of personal links between individuals, which are then replaced with ‘calculated instrumental ties’, and for ‘corrupting cultural meanings with market concerns’.” (Leyshon 1997: 382). In anthropology, the debate over
whether or not money destroys the social relationships that, in the past, created mutual regard, supported moral principles and upheld the social forces that maintained civil social relations, has been raging since the 1970s. In more recent years, the idea that introducing money to material exchanges between people acts like an acid, corroding social relations and making people self-interested, greedy and alienated from one another, has been strongly critiqued, drawing on a whole range of different ethnographic studies from around the world. As Maurer put it in a summary of such studies: “It is not clear that money always flattens social relations, rather than creating new ones just as complex” (Maurer 2006: 21). In other words: if money does destroy some kinds of relationships, it does not mean that relationships disappear altogether; rather, different kinds of relationships usually appear in their place.

In short, this debate about money in the social sciences circulates around two ideas: first, that it is difficult to pin down what money is, exactly; and second, that whatever money is, it has something to do with morality and relationships, something that affects the capacity for people to exist within a morally and mutually respectful world, in which there is a shared set of values and principles that makes people’s lives socially rich and worthwhile.

The question is still open about whether money is supposed to destroy such a moral social existence or not; but there are few people arguing in favour of the idea that money might actually produce such strong and positive moral social relations. Yet, within the European Union, the idea of creating a currency that would be used by all of its member states was part of the idea of tying together the European Union’s member states in a way that would work towards equalizing their economies and make them mutually supportive. Two of the most important of the core principles that were embedded in the founding of the European Union were: (a) that there should be “an ever closer union among the peoples of Europe”; and (b) efforts should be made to address territorial inequalities evident across the different regions of Europe. In the very first treaty, the Treaty of Rome (1957), these two aims were already explicitly expressed: “to eliminate the barriers which divide Europe”; “reducing the differences existing between the various regions”. A strong euro, it was argued, would help with these two core aims, generating a strong, united, Europe.
It was in the Maastricht Treaty (1992) that monetary union between the member states became a legally binding plan, and it was in that same treaty that it was made explicit that the purpose of this would be to enhance ‘cohesion’ between the member states. Fully one third of the EU’s annual budget is currently spent on ‘cohesion’ measures. Europe 2020, the current EU’s ‘growth strategy,’ which aims to deliver ‘smart, sustainable and inclusive growth’, asserts that “Economic, social and territorial cohesion will remain at the heart of the Europe 2020 strategy” (COM(2010) 2020 final 2010: 21). The ‘territorial’ element was added as an official policy with the Lisbon Treaty (2009).

These two key principles, promoting a more equitable and cohesive Europe, are clearly linked together and they are crucial to the whole structure of both the work that the EU ostensibly does on behalf of the people of Europe, and of the values and vision that guide the workings of the EU. The introduction of the euro was seen as a crucial part of that process.

Yet in recent years, these founding principles and vision of Europe embedded within the European Union’s treaties have been seriously challenged, particularly since the financial crisis began in earnest in Europe in 2008. Current economic, political, social, and environmental conditions appear to be conspiring towards pulling the European Union apart, and in particular, they are challenging the ‘European Social Model’ that has guided the idea of integrated economic, social and employment policies in Europe, and which aims to balance economic interests against social ones (Whyman, et al. 2012, Dølvik and Martin 2015, Vaughan-Whitehead 2015, Barbier, et al. 2015).

The integration of economic, social and employment policies implies that there ought to be an obligation (moral as well as legal) to provide mutual assistance when one part of the region is experiencing difficulties. As is obvious, this has not been going particularly well in recent years, and it seems to be pointing towards a breaking apart of the logic of the European Social Model. An ethnographic look at what has happened to the euro in the case of Greece in recent years provides some sense of how this has worked out in practice. The speed with which both EU governments and popular opinion turned against the idea of assisting fellow EU member states that found themselves in difficulty, particularly Greece, is a good reminder that currencies have two sides, as noted many years
ago by Keith Hart (Hart 1986). Hart noted that for all currencies, there is a political side (the sovereign authority that mints the currency) and an economic side (the system for providing the currency with a monetary value). The cohesion discussion about the euro focuses on the moral, social and political side of money; the other side of the euro coin, as it were, is the economic one: while social and political unity might have been one motivation for introducing the euro, an equally strong one was financial and fiscal (self-)interest: after the collapse of the gold standard in the 1970s, which pegged the US Dollar to a certain value related to American gold holdings, there was almost nothing to control the fluctuation of international currency values. This made both commercial and government budget planning highly precarious (Gregory 1997). Introducing some new standard to control currency values between European Union member states seemed like a good idea, both commercially and politically. The idea was that in the era of increasing international trade and exchange, such a collaboration across EU member states would make Europe competitive against the US and the now rising new economies of China, India, Russia and Brazil (the so-called BRICs). Many EU member state governments supported monetary union for that reason, and not because of some commitment to creating a more civil and cohesive society within Europe. The European Social Model was little discussed in the media, and is much less well understood by the general populace than the idea that the euro was driven by commercial and political interests, to do with finance and power, and much less to do with the social good.

This more strongly economic motivation for creating the eurozone became highly obvious once the Greek financial crisis began to deepen to such a degree that it appeared that it might drag down some other EU countries with it. The peak of the fears concerning this possibility occurred in the summer of 2015, a moment when the Greek banks closed for a time while a new Greek government, which had been elected on an anti-austerity platform, engaged in brinkmanship with the EU, European Central Bank and International Monetary Fund negotiators on the terms by which Greece would receive a new tranche of bailout funds to prevent it from defaulting on its repayments of its debts. The
anger of many EU state representatives against the Greek position showed little signs of any moral or social motivation towards its fellow eurozone member state.

That same summer was also the peak period for spontaneous migration from Syria and other adjacent countries into Greece, with some 1000-3000 arrivals daily just to the island of Lesvos during July and August that year. These troubled people who had made the precarious journey across the Mediterranean began to move through Europe, on foot and using any other means. This prompted a series of border closures, particularly in the Balkan region, and giving a boost to anti-migrant and anti-EU political parties across many parts of Europe. The number of these travellers seeking shelter from troubled places has grown to such a degree that not even the wealthiest countries are finding it easy to cope (let alone the EU’s Dublin Regulation, which was not designed with the current situation in mind, and which was repeatedly revised during the height of the crisis). The principles of Schengen, one of the other key principles and means by which a more cohesive Europe could be forged, currently appears to be under threat. (White 2011, Collyer 2004, Papadimitriou and Papageorgiou 2005, Papadimitriou 2005, McDonough and Tsourdi 2012a, McDonough and Tsourdi 2012b).

As if all of that were not enough, in June 2016, a referendum in the UK on whether the UK should remain in the EU resulted in a narrow win for those in favour of leaving, which triggered the currently ongoing process called Brexit. And in many other parts of Europe, the strains of economic and social pressures and the fears they engender are being accompanied by a continued rise of sectarian political movements advocating raising the barriers against cooperation and partnership (Holmes 2000, Gingrich and Banks 2006). All of this is pulling strongly against the principles of cohesion and solidarity.

While it is important to note that these challenges have generated some local level solidarity they have also reopened old cleavages between north and south, west and east in the European region. The fallout from this continuing trouble has also affected many people’s faith in the ideals of the European Union (EU) as a whole. The long-term critiques from the Left that the EU is a machine for
transforming Europe into a neoliberal capitalist behemoth has been combining in a toxic brew with the populist right’s anti-migrant, anti-EU ethno-nationalism.

This presentation to the meeting aims to try to understand this moment by looking at the money, the euro, within the Greek context. I am attaching a paper I published on this a little while ago, which examines an aspect of the euro that this combined moral, social and financial debate has not entirely addressed: how the euro relates to the location of Europe. The attached paper’s main point is that the euro had a problem of location, in two senses. The first was that currencies are regularly used as a measure of the place that they represent: the Greek drachma, the Italian lira, the German deutschmark; they were all strongly associated with the place and its people. The euro was supposed to take away that kind of hierarchy within Europe, and provide a means for equalising the differences between places over time. What both the euro crisis and the migration crisis in Greece showed was that such differences have not disappeared; the imagined differences between Germany, Greece and Italy are still very much alive, and now, with the single currency, there is a standardised way of calibrating the differences between them. Second - and this speaks to the more social, moral and political role of money, the euro is often regarded as having no specific location: as it does not represent one particular place or people, it tends to be regarded as not representing any place or people. In that sense, the value of the currency has been associated with whatever has been imagined to be the political and economic aims of the institution of the European Commission in Brussels, which is regarded as not belonging to any particular place or people – something that was, in fact, a deliberate policy of the EU, to avoid appearing to be biased in favour of any particular EU member state. This points towards a paradox, both for the euro and for the EU in how the idea of Europe is imagined.

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Money Frontiers: the relative location of euros, Turkish lira and gold sovereigns in the Aegean
Sarah Green


Abstract

This chapter explores how people’s understanding of the relative value of euros, Turkish lira and gold sovereigns is connected with both historical and contemporary relations between places and peoples. It will argue that these three currencies represent different understandings of relations within, between and across frontiers: historically transnational (gold sovereigns); state-based (Turkish Lira); and the somewhat ambiguous form of cross-border relation implied by the euro. By comparing different social perspectives of the relation between location and these three forms of currency in the Aegean region, the chapter makes a contribution towards understanding how currencies both shape and are shaped by the border dynamics of any given region, both as material objects (cash); and as traces of wider political, social and historical contexts. The chapter provides a different vantage point from which to think about the euro-zone; and it explores the implications of the obvious point that the value of all currencies, however value is defined, is always at least partially dependent upon their cross-border value. In that sense, all currencies have relative locations.
Introduction:

On 28th February 2012, Standard and Poor’s, one of those infamous rating agencies, downgraded Greek debt from junk status to being in ‘selective default.’ Few people knew there was anything below junk status until that day. Some analysts and the Greek government announced that it did not matter, because they were expecting it and it is a ‘technical’ issue anyway.¹ The news reports outside of Greece switch between saying that Greece should never have been let into the euro-zone; or that the euro was a currency experiment just waiting to go wrong, and now it is doing so spectacularly, though tortuously slowly.

Already in the 1990s and early 2000s, some had argued that the euro was an unorthodox currency because the currency does not belong exclusively to any one sovereign state (Dodd 2005); others had predicted that the euro would not survive any severe economic shocks (Goodhart 2007). Geoffrey Ingham argued that the deep diversity of economic, social and political conditions in different euro-zone countries, combined with a lack of sovereign authority to oversee the euro, had possibly doomed the currency from the start (Ingham 2004: 188-196). So while some are waiting for Greece to go under, others are waiting for the euro to go under. The distinction between the two is somewhat ambiguous: even though the euro-zone is a monetary union of EU member states, the media are still describing Greece as a separate economy that is imploding and that may pull other countries with it because of its links via the euro. Or not. Nobody really knows.

That ambiguity has intriguing implications for the wider relations between money and borders. It could be argued that the European Union as a project has been nothing but an effort to rearrange borders, most particularly in economic and political terms: officially at least, to enable trade and to reduce the potential for war (Holmes 2000). The foundation of the euro-zone, as well as initiatives such as the Schengen Agreement, the European Neighbourhood Policy, the Barcelona Process (which was supposed to re-unify all parts of the

Mediterranean in a new trading and cultural collaboration, and other initiatives), have been aimed at rearranging the meaning of European borders and how they become involved in different aspects of people’s economic, social and political lives (Del Sarto 2010; Liikanen & Virtanen 2006). The introduction of the euro is intended to play a key part in these border-reducing and border-rearranging policies (Shore 2000: Chapter 4). What this might mean in practice in the Aegean region, an area that involves not only the euro, but also two other types of currency, the Turkish Lira and gold sovereigns, is the focus of this chapter, as a means to explore the interface between currencies and borders.

This focus not only concerns the way cross-border relations help to generate the meaning and value of these currencies; it also concerns the different physical forms of the currencies and the question over the degree to which each of them is persuasive as money. This is related to a point Bill Maurer makes about the ‘adequation’ of money: the extent to which it is possible to bring concepts and reality, mind and matter together sufficiently for money to ‘work’ (Maurer 2005: xiii). Maurer outlines a tension between commodity theories of money, which argue there must be a material object which underlies money’s value (e.g. gold); and token theories of money, which suggest that all forms of money are symbolic, as there is no intrinsic value to any object, so any money object always stands for that which is valued - social relations, creative action, etc (Maurer 2005: 129-130). Based on his study of gold coins minted for sale to those saving for Haj (Muslim pilgrimage) expenses in Indonesia, Maurer argues that some forms of money combine these two approaches (Maurer 2005: 130-132). He also implies that theories of money are guiding the people who use the money as much as those who study it, echoing the work of Callon, Mackenzie and others.² My additional point is that the persuasiveness of money objects, whether as commodities or symbols, often involves cross-border relations of both people and currencies. I call this relative location: i.e. that the meaning and worth of people, places and things is generated in relation to, and in comparison with, other people, places and things; that this is inevitably political in the sense that

² Callon (2007); Mackenzie (2006)
the outcome of the comparison is not known in advance and is often negotiated or contested (Massey 2005: 11); and that it changes over time.³

Taking this approach involves paying close attention to the form of relations across borders over time, and not only the fact of them. The period during which empires dominated the Aegean region involved different kinds of relations between places and peoples than was introduced with the founding of Greek and Turkish states; and the more recent interventions of the European Union, aiming to bring together the two sides of the Aegean, at least for the purposes of trade and ensuring political stability, if not as yet to allow Turkey to join the EU, rearranges relations again. People in the region closely associated the three currencies with those different forms of border arrangements (empire, state and European Union), and this is a brief exploration of the shifting interfaces between them.⁴ The account begins with the violent events surrounding 1922, as much that people said about the region led into or away from these events, which are kept very much alive on both sides by Greek and Turkish national commemorations and in the teaching of history.

The 1922 events

The more official Greek accounts of the Aegean region's recent history, which are entirely bound up with the formation of the modern Greek and modern Turkish states, evoke a sense of loss and separation (Hirschon 2003; Koufopoulou 2003; Veremis 2003; Papataxiarchis 1999). The focus is on the violent conflicts between Greece and Turkey shortly after the break-up of the Ottoman empire, and especially the final battle, which occurred in Izmir (Smyrna in Greek), located in the far western mainland of contemporary Turkey. The Greek military had occupied Izmir and the wider region in 1919. Three years later, the Greek forces were violently driven out by the Turkish military under the leadership of Kemal Ataturk, in September 1922. The only escape for many residents was via the city’s port; but there were few boats, and the Allied warships (British, French

³ For some further discussions on this idea of relative location, see Green (2010; In Press)
⁴ The majority of this story is told from the Greek side, due to current language limitations on my part.
and American) stationed just outside the harbour had been instructed not to intervene, and most obeyed that order (Milton 2009: 316-326; Clogg 1992: 94-95).

Afterwards, a forcible exchange of populations between Greece and Turkey was organized by the League of Nations and agreed under the 1923 Treaty of Lausanne: Muslims from Greece were moved to Turkey and Orthodox Christians from Turkey were moved to Greece. Several million people (nobody knows exactly how many) were forcibly moved, despite the fact that most had lived their whole lives in the country they were now leaving (Hirschon 2003). The exchange was explicitly intended to be irreversible. It marked the end of many decades of relative prosperity and, according to many reports, the end of a distinctive cosmopolitanism in the Aegean region based in the city of Izmir/Smyrna (Milton 2009). Izmir had been the foremost trading city of the Ottoman Empire, and had been noted for its social diversity. The fracturing of political and economic relations across the Aegean also radically changed the social landscape of this region. Before this period, the Aegean Sea had been a key trading route of the Ottoman Empire; it was now a hostile borderland between two new countries: an expanded Greece, and the new Republic of Turkey.

National currencies: the era of the Turkish Lira and the Drachma

In the period after 1923 and until the euro was introduced, the two national currencies in the Aegean region were thoroughly associated with the separation between Greece and Turkey and their establishment as autonomous nations and states. The Greek Drachma had replaced the Turkish Lira following Greek independence of the southern part of its territory in the 1820s, and it was now introduced to the Aegean. The imagery on the Drachma notes and coins drew heavily on the imagery of classical Greece, and, combined with the naming of the currency, left no doubt about the associations being evoked: the contemporary Greek state was the continuation of an ancient polity that undoubtedly had the right to self-government over the territory that had been the land of the Greeks for centuries (Herzfeld 1986).

Meanwhile, in the new Republic of Turkey, established in 1923 under Kemal Ataturk following the end of the conflict with Greece, a new currency was
designed, but its name, Turkish Lira, sub-divided into 100 Kuruş, was the same as was used at the end of the Ottoman Empire. After 1923, the coins were re-minted so that all sported images of Kemal Ataturk. In the few years following 1923, all Arabic script was removed from the coins and replaced by Latin script. In 1926, the first Turkish Lira notes were introduced, all with images of Ataturk on them. 1926 was the last year that any Turkish currency contained Arabic script.

Thus the Turkish Lira became thoroughly involved with Kemal Ataturk’s aim of making Turkey into a secular, modern and transnationally accessible country. In addition to transforming the written Turkish language by replacing Arabic script with a slightly adjusted Latin alphabet, Ataturk banned the wearing of the Fez, headscarves and veils; and he separated religion from the state. All of this was enshrined in the new Turkish constitution (Özyürek 2006: 13-15). In short, while the first post-Ottoman Turkish Lira was deliberately associated with the Ottoman empire in terms of its name, most political and some social aspects of that Ottoman heritage were explicitly rejected. In particular, the fact that the Ottoman state was based on a complex religious structure, and the strong association with the Arab world through the Arabic script of the Turkish language, were removed by Ataturk. The new republic in part turned its back on its Ottoman heritage. But the Lira and its subdivision, the Kuruş, remained.

Yet the Lira and Kuruş were only part of the Ottoman story about money. As Pamuk (2000) describes, there were many periods when the main currencies used by the Ottoman territories were minted by other empires – most notably the Ducat of Venice and the Florin of Florence, as well as the Hungarian coinage from the Austro-Hungarian empire and the gold Sovereign of the British Empire. And Ottoman-minted currencies were not always Lira and Kuruş. Most notable amongst the others was the silver akçe, which was replaced by the silver kuruş in the 18th century after a severe economic debasement of the akçe; and the gold Sultani, which was later replaced by the gold Lira for the same reason (Pamuk 2000: 20).

5 In recent years, Turkish politics has turned moderately towards Islam again, under the leadership of Recep Tayyip Erdoğan. (Öktem 2011: chapters 4 and 5).
The period of the late 19th century and up to 1914 saw a particularly large-scale use of gold and silver coins minted by other regimes within Ottoman territories, particularly the British gold sovereign, which was used at times to peg the value of the Ottoman gold Lira (Pamuk 2000: 219). So in the final decades of the Ottoman empire, the populations of the Aegean were entirely familiar with British gold sovereigns used as currency.

Returning to the story of the contemporary Turkish Lira: Turkey has experienced a number of economic crises since 1923, and a couple of bouts of hyperinflation also radically affected the exchange value of the Lira. In 2005, the currency was recalibrated and six zeros were removed, so that 1 million Lira became 1 New Turkish Lira. The Kuruş, which had fallen out of use because of hyperinflation, was returned as a sub-division of the Lira. And by coincidence or design, the 50 Kuruş and the 1 Turkish New Lira bimetallic coins looked remarkably like the 1 euro and 2 euro coins respectively, both in size and design.

That apparent mimicry of other territories’ currencies is a common habit. The fact that many currencies are called Lira itself points to this: Lira initially referred to a pound weight of silver (from the Latin Libra), and many currencies subsequently used either Lira or ‘Pound’ to refer to the biggest denomination of their currency, whatever its metal content. In Turkey, the Lira originally referred to a gold coin, and the kuruş (translated as ‘piastre’ in many other languages) referred to the silver coin (Pamuk 2000: 20), but the point is the same: the words used to refer to different polities’ currencies were often identical. Ducats, Florins, Piastres or Pesetas were all also minted in diverse forms in different parts of the world. And the major and relatively stable currencies such as the Ducat were regularly used as a means to set the value of other, newer or less familiar currencies. When the Ottoman gold Sultani was introduced, it was deliberately designed to emulate the weight and metal quality of the much more familiar Venetian Ducat (Pamuk 2000: 61).

This habit of evoking similarities between diverse currencies, and in particular, emulating the characteristics of the most recognized currencies in form or name, often following trade routes and other paths of political and social

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6 Research has actually been done on the psychological effects of removing six zeros all at once (Amado et al.).
relations between places, highlights the way currencies reflect their cross-border relations as much as their own territories. Many theorists of money suggest, borrowing from Keynes, that one of the most important things that money does is to act as a yardstick (money of account): money acts as a standard against which relative worth can be calculated (Ingham 2004: 70). That is not in itself a controversial idea; the critiques have concerned the way the concept ‘value’ has been taken for granted by many commentators, as if value simply exists and money measures it. Chris Gregory, amongst others, suggested instead that as the concept of value is historically, politically and socially variable, the place to begin to understand money in any given context is to understand how value works in that context. As he suggests: “to define money in one way or another is always to adopt a standard of value of some sort. But how many standards of value are there? How are they related?” (Gregory 1997: 6).7 His point is that no definition of money that exists independently of the system of values for which it provides a standard. Combined with the observation that the form currencies take often emulate those from elsewhere, even while asserting territorial specificity in other ways, implies that currencies have a *relative location*: their meaning and use is constituted as much from their location relative to other currencies as by the ‘local’ conditions that generated them. That relative location usually also involves convertibility, a relation to others through conversion/exchange systems (some more transnational than others). The most famous of these mechanisms was the gold standard, the collapse of which in the 1970s led to what Chris Gregory refers to as ‘savage money,’ a kind of free for all in which there is no base yardstick against which all are calibrated (Gregory 1997: 2-4).

In Maurer’s terms described above, all money has become token money.

The brief account of the shifting use of currencies in the Aegean in the past has given some indication of the relative locations involved, the way different currencies became associated with particular political arrangements and the kinds of cross-border relations in which they engaged. On the basis of my fieldwork in Mytilene (capital of the island of Lesvos) and Ayvalik (a Turkish coastal town on the other side of the Aegean from Mytilene), in 2007, 2008 and

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2011, these associations became a part of the socially understood meaning and perceived worth of the currencies associated with those periods. What is more, those associations were not simply the result of the actions of political authorities who design the currencies and the accounting systems: people’s everyday use of these currencies, combined with their travels from one place to another, contributed to the reputation of currencies. Even Pamuk repeatedly describes moments when a given political authority loses control over their currency’s meaning and worth (Pamuk 2000: 226). And while researchers such as Zelizer and Cohen point to the complexity of the relationship between money objects and value (Zelizer 1997; 2011; Cohen 2004), my additional point is simply that the perceived worth of many currencies is based on their relative location, in comparison to the value of other currencies, and to the political and social reputation of their associated territories.

**Gold Sovereigns**

One of the differences between currencies in terms of relative location is the degree to which they require conversion at all as they cross borders – i.e. the degree to which they themselves become the yardstick against which others are measured. Benjamin Cohen suggests that certain currencies (most famously the US Dollar) break out of their own territorial boundaries and can be used in many other places as money (Cohen 2004). As already outlined, chief amongst those border-crossing currencies in the Aegean during the Ottoman period, but also beyond, were specific types of gold and silver coins. Immediately before the end of Ottoman rule, the main gold coins were the Turkish Lira and British gold sovereigns. The gold sovereigns took precedence, for it was the British gold standard to which the Ottoman and later Turkish lira were initially pegged.

Here, Maurer’s point about combining commodity and token theories of money comes into play. During my time in the Aegean in the late 2000s, the topic of gold sovereigns came up regularly. Mostly, the stories concerned the possibility that stashes of these coins might still be hidden somewhere in the fabric of the houses that were abandoned by the Greeks when they were forcibly removed from Turkey; or there were discussions about heirlooms passed on after births, marriages and deaths. Some mentioned that until as late as the
1970s, many people bought large items (cars, houses) in gold sovereigns, and that some still do so. There was room for confusion about which coins people were referring to, as in Greek, the phrase for gold sovereign is “χρυσή λίρα,” (chrisi lira), which literally means 'gold pound'. And the Greek word for the Turkish currency is also 'λίρα/lira,' that being the Turkish name for both the Turkish currency and the Turkish gold coins. This (non-coincidental) name confusion meant I regularly asked people to specify which coins they meant. Almost invariably, the answer was the British sovereign. One man, who used to live in the Aegean but had now moved to Athens and travelled regularly between Turkey and Greece to buy house linens in Turkey which he sold on in Greece, said that most people preferred the gold sovereigns because they were “guaranteed 24 carat gold,” and you could trust them, he said.

Over time, I began to understand the differences in people’s understanding of these coins, and I will briefly discuss the accounts of Julia, Dimitry and Sophia to illustrate some sense of the diversity. Unusually, Sofia, a woman in her 50s with close past relations with Turkey, said that for her, "chrisi lira" explicitly meant the Ottoman coins. This was because, she said, her family were amongst those who had lived in Turkey and were part of the exchange of populations. Her grandmother spoke Turkish in the house and kept a bag of the coins tucked into her bosom, which she had brought with her from Turkey. She used to take them out from time to time and play with them with the children. When Sofia married, her mother gave Sofia two of these coins, and she has recently divided them between her two children. Sofia repeated what all others had also said, that the gold stashed away in the houses on the Turkish side were always in the fabric of the house.

In contrast, for Dimitry, a man in his forties who spoke fluent Turkish and had been married to a Turkish citizen, 'chrisi lira' is a British gold sovereign and nothing else. He quoted the exact weight of the British gold sovereign coin (7.322381 grams in 24 carat gold) and said this is why people trusted it - the weight was always precise, whereas the Ottoman Liras were much less accurate - you would get a heavy one sometimes and a light one the next day. For Dimitry, “flouri” (florin), often used to refer to the gold coin put into the new year’s cake in Greece, is a synonym of 'chrisi lira'. He said the word 'flouri' came from Dutch
florins, not Florentine ones (again evoking the confusion of similarities of names of currencies). He was very certain of all these things; he had researched them, he said.

For Julia, a woman in her forties who had lived abroad for many years and whose family was also part of the exchange of populations but not from the Aegean region, the ‘chrisi lira’ stashed in the fabric of Turkish houses is a ‘myth’, something parents tell their children like telling them about the tooth fairy. And as an object, it was just a piece of gold, not really a coin at all, as the ones she inherited did not have any monetary value stamped on them. She was right about that: gold coins rarely have any value stamped on them, as the price they will fetch is based on their weight and varies according to the price of gold. She said most people in her family called these coins flouri. She was given one in her mother’s will, but she could not recall where she put it. For her, the coins were part of the past, part of that mythological and nostalgic story of loss.

So there was no singular story – on the contrary, particular past and present relations across borders strongly informed how people understood the relative value and location of the gold coins. Nevertheless, in all, a key characteristic of the gold sovereign was that it is the kind of money that can travel across borders, hold its value and be recognized anywhere. In that sense, the gold sovereign was, for these people, iconic of crossing the Aegean, of a way of life that was built upon an order of things that had stopped in 1923. At the same time, the gold sovereign also often fixed people in their relationships and located them: while the sovereign was transnational, a coin that stood for another (British) empire, the particular gold sovereigns that people had were theirs – these sovereigns were, both literally and metaphorically, part of their family and their house.\(^8\) So the desire for gold sovereigns, to have them and to pass them on to relatives, was not individualistic; rather, it combined personal family histories with political and economic conditions prior to 1923. Much of the mythical gold, the gold hidden in the fabric of houses, was no longer circulating or growing into a family fortune; it was stuck in the abandoned

\(^8\) This point is related to one made by Zelizer about ‘pin money’ (Zelizer 1997), and Hutchinson’s work on the Nuer (Hutchinson 1992).
houses in Ayvalik. And the coins themselves evoked a previous era of empires trading with each other and generating a particular way of life by doing so.

**Relative location of gold sovereigns**

In sum, within the commodity theory of money, the gold coins were preferred to fiat money (notes and cheap metal coins) because they travelled well, both across time and space. However, some gold coins were preferred over others, and that *did* relate to the perceived reliability of different political regimes: people believed some regimes more reliably produced gold coins of a precise weight than others. Pamuk supports that belief, saying that towards the end of the Ottoman Empire, the Ottoman gold lira became less reliable: “The instability of the Ottoman gold coins inevitably reduced their appeal in international payments and for purposes of hoarding.” (167). So it is not simply the price the metal could fetch as a commodity that mattered, but also the transnational reputation of the political authority that issued the coins. And although the British government today still issues new gold sovereigns every year, in the Aegean region, the coins are associated with the period of British empire. And the ‘order of things,’ to borrow from Foucault (1974) had a different logic to it then.

**The arrival of the EU Zone**

The time of the gold sovereign was the pre-1923 moment, during which life was wonderful, at least in terms of a repeated Greek nostalgic narrative of the 'fall' that Herzfeld has so evocatively described (Herzfeld 1997: 22 and Chapter 6). This rhetoric is strongly reflected in the title of Giles Milton’s recent book, *Paradise Lost: Smyrna 1922* (Milton 2009). What was lost, according to one type of account (there are others), was a time and place when peoples from many different countries and backgrounds gathered together to trade; they developed, so the story goes, an enormously rich artistic, intellectual, cultural and social existence. All of that was founded on the trade, on the ability of peoples to travel and to bring goods to and from all the Ottoman regions and
beyond. Gold coins of all types circulated with the goods, coins from all over the empire and beyond. In terms of that account, the 1923 Treaty of Lausanne, which divided the Aegean into two hostile sides, seriously disrupted a centuries-old order of things – up until a relatively recent series of changes that have re-opened the routes, and have allowed, in the minds of some at least, the possibility of perhaps reconstituting that older order of things. Since 1995, there have been a range of transnational agreements made, mostly initiated by the European Union, that are aimed at bringing free trade back to the whole Mediterranean region, including the Aegean part of it. The first of these agreements was the Barcelona Process (Scott 2006), and the more recent variation, signed in the summer of 2008, is called the Euro-Mediterranean Partnership. The whole aim is to ‘restore’ the former trading and political relations across this region. It is in that context that the euro has taken on its particular relative location in the Aegean, and I finally turn to that.

The Euro: Locations and dislocations

On the face of it, and taken as a token, the euro travels easily across borders, and has even been used, like the US dollar, in places where the local currency has lost its value (e.g. in Kosovo). However, people in Mytilene did not speak about the euro in any way even remotely similar to the border-crossing gold sovereigns. Well before the current financial crisis in Greece, many complained about the euro in predictable ways, especially about prices going up. More interestingly, many also said that the euro is insufficiently associated with an identifiable ‘home’ location: “it is a nowhere kind of currency, belonging to an imaginary place called Europe,” one retired civil servant commented. He was not the only one to express the sense that some fiat currencies are more ‘fiat’ than others. The Greek Drachma was regarded as having been more ‘real’ than the euro, even if it was a weaker currency in formal terms. This seemed related to its relative location: it was not seen as a currency that travels well like gold sovereigns, but as one whose home is everywhere and therefore nowhere. Gold

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sovereigns located people in the geo-political realities of empire, and those realities were drawn into the complex locating practices and social relations that people lived within in the Aegean region at the time. People associated that earlier period not only with nostalgic views of prosperity, but with a slow, socially collective habit of saving wealth for the future. In contrast, people in Mytilene spoke about the euro as a non-local currency that was dependent upon spending, borrowing and debt rather than saving, and on markets more than it was dependent upon a political authority or social location.

Today, as the fiscal crisis in Greece is reaching its nadir, that might seem prescient; but my point not only concerns the way that euros, as a currency of the EU, both reflects and helps to create the wider political and economic context in which Greece is embedded: it also reflects something about the relative location of Greece in relation to the euro, which is where I began. I have suggested that in the past, cross-border currencies such as gold sovereigns acted as a yardstick to measure the worth of other gold currencies and the relations between places, people and things. So it is not surprising that the euro is often used to do much the same, both by people in Mytilene and in the media: as a yardstick to measure the hierarchically ordered location of places and peoples within the euro-zone, and according to the rules set out by the euro’s political authorities. In that sense, the euro did not make every member state the same, it made them all different in a standardised way, measured using the euro yardstick.

In The Body Impolitic, Herzfeld outlines the difference between the artisans in Crete who are highly skilled in making the things classified as ‘cultural heritage,’ as against those who define what counts as cultural heritage in the first place: he calls this the ‘global hierarchy of value’ (Herzfeld 2004), a standardised means of defining everyone as being different. Yet the idea of relative location implies that nothing is global in the sense of being a blanket that covers everything: the euro exists in the company of other yardsticks – the gold sovereign, the various forms of the Turkish Lira, even the Greek Drachma and the mimetic effects of currencies with the same name and appearance. How the euro fares within this is deeply political, in the sense of being both contingent and contested. For the people of Mytilene, their sense of the euro being
something strangely non-located only makes sense in terms of the relative location, past and present, of gold sovereigns within the region.

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