

A Stunt, A Shut-Down, and Heavy Diplomatic Propaganda: The Story of Curtiss-Wright Corporation's Penetration to the Turkish Market

MURAT IPLIKCI*
(I.D. Bilkent University)

Abstract

This article analyzes Curtiss-Wright Aerospace Industry's inflow process to the Turkish market in the early 1930s. In these years, aviation was a quite significant industry that contributed economic, military, and political prestige of the states. Progressive decision-makers of Turkey were looking for an opportunity to establish a partnership with a multinational company to manufacture its own aircraft because the young state was destitute of such technology. Curtiss-Wright was eager to do business in Turkey; two American pilots' record-breaking flight from New York to Istanbul in 1931; withdraw of German Junkers Aerospace Industry's from Turkey in 1929 and American Ambassador Joseph Grew's public diplomacy between 1927 to 1932, helped this process.

Keywords: Aviation industry, Turkish-American relations, economic relations, public diplomacy, foreign direct investment.

Introduction

The role of American multinational enterprises in Turkey is very significant not only in terms of Turkish-American economic relations, but also the publicity of the two states to each other. In general, enterprising processes consider many perspectives as availability of the skilled workforce, above-average growth prospects of the host country, transportation network, or investment suitability considering the direct constraints limitations. In addition to economic constraints, any multinational company and its government also need to consider political dimensions and advertisement techniques to sustain a healthy partnership in a foreign country. For instance, the good diplomatic relations between the governments and recognition of the brands, along with the promotion of advertising activities can be considered as other keys for the investment processes, as well. For instance, the story of Curtis Wright Aerospace Inc.'s (CW) penetration to the Turkish market in 1932 includes all these steps. It enlightens the Turkish-American relations from the late 1920s to the 1930s as a case study, as well. It cites economic, political, and cultural cooperation in the relations in this period, includes many governmental and non-governmental

* Murat Iplikci is PhD Candidate and an Instructor at I.D. Bilkent University in Ankara (murat.iplikci@bilkent.edu.tr).

actors' contributions and proves that Turkey and the USA started to develop a solid partnership long before forming an official alliance in the 1950s.

Still, if the Turkish-American relations in the 1920s are considered, it would be challenging to picture an easy deal for CW in Turkey. Until 1927, these two governments did not formally recognize each other. If the political relations were that abysmal in the 1920s, how did an American multinational company become a monopoly in the aviation industry in Turkey, only five years after the first American ambassador arrived in Turkey? What has motivated both sides - the statist Turkish decision-makers and the agents of this company who did not know anything about Turkish markets? How did the two nations, mostly indifferent to each other throughout their history, become significant partners in a huge investment partnership? CW's story in Turkey in the 1930s responds to all these questions.

Diplomacy and propaganda. These words are crucial to evaluate the process in detail. In addition to the standard macroeconomic principles, these two definitive terms helped CW to enter the Turkish market in the early 1930s. In terms of the diplomacy branch, Joseph Grew, who was the first ambassador to the Turkish post, deserves credit. Grew worked hard and became a significant figure for the solutions to the historical problems between the two states and normalization of the relations with his well-practiced public diplomacy. Secondly, Turkey's first aviation incorporated company, Tayyare ve Motor Türk Anonim Şirketi (Turkish Aircraft and Motor Incorporated Company) (TOMTAŞ), which was established in 1925 with the partnership of German Junkers Flugzeug und Motorenwerke AG (JFM), was dissolved in late 1929. The conclusion of such a partnership enabled Turkey to find a new partner in this field and gave an excellent opportunity to CW's agents to step up in this industry in Turkey. In 1930, CW launched a propaganda tour in Turkey to present its products; still, a sensational event occurred in July 1931 helped CW to conclude the deal with Turkish decision-makers as the best advertisement they could ever canvas. Two American pilots, Johnnie Polando and Russell Boardman, made a record-breaking, non-stop flight with their Bellanca CH-300 model plane (this company was designing aircraft for CW), from New York to Istanbul, which made a tremendous sensation about American aviation not only in Turkey but also the world. After their flight, these two American pilots welcomed as heroes wherever they went in Turkey, and finally, they were received and honored by President Mustafa Kemal Paşa himself. This incident demonstrated the success of the American aircraft industry and increased CW's popularity in the Turkish public.¹

The aviation industry was increasing its popularity in the early 20th century and proved its worth during World War I (WWI). Military use of the aircraft made a difference in the battlefield, and former Ottoman officers of new

¹ Joseph C. Grew, *Turbulent era: a diplomatic record of forty years*, 2nd vol (London: Hammond, 1953), 890-899.

decision-makers of the Republic of Turkey witnessed that impact. Even though the Ottoman Empire tried to adopt this technology with the help of their German allies,² the efforts were bogged down in the setup stage due to the dissolution of the empire after WWI. After the foundation of the new republic, these decision-makers with the leadership of Mustafa Kemal Paşa set new state goals to achieve all-around modernization in the Western standards, and that goal included taking place in the aviation industry, as well.

On the other hand, what were CW's motivations to invest in this newly founded republic? First of all, the opportunity to become a monopoly in the Turkish market with higher profit margins was quite tempting in the early 1930s. In those years, Turkey had already ended her partnership with JFM due to several economic crises of this company and became a country owning an empty aircraft factory in Kayseri looking for another partner. In CW's perspective, eliminating the factory cost and retaining the whole aviation market would be very profitable. Due to the former deal with the Germans did not only include aircraft producing but also owning of entirely different types of air concessions in Turkey. For instance, JFM, while in Turkey, was conducting aerial surveys, planning commercial air routes, and helping to establish airmail service. If CW becomes the new partner, they may benefit the whole package, as well.³

This case study may appear as a minor incident in the history of Turkish-American relations from the late 1920s to 1930s. However, this case gives various insights in terms of the progress of economic, military, and diplomatic relations between these two countries. In this context, this paper does not aim to explain what happened in 1932, when CW entered the Turkish market but why it happened in 1932. In this explanation, a narrow focus on the details of the agreement between the Turkish government and CW would not be enough to enlighten the process. Such a deal can be made with any company and any country. The uniqueness of this partnership has traces in the history of Turkish-American relations since the last decades of the Ottoman Empire, in the progress of political relations between Turkey and the USA in the 1920s, in the modernity ambitions of the new Turkish republic and correct evaluation of the US Department of State and its agents of these ambitions. Still, the first highest share should be given to Grew's diligent public diplomacy with a spot-on empathy with Turkish decision-makers and constructing of credible political and economic relations during his service. To this, the timing of the use of propaganda tools, advertisements, and their combination with Grew's public diplomacy should be added. Therefore, this paper will primarily be a case study to explain how various propaganda techniques and public diplomacy helped the

² Yavuz Kansu, Sermet Şensöz, and Yılmaz Öztuna, *Havacılık tarihinde Türkler*, (*Turks in Aviation History*), volume 1 (Ankara: Hava Kuvvetleri Basımevi, 1971), 150.

³ Roger Trask, "The United States and Turkish Nationalism: Investments and Technical Aid during the Atatürk Era," *The Business History Review* 38 (1964): 70.

CW to enter the Turkish market in 1932, and in a broader dimension, it will enlighten the different perspectives of the Turkish-American relations in the 1920s and 1930s.

In parallel with the arguments of this paper, it would be better to deconstruct and evaluate the current literature on this topic. As the political and economic relations between Turkey and the US intensified in the 1950s, after the establishment of formal alliance with Turkey's join to NATO, the studies about the first decades of the relations are limited. The best sources to evaluate are the primary ones such as Foreign Relations of the United States papers (FRUS) on Turkey, the documents from state archives of Turkey, and reports of Grand National Assembly of Turkey. In addition to them, autobiographies, and personal memoirs of the prominent actors as Joseph Grew are consulted. His autobiography⁴ covers the dynamics of his public diplomacy. While doing that, he does not only explain how did he deal with the Turkish government and handle American pressure over the new Turkish state, but also reveals the traces about maturing diplomatic, economic, and cultural relations between two states in the 1920s. Roger Trask's⁵ approaches to the economic relations between the USA and Turkey in a general perspective in this period. He focuses on the details of economic milestones like the US-Turkey Treaty of Commerce of 1926, first Turkish loans secured in 1929. These deals were highly related to the American multinationals entrance to the Turkish market because these steps that the State Department took encouraged American businesspeople to conduct commercial activities in Turkey. Trask also gives Grew's public diplomacy's credit as a critical term in these negotiations. Waldo Heinrichs Jr.'s excellent portrait of Grew⁶ adds his interpretation of Grew and evaluates the dynamics of his public diplomacy. He supports that Grew achieved well in the restoration of Turkish-American relations since WWI by his cautious and detailed diplomacy. In his five years of service, the US image ranked from suspicious to credible in the Turkish decision-makers aspect. Lastly, Şuhnaz Yılmaz's overview of Turkish-American relations in the late 1920s to 1930s⁷ joins to explain progress in political and economic relations between two states in the post-WWI to the pre-WWII period. Her argument is quite similar to Trask's that explains how the Turkish image has evolved in this period in the American media and business circles with the construction of political relations and signature of commercial agreements. State support brought American capital to Turkey as

⁴ Grew, *Turbulent Era*.

⁵ Trask, "The United States and Turkish Nationalism."

⁶ Waldo H. Heinrichs, Jr., *American Ambassador: Joseph C. Grew and the development of the United States diplomatic tradition* (New York: Oxford University Press, 1986).

⁷ Şuhnaz Yılmaz, "Challenging the Stereotypes: Turkish-American Relations in the Inter-War Era," *Middle Eastern Studies* 42, no. 2 (2006): 223-237.

loans and investments, and she draws attention to Grew's success in this process, as well.

In terms of evaluating the propaganda term, the best scholarship belongs to Johnnie Polando's autobiography,⁸ presents the detailed story of the record-breaking flight from New York to Istanbul and stands as an excellent source to rely on this topic. In fact, Polando does not only tell the story of the flight but also explains the details of this propaganda campaign and how it was turned into a diplomatic gesture by Grew's efforts. In addition to this, newspaper articles from the US and Turkey, *Cumhuriyet* (Republic) was the only national newspaper at that time, are cited as the leading sources for propaganda tools. Specifically, the articles in *Cumhuriyet* were indispensable to explain the level of American campaigns and how they were required in the Turkish public. Throughout Polando and Boardman's visit, *Cumhuriyet's* front pages devoted to their tour, comments, and meetings. Furthermore, researcher Stuart Kline's *A Chronicle of Turkish Aviation*⁹ provides a proper chronological narrative of Turkish aviation history, which adds on to the reflections of Boardman-Polando's flight to Turkey and how it awed Turkish decision-makers. The story of the first aircraft factory in Turkey and its central place in Turkish modernization policies helps to explain this new republic's need for technological infrastructure in the aviation industry, and the necessity of foreign involvement in this process. Similarly, Turkish journalist Oktay Verel's two-volume books¹⁰ address the same topic by enriching it with a nationalistic approach. In his lines, obtaining a decent aviation industry was described as a national goal, and the establishment of a factory for this goal was a significant milestone due to the lack of technology. Therefore, this partnership must be considered within a trustworthy and non-imperialistic background foreign state. The combination of these two sources explains the question of why an American company with sufficient technological infrastructure gained a significant concession in this significant industry. In parallel to this answer, Nadir Bıykoğlu,¹¹ reveals the details of the contract between Turkey and JFM, how did this partnership was established thanks to credible political relations and historical alliance between Turkey and Germany. Ihsan Tayhani's detailed study of Turkish aviation in the early republican era¹² supports this argument, as well. Nonetheless, he also brings depth to political motivations to adopt aviation

⁸ Johnnie Polando, *Wings over Istanbul: the life and flights of a pioneer aviator* (Portsmouth, NH: P.E. Randall Publishers, 2000).

⁹ Stuart Kline, *A Chronicle of Turkish Aviation* (Türk havacılık kronolojisi) (İstanbul: Havaş, 2002).

¹⁰ Oktay Verel, *İstikbal Göklerin Gökler Bizimdir, (The future is in the skies, and it is ours)* V.2 (İstanbul: Türk Hava Kurumu, 1985).

¹¹ H. Nadir Bıykoğlu, *Türk Havacılık Sanayii (Turkish Aviation Industry)* (Ankara: Ankara Savunma Sanayii Müsteşarlığı, 1991).

¹² Tayhani, *Atatürk'ün bağımsızlık politikası*.

technology from non-imperialistic states, and why it has to be a nationalistic goal in Mustafa Kemal Paşa's mind.

In light of these sources, this study aims to produce a unique work by combining economic and diplomatic dimensions of the relations between Turkey and the US with propaganda tools to bring depth to explain the process of CW's penetration to the Turkish market. In this framework, the idea to be promoted is the following: Correct diplomatic and economic support of the states is crucial for the multinationals to invest in foreign countries and correct propaganda is an essential tool for to crown the process; in the end, both of these terms complete each other in the long run of foreign investment. All the deconstructed arguments given above are going to be used to construct the framework of this story.

Heavy Diplomatic Propaganda

While propaganda is source-based and cause-oriented content that aims for mass persuasion with any tools and any methods, public diplomacy is linked to the use of soft power. When some locks cannot be opened with the power of economy, persuasion, or use of hard power, and soft power like public diplomacy steps up. In political scientist Joseph Nye's words, unlike hard power, soft power is based on indirect behavioral influences such as culture, values, and ideology.¹³ Therefore, it needs human interaction at its core rather than focusing on manipulative ways of propaganda. As it needs delicacy and intelligence, it is mostly advocated by professionally trained agents like diplomats. Ideally, a diplomat's target would be the decision-makers, who also excel in public affairs or work for highly prestigious organizations. Therefore, public diplomacy should not be seen just as a euphemism for kinder, gentler propaganda but also a significant tool of the modern day's diplomat.¹⁴ Because a diplomat's audience has the power to authorize or not any proposal, persuasion tactics with any gentle propaganda is not applicable to attract them. Instead, persuasion is achieved by gaining trust and confidence. Credibility in this mission is essential, as gaining the trust of any decision-maker.¹⁵ More credible actors increase their chance of success, and more credible governments tend to attract other states in political and economic terms. In the multinational

¹³ Nancy Snow, "Public Diplomacy and Propaganda: Rethinking Diplomacy in the Age of Persuasion," E-International Relations, last modified December 4, 2012, <https://www.e-ir.info/2012/12/04/public-diplomacy-and-propaganda-rethinking-diplomacy-in-the-age-of-persuasion/>.

¹⁴ Ibid.

¹⁵ Rhonda S. Zaharna, "From Propaganda to Public Diplomacy in the Information Age," in *War, Media, and Propaganda: A Global Perspective*, Yahya R. Kamalipour and Nancy Snow (eds.) (Rowman & Littlefield, Lanham: Maryland, 2004), 220.

corporations' cases, a diplomat in the host state would be one of the key actors. This person, by the tools of his or her government, would secure mutual trust between the countries and evaluate political and economic conditions and throw together his fellow businesspeople with the state he or she resides in.

In CW's entrance process in Turkey, Grew had an indispensable role in fixing of broken Turkish-American relations and influencing skeptic Turkish decision-makers about American sincerity in political and economic terms. That is why when CW started to settle in Turkey and run the factory in Kayseri in 1932, Grew was leaving Turkish diplomatic post proudly and in dignity.¹⁶

Before moving on to the historical narrative about Grew and his success in the conduction of public diplomacy, several background conclusions need to be discussed. Turkey was a country that aims to modernize itself, specifically in the technological industries, and due to lack of experience in many fields, it needs to establish credible partnerships in the 1930s. European powers were quite convenient role models for the guidance and partnership for Turkey. Historically, they were the mentors of the Ottoman statesmen in terms of modernization concessions throughout the 18th and 19th centuries. However, the Turkish decision-makers, who grew up during the turbulent era of the Ottoman Empire, witnessed the damage of economic concessions given to European powers before. Therefore, they remained aloof from the partnership with these states except for their former ally Germany, once more. On the other hand, Turkey did not close the door to the others, and she seems quite eager to establish good diplomatic relations with them, who would like to invest in Turkey. She believed that keeping the diplomatic channels open would help to overcome the problems between the companies and investors. Furthermore, this partner should have a sustainable and robust economy, which would support its investors when it is needed. In light of these definitions, it can be deduced that Turkey was looking for a partner which did not have imperialist ambitions before, eager to establish a friendship with it and economically and technologically advanced.

To explain Grew's crucial role and the significance of his public diplomacy, it would be better to lay out a historical narrative. Before the arrival of Grew, the US perspective to Turkish diplomatic post was not more than maintaining American relief charities and missionary schools in these lands. The relations between two states mostly defined and conducted by non-governmental agents.¹⁷ American missionaries' reports about the poor conditions of Armenians and rejection of Armenian self-determination demands

¹⁶ Grew, *Turbulent Era*, 916.

¹⁷ Please see United States Department of State *Papers relating to the foreign relations of the United States (FRUS), 1919. The Paris Peace Conference Volume II*, Turkey (Washington: Government Printing Office, 2010).

by the Ottoman officials shaped the American aspect towards Turkey from the late 19th century to the early 20th century.¹⁸

Mediocre relations continued until WWI, which made the US and the Ottoman Empire enemies for the first time. Clearly, the relations between the two states have never been quite promising; however, it has never turned into open hostility, as well. During the war, the Ottoman and American forces did not face each other, thanks to the geographical barriers; however, the diplomatic relations were cut in 1917 and did not form until 1927.

Even though Grew's official mission in Turkey started in 1927, he was very familiar with the transition and foundation of the new Turkish state after the Turkish War of Independence (TWI). After the war, the US government decided to send its representatives to watch negotiations between Turkey and the Allies in Lausanne in 1923. In this conference, the US was represented by three skillful diplomats led by Admiral Mark Bristol, who was the High Commissioner to Istanbul to protect American institutions and interests in the Ottoman Empire during dissolution upheaval. The others were Washburn Child, and Joseph Grew. Bristol's position and mission were quite educational for Grew, and probably he learned much from him about Turks and Turkey. Bristol served as a quintessential open-door policy-minded diplomat, who believed in an intense but humble foreign policy to secure American interests while he was in Turkey.¹⁹ To secure such a policy, he believed in economic cooperation, as previous American diplomats like Oscar Straus used to do. As the period was not convenient to discuss economic relations, instead, he suggested helping defeated states to improve their economy by promoting loans until it would be ready for the US businessmen' inflow to markets in these states.²⁰ However, this policy should be conducted neither persistently persuasive nor intimidating the host state, and this defeated state should not feel she is a client state. The definitive words of this policy, which was the basics of public diplomacy, are assistance, advice, and sympathy.²¹ In such understanding, Bristol represented his country between 1919 and 1927. In that time, he made many friends among the Turkish decision-makers like Ismat Paşa (Prime Minister) and Tefvik Rüştü Bey (Minister of the Foreign Affairs), who would welcome his successor Joseph Grew later sympathetically for the sake of their friendship with Bristol.²²

¹⁸ Yılmaz, "Challenging the Stereotypes," 224.

¹⁹ Thomas A. Bryson, "Admiral Mark L. Bristol, an Open-Door Diplomat in Turkey," *International Journal of Middle East Studies* 5, no. 4 (1974): 452.

²⁰ Aykut Kılınc, "Keeping the Door Open at the Lausanne Conference: The U.S. Open Door Policy in the Near East during 1920's," *Çankaya University Journal of Humanities and Social Sciences*, 8/1 (2011): 6.

²¹ Ibid.

²² Grew, *Turbulent Era*, 720.

When Grew arrived in Turkey, his mission was more or less apparent, restoring the relations between the US and Turkey while protecting the American interests.²³ At the same time, the new state's decision-makers were looking forward to normalizing relations with the Western powers as well. In Mustafa Kemal Paşa's leadership, Turkey launched several reforms to modernize new state in Western standards, hoped to break the weak image of the Ottoman Empire its recent times, and restored the relations with the former hostile western countries.²⁴ Despite promising approaches to both sides, Grew's mission was not an easy task to accomplish. Four years after the Treaty of Lausanne of 1923, the US barely recognized Turkey, which was disturbing the Turkish decision-makers. In his one of the first formal meetings with the Turkish cabinet, Grew had to stay on the good side of Tevfik Rüştü Bey, who asked why the US Congress did not ratify the Treaty of Lausanne.²⁵ The problems from Ottoman times, as minority problems in Turkey or American missionary schools' future, have not solved yet.

Grew challenged his first problem as soon as he arrived in Turkey. Several teachers of the American School in Bursa were mentoring some Turkish students about Christianity, and this incident submitted to the Ministry of National Education of Turkey. It caused a great disturbance in public.²⁶ In these times, Turkey was laying a foundation for a secular state, which planned to keep the state institutions apart from not only Islam but also whole religious practices. Furthermore, the nationalistic policy of the state was colliding with the existence of these autonomous schools as well. Grew knew that the Turkish decision-makers were not personally opposed to the existence of these missionary schools; even prominent deputies like Yusuf Akçura and the leader of Turkish Hearts (a significant institution to promote Turkish nationalism in education) Hamdullah Suphi Bey were great admirers of the education system of these schools.²⁷ However, the American schools' future was uncertain because of conflicting policies; and the religious propaganda issue left the new ambassador in a lurch.²⁸

Grew believed that the future of these schools was quite unpromising and compensation of the prospective closure of these schools for the improvement in the relations should be tolerable.²⁹ Therefore, he decided to get away from this problem with minimum damages to the relations and did not put

²³ Heinrichs, *American Ambassador*, 146-147.

²⁴ Dankwart A. Rustow, *The Foreign Policy of the Turkish Republic* (New Jersey: Englewood Cliffs, 1958) 298-99.

²⁵ Grew, *Turbulent Era*, 749.

²⁶ Kemal Karpat, *Turkey's Politics: the transition to a multi-party system* (New Jersey: Princeton, 1959) 61.

²⁷ Grew, *Turbulent Era*, 741.

²⁸ *Ibid.*

²⁹ *Ibid.*, 758.

any pressure on Turkish decision-makers not to take a decision against these schools. However, this option did not satisfy American public opinion, either. Throughout the year of 1928, the teachers of these schools were suspended, and some of the American schools were closed, which was protested by some American newspapers harshly. Grew met with Tevfik Rüştü Bey and İsmet Bey once, to ease the pressures on the American schools and got their words.³⁰ Then, he advised the State Department not to send a diplomatic note to Turkey and did not give an interview to any American newspapers to defuse the political tension. The Turkish decision-makers appreciated Grew's humble silence over these issues. They received Grew's request to defuse tension and tried to ignore similar complaints about other American schools.

It can be said that the compromise was the first significant diplomatic gain of Grew. He believed that a political understanding must be shown to this new state's objectives and practices that it needed to adopt. Turkey was up to promote its own republican type of government recently, which was very unusual compared to American democracy. At least, Grew knew that the US must set its foreign policy towards Turkey by considering its psychology.³¹ Even so, some practices caused disturbances to the relations between the US and Turkey at times; the US governments were to act in this direction. Turkey was on the same page with Grew, in this aspect. They hoped that other states would understand the social and political transformation in Turkey and show respect to its domestic affairs. Turkey's modernization with western institutions will serve to both sides' interests, in the end. Grew's public diplomacy towards such sympathy made Turkish decision-makers to show their gratitude back to Grew. Grew defined his role as the following:

"I have learned and seen the power of fairness and generosity in Government relationships, leading to confidence in him and his character that has meant much to all American interests. Again and again, Turkish officials have given me their witness in this regard."³²

In terms of their historical evaluation, the history of American missionary schools in Turkey, and their case study in Grew's public diplomacy topics are both convenient examples for this paper's thesis. Grew's cautious and sympathetic attitude restored the Turkish trust towards Americans and enhanced its credibility. Then, he launched the second phase of his campaign, the invitation of American investments to Turkey.

In the late 1920s, the American companies were quite reluctant to make investments there. There are several reasons for this hesitance. First of all, Turkey was the heir of the debtor Ottoman Empire. The Americans were

³⁰ Ibid., 761.

³¹ Ibid., 701.

³² Ibid., 814.

concerned that the empire's insecure economy may have been inherited by the new state.³³ In fact, they were right on this concern, because Turkey was having financial difficulties in the 1920s. She had already lost a significant part of her population and regions, including petroleum centers as Kirkuk after WWI. Secondly, Turkey had some political risks. The state departments generally stalled the foreign investments, and the nationalistic approach was valid in the economic aspect, as well. Therefore, Grew decided to strengthen his hand with the state support. In 1929, Grew enhanced the relations with a trade agreement between two states. After he received his confirmation from the State Department, he immediately sat down with Turkish decision-makers to negotiate a new treaty. This one would be the improved version of the Treaty of Commerce and Navigation of 1830, which would allow more economic cooperation in trade and investment. In addition to the agreement, Ismet Bey mentioned that Turkey asked for some loans in several conversations, which made Grew urge the financial mission of the State Department.³⁴ Therefore, when such an agreement is offered, Turkey signed it without hesitation.³⁵

This treaty paved the way for American investments and loans to Turkey. With the inflow of the capital, both states approved an economic partnership in trade, and this improved Turkey's trustworthiness investments-wise in the eyes of American people involved in the business. In the next year, a delegation headed by former Minister of Finance, Şükrü Bey, went to the USA to secure a first foreign loan from this state. Grew sent a letter to the famous banker J. P. Morgan and introduced Şükrü Bey to him personally. According to Grew, this trip would be an excellent opportunity to develop the relations favorably, and Şükrü Bey would be more eager to promote American capital and methods in Turkey when he returns.³⁶ More importantly, this financial trip overcame the prejudices of both sides, and both American companies and Turkish decision-makers were attracted to each other. Indeed, it led other delegations to visit the USA, as the one received by Glenn Curtiss.

A Shut Down

1929 ended as the dawn of a better age in Turkish-American relations. Most of the political problems were overcome, and a new economic agenda

³³ Heinrichs, *American Ambassador*, 141.

³⁴ Grew, *Turbulent Era*, 854-855.

³⁵ "Ticaret sözleşmeleri yapmakla görevlendirilen Heyet-i Murahhasa'dan Zekai, Mustafa Şeref, Menemenli Numan beylere hükümetimiz adına imza yetkisi verilmesi." ("Granting authority to Zekai Mustafa, Mustafa Şeref and Menemenli Numan to sign treaty of commerce.") DAGM, 5-48-17, November 26, 1929.

³⁶ Trask, "The United States and Turkish Nationalism," 64.

between these two governments were getting underway. On the other hand, it was a lucky year for the CW because Turkey's German partner JFM started to fall into a financial crisis due to the Great Depression of 1929. Disappointing news kept coming from the German side in 1930, which halted the production and finalized by the withdrawal of JFM from the Turkish market.

Theoretically, there were two reasons why Turkey and Germany established a partnership, which would be quite useful to understand the CW-Turkey partnership in the upcoming years. Firstly, the Ottoman Empire and Germany were allies for a long time already, dating back to the late 19th century. Germany became a trustful ally of the Ottoman Empire, who had seemed to have no interest in obtaining troublesome concessions in the empire compared to the other Great Powers. Secondly, Germany provided credits and arms to the Ottomans when the state needed military and economic aid, while the other powers stood away in the early 20th century.³⁷ Turkey, as the former hostile of Italy, France, and Britain, preferred a German company's cooperation for this economic concession thanks to these reasons.

As it was stated before, becoming a monopoly in the Turkish market was coming with many profits. JFM obtained many more rights than aircraft production in Turkey by virtue of the agreement. It took over aerial transportation, airmail sectors, and secured the establishment of another facility planned to be built in Istanbul.³⁸ Moreover, the company was exempted from tax as well. The sum of these concessions shows the potential appeal of the Turkish markets for investors. In October 1926, Kayseri Aircraft Factory opened with the attendance of both German and Turkish officials.³⁹ However, the existence of the partnership did not last for long. In the early 1930s, Turkey became a country with an aircraft factory and employees, but did not have a technology to produce aircraft. Therefore, late 1929 was a perfect year for CW to step in.

³⁷ See Edward Mead Earle's *Turkey, The Great Powers, and the Baghdad Railway: A study in imperialism* for further information.

³⁸ "Yeşilköy Tamir Atölyesi ve Hangarı, Divrik Hava Meydanı, Nuri Demirağ Uçak Fabrikası ve Beşiktaş Uçak Atölyesi ile Almanya'ya sipariş edilen uçak hangar planları ve Alman Hugo Junkers'ın uçak üretimi için teklif." ("Plans of Yeşilköy repair shop and hangar, Divrik Airport, Nuri Demirağ Aircraft Factory and Beşiktaş Aircraft repair shop and the offer to German Hugo Junkers for aircraft manufacturing.") DAGM, 59-397-6, March 27, 1928; "Junkers Şirketi ile hava nakliyatı konusunda yapılan makaveletname" ("The contract about airmailing is given to Junkers"), DAGM, September 11, 1929; "Junkers Uçak Şirketi'nin Türkiye'de geniş kapsamlı bir havahattı kurmak için yapmış olduğu tekliflerin özeti ve sözleşme tasarımları" ("The summary of Junker's offer to establish aerial line in Turkey and this offer's rough draft"), DAGM, April 12, 1927.

³⁹ "Türk Faaliyet ve Azminin Feni Sahada Yeni Bir Muvaffakiyeti ve Eseri" ("A new scientific victory and work of Turkish determination"), *İkdam*, October 8, 1926.

Many years before 1929, the Ottoman Ministry of War received a letter from an American investor on September 9, 1913. In this letter, an investor was sending the features and price details of a boat plane that he marketed, which received awards in several races and proved its durability in terrible weather conditions.⁴⁰ This vendor was Glenn Curtiss. However, this offer did not receive feedback, and Curtiss did not send another offer to the empire, as well.

His next offer waited for nearly two decades, which took place in 1929. Turkey had already made a deal with JFM in those days; however, the deal was not promising because of JFM's financial troubles. Turkey was in search of a replacement partner in case of the termination of the deal. For this purpose, a small Turkish delegation led by Major Şerif Bey and Captain Ferruh Bey was assigned to observe American aviation advancements and sent to the USA for a tour, in July 1929.⁴¹ This tour was an excellent opportunity for Curtiss, and his new partner Wright, to introduce their new company to the Turkish delegation. By the initiatives of Joseph Grew and the US Commercial Attaché in Turkey, Julian Gillespie Turkish delegation was put in touch with Glenn Curtiss. An exclusive catalog is prepared for them, and Curtiss sent a private letter to the leaders who were stating praise for the modernization progress in Turkey and how CW would be honored to contribute this process.⁴² It seems the delegation was quite pleased with the interest has shown to them. A note was sent to the Ministry of Foreign Affairs about delegation's favorable aspect of doing business with Americans.⁴³

In 1930, CW launched a European tour to canvass their products to the new markets. As one of the leading destinations, they arrived in Turkey on May 18, 1930. The touring group spent a couple of days in Turkey with the promotion of exhibitions. According to the *Cumhuriyet*, the Turks showed a great interest in these exhibitions; specifically, the one which demonstrated a short flight from Istanbul to Ankara. Ismet Paşa and his family were among the attendants of this show.⁴⁴

Despite Turkey's urgent need for a partner in this field, it did not sign any contract with CW, neither when the Turkish delegation visited the USA, nor

⁴⁰ Stuart Kline, *A chronicle of Turkish aviation*, 76.

⁴¹ "İngiltere ve Amerika havacılığı konusunda araştırma yapmak için görevlendirilenlere siyasi pasaport verilmesi." ("Issuing political passports to the researchers who would visit England and the USA.") DAGM, 30-18-1, July 3, 1929.

⁴² Kline, *A Chronicle of Turkish aviation*, 162.

⁴³ "Türk Tayyare heyetinin Amerika'da gördüğü ilgi Washington Elçiliğimizden alınan yazı." ("A memo from Turkish Embassy in Washington D.C. about the attention that Turkish delegate received in the USA.") DAGM, 30-10-0, August 29, 1929.

⁴⁴ "Amerikalı Misafirler- Amerikan tayyarecileri dün sabah geldi" ("American aviators arrived in yesterday"), *Cumhuriyet*, May 19, 1930. 1; "Misafir tayyareciler Eskişehir'e gittiler" (The guest aviators went to Eskişehir), *Cumhuriyet*, May 20, 1930. 2.

when CW's pilots and agents toured in Turkey. The final step to convince Turkey about the American aviation industry was yet to come.

A Stunt

When American pilots Russell Boardman and Johnnie Polando planned to break the world record in the longest distance with a non-stop flight, they decided to rely on their Bellanca brand aircraft which was designed for CW and amplified with a Wright Whirlwind engine.⁴⁵ Throughout the year of 1930, these two adventurers prepared their plane for this flight, and waited until summer 1931 for the best flying conditions. The record which they would attempt to break was held at that time by two French pilots, Dieudonne Coste and Maurice Bellonte. They accomplished this record by flying 4912 miles from Paris to Manchuria. The American pilots set their destination from New York to Istanbul, which would be a distance of roughly 5000 miles. After Boardman and Polando had received the necessary permissions, sponsored by the New York Times, and had set the date, the reams of news started to be published in the American media. The pilots took off from New York on July 28, and after that day every single detail about their journey was published.⁴⁶ In addition to that, many copies of the New York Times of July 28 were given to the pilots for airdropping them to the European capitals while they were passing by. If they can successfully land in Turkey, they would deliver a copy to Mustafa Kemal Paşa, as well.⁴⁷

After forty-nine hours of flight, the pilots landed Yeşilköy Airport, İstanbul, on July 30. They were received by Ambassador Grew, governor, and mayor of İstanbul, president of THK (Turkish Aeronautical Association), national-foreign press, and a huge cheering crowd. Several newspapers stated that the pilots were welcomed as heroes. Indeed, it was true.⁴⁸ After short comments and countless handshakes, they were taken to the Perapalas Hotel to rest. The suit of the hotel was booked to the heroes.

When Boardman and Polando arrived in Turkey, the current record holders, Coste and Bellonte, were in İstanbul for a propaganda tour to sell

⁴⁵ Johnnie Polando, *Wings over Istanbul: the life and flights of a pioneer aviator* (Portsmouth: P. E. Randall Publisher, 2000), 42.

⁴⁶ "Two Ocean Planes Still Unreported," *The New York Sun*, July 29, 1931, 8; "Boardman and Polando Land in İstanbul in 5000-mile Record Non-Stop Hop," *New York Evening Post*, July 30, 1931, 2; "Welcome Aviators to Turkey," *Ballston Spa Daily Journal*, July 31, 1931, 2; "Air Heroes to See Turkish President," *The New York Evening Post*, July 31, 1931, 2. "Boardman-Polando Aid Fire Victims," *The Citizen-Adviser*, August 7, 1931, 1.

⁴⁷ Polando, *Wings over Istanbul*, 48.

⁴⁸ "Welcome Aviators to Turkey", "Air Heroes to See Turkish President".

French planes to Turkey. Polando remembers their first meeting with the French pilots and states:

“Suddenly, two unshaven, uncombed, dirty Americans flew in Bellanca aircraft powered by a Wright Whirlwind engine claiming, quietly, that they just flew farther by at least ninety miles than the Frenchmen.”⁴⁹

Polando and Boardman were proud and jubilant, but compared to Gillespie’s joy, theirs was spiritless. The arrival of American pilots collapsed the French deal with the Turkish government and strengthened Gillespie’s hand, who was seeking a deal for CW. When all pilots were photographed together, Gillespie was chortling with joy.⁵⁰

On their first day in Turkey, the pilots met with journalists. In these meetings, they repeated what Grew told them to state. They praised Istanbul’s beauty, the warmth of the Turkish delegation, Mustafa Kemal Paşa’s leadership and Turkey’s modernization process.⁵¹ On this day, the pilots also received the message of Mustafa Kemal Paşa, who invited them to Yalova to meet them in person, on July 31.⁵²

On the following day, the pilots arrived in Yalova in the afternoon and were greeted by another huge and cheering crowd. Before Mustafa Kemal Paşa received them, they met with İsmet Paşa and were awarded the very prestigious medals of Turkey for their great courage and success. Grew and İsmet Paşa gave speeches praising the friendship between Turkey and the USA. Then, the pilots were received by Mustafa Kemal Paşa in his mansion. Paşa asked short questions to the pilots about their journey and plans, praised the advancement of American aviation and expressed his enthusiasm about the future of Turkish-American relations.⁵³

Boardman and Polando spent a week in Turkey after their visit to Mustafa Kemal Paşa and left Turkey on August 9. During this time, they toured Istanbul, visited Turkish aviators and several facilities, and met with many other Turkish officials. Most importantly, they were received as the men of the hour wherever they went. Turkish press covered the pilots and narrated every move of theirs to the readers as well.⁵⁴ When they were leaving, probably everyone in Istanbul had heard of their names, Cape Cod, Bellanca, and Curtiss-Wright.

⁴⁹ Polando, *Wings over Istanbul*, 54-55.

⁵⁰ Grew, *Turbulent Era*, 892.

⁵¹ Verel, *İstikbal Göklerin Gökler Bizimdir*, 654.

⁵² “Gazi Hz. Bugün Hava kahramanlarını Kabul Edecek” (“Gazi is going to receive hero aviators, today”) *Cumhuriyet*, August 1, 1931, 1.

⁵³ Verel, *İstikbal Göklerin Gökler Bizimdir*, 657-658.

⁵⁴ “Bir Hamlede Newyork’tan İstanbul’a” (“Newyork to Istanbul with one fell swoop”, *Cumhuriyet*, July 31, 1931, 1; “Gazi Hz. Bugün Hava kahramanlarını Kabul Edecek”; “Gazi Hz. Hava Kahramanlarını Kabul Etiler” (“Gazi received hero aviators”),

Nothing could be better for the Grew's public diplomacy in Turkey. He used this opportunity to turn it into diplomatic contact. Not only did the interest of the Turkish government please him, but also the crowds' embracement of the pilots. The cheer poured to *Cumhuriyet's* columns, which published pilots' photos to the front page for a week and commented on this event's possible reflections on the relations. *Cumhuriyet's* editor-in-chief, Yunus Nadi, published an article about the pilots and the record, on August 3. As the heart of the matter, he explained that Turkish-American relations had been in stagnation for a very long time and stressed this event would lead to a new, promising chapter between the two states in the nearest future.⁵⁵ After the pilots were received by Mustafa Kemal Paşa and honored by him, the US authorities and press sent their regards to Turkey, and President Hoover sent a thank note to Mustafa Kemal Paşa.⁵⁶

When Polando and Boardman arrived in Turkey in 1931, the other factors which would help CW's inflow to the Turkish market were more or less provided. Grew has already been shuttled back and forth between the Turkish decision-makers to improve relations. Then, his diligent work crowned with this stunt. Moreover, Turkey has already canceled the partnership with Junkers, which made Turkey look for another partner in the aviation industry. It seems the other European state aware of Turkey's search, and at least French investors were visiting Turkey to sell aircraft as Polando underlined in his memoirs.

Therefore, Boardman and Polando's record-breaking flight to Turkey promotes a great advertisement of the American aviation for Turkey, as well as CW's popularity. Moreover, by becoming a part of such kind of worldwide event, Turkey possibly felt both respected and flattered. If the interests of Mustafa Kemal Paşa, the Turkish government, and the public to the event are considered, this inference is quite logical. All these developments enabled the introduction of American aviation technology and the CW brand to Turkey and the idea of America's respectful partnership position for Turkey in this field.

Cumhuriyet, August 1, 1931, 1; "Hava Kahramanları Abideye Çelenk Koydular" ("Hero aviators left a wreath on the monument"), *Cumhuriyet*, August 3, 1931, 4; "Hava Kahramanları Yarın Şehri ve Müzeleri Gezecekler" ("Hero aviators will tour the city tomorrow"), *Cumhuriyet*, August 4, 1931, 1; "Bugün Kahramanlara Şehrin Hediyesi Verilecek" ("Heroes will receive their awards today"), *Cumhuriyet*, August 5, 1931, 1.

⁵⁵ Yunus Nadi, "Türkiye ile Amerika'yı Yekdiğerine Bağlayan Son Hava Harikası" ("Last aerial wonder that connects Turkey and America to one another"), *Cumhuriyet*, August 3, 1931, 1.

⁵⁶ "Amerikalı pilot Boardman'a Türkiye'de gösterilen ilgiden dolayı Amerikan basınının teşekkürü." ("Thank you, memo of American media, to Turkey for the interest shown to American pilot Polando"), DAGM, 267-801-17, August 6, 1931; Herbert Hoover: "Message to President Mustapha Kemal of Turkey on the nonstop Flight From New York to Istanbul by American Aviators Boardman and Polando," August 4, 1931. Online by Gerhard Peters and John T. Woolley, The American Presidency Project, <http://www.presidency.ucsb.edu/ws/?pid=22764>.

Conclusion

On September 17, 1931, Turkey started the negotiations with CW to promote an agreement on becoming a new partner in the aviation industry. According to this project, TOMTAŞ's factory would be assigned to CW for a year, and at the end of the year this contract would be extended in terms of the results.⁵⁷ The enactment was signed between the sides on November 3, 1931. It seems the previous insecure agreement drove Turkey to negotiate a short-term one for this time. In the enactment, Turkey clearly stated that the accords should be observed to further the partnership.⁵⁸ Similar to the previous agreement, Turkey would keep the rights of the Kayseri factory, while CW would utilize it to produce aircraft, manufacture spare parts, and establish airline facilities. The only client of these regulations and products would be Turkey.⁵⁹

After CW spent three months in Turkey, the sides met and evaluated the details of a one-year plan. According to the plan, CW would produce six Fledgling type aircrafts in Turkey as soon as possible, with most of the parts of the planes being produced as well in the country. In addition to this, the motor manufacturing system would be developed too. In return, Turkey would buy these products. Furthermore, CW would be the owner of airline concessions in Turkey. All the developments in each field would be submitted as a report by CW, every year.⁶⁰ In addition to this plan, Turkey would also purchase additional aircrafts from CW. On June 19, 1932, a new contract was signed between the two sides, which stated the details about this purchase. Turkey planned to buy at least one and at most three aircraft from CW annually, and the pricing was to take into account delivery, spare parts, crew and insurance costs, as well.⁶¹

The first year of the contract went well. According to an enactment which was released on January 14, 1933, Turkey decided to extend its contract with CW.⁶² Clearly, it was the result of a promising report about the progress that

⁵⁷ "Amerikan-Curtiss-Wright Grubu ile Kayseri Tayyare Fabrikası arasında uçak ve motor yapımı ile hava hatları konusunda bir yıl süreli sözleşme yapılması için Milli MüdafaaVekaleti'ne yetki verilmesi." ("Granting authorization to the Ministry of Defense to make one-year deal with American Curtiss-Wright Co."), DAGM, 30-18-1, November 3, 1931.

⁵⁸ Ibid.

⁵⁹ Ibid.

⁶⁰ Ibid.

⁶¹ "Curtiss Right şirketiyle imzalanan kiralık uçak sözleşmesi" ("The contract signed with Curtiss-Wright Co."), DAGM, 30-10-0, June 19, 1932.

⁶² "Amerikan Curtiss-Wright Grubuile Kayseri Tayyare Fabrikası arasında yapılan sözleşmenin bir yıl daha uzatılması hakkında kararname" ("The enactment states that

was submitted to the Under secretariat of the Ministry of National Defense. In this report, it was indicated that most of the production was completed, and approximately ten thousand pieces of aircraft sections were manufactured in a year.⁶³ In addition to this, twenty-four Hawk-II and eight Fledgling 2C1 were to be manufactured in Turkey until 1935. This progress pleased both sides, and Turkey kept extending the contract in the upcoming years, as well.

Turkey has manufactured approximately two-hundred aircrafts until WWII. Most of them were constructed during the partnership with CW. However, with the economic burden that WWII created, the production rate of the factory decreased, and the process turned into maintenance and repair once more, in time. With the Marshall Plan, Turkey started to receive or buy aircraft from the USA, which completely stopped the production in 1950.

Turkey signed this deal with CW because it was quite eager to establish good diplomatic relations with a non-imperialistic state, which would like to establish economic partnerships and provide guidance to the Turkish state. It believed that keeping the diplomatic channels open would overcome the problems between the companies and investors. Furthermore, this partner should have a sustainable and robust economy, which would allow Turkey to support its investors when needed. In light of these definitions, it can be deduced that Turkey was looking for a partner which was not hostile before, eager to establish a good diplomatic relations, and which was economically and technologically advanced. In the end, the marvelous efforts of Grew and the epic stunt displayed in 1931 showed Turkey that she would find such a partner somewhere else besides Europe.

At this point, it would be better to give plenty of credits to the Grew factor. Claiming that Grew understood the Turks and Turkey in the short time he spent among them would be fair. During his five-year service in Turkey, he changed the course of relations between the USA and Turkey and established a promising partnership, as a consequence of his public diplomacy's success. He was the successor of other "Dollar Diplomacy" tradition's diplomats like Oscar Straus and Admiral Bristol. The main aim of this approach was to bring American investments to the Ottoman Empire and her heir Turkey by improving political relations. In Grew's diplomacy, the priority was the economic partnership on the first hand; however, he believed that until the restoration of the relations, the investments should wait. Everything should succeed in diplomacy, and every opportunity must be taken, which would serve on behalf of the relations. Ultimately, improvement in economic relations

Kayseri Aircraft Factory extends its contract with American Curtiss-Wright Co. for one more year"), DAGM, 33-5-7, January 14, 1933.

⁶³ "Kayseri Uçak Fabrikasında imal edilmekte olan Amerikan okul uçaklarını gösteren rapor" ("The report shows that American aircraft manufactured in Kayseri Aircraft Factory"), DAGM, 59-398-9, February 14, 1933.

would come. Grew was chasing any single detail to construct his public diplomacy, and he succeeded in his mission. A small conversation between Polando and Grew just after the landing would explain this aspect better:

“Ambassador Grew’s greeting was warm but a bit reversed. The reason was soon evident. ‘Was it non-stop?’ he asked guardedly. ‘Yes’, I answered, puzzled by the question. Then he really glowed. ‘That’s all I wanted to know’, he said chuckling.”⁶⁴

This article stands as a case study of the commercial achievement of an American multinational in a foreign market; however, it also underlines the significant factors in both foreign relations and their economic advantages, as well as the contribution of commercial propaganda techniques to such a process. With the lack of one of these factors, investment achievements cannot be completed. Furthermore, this study also reveals the backbones of the current Turkish-American alliance formed in the 1950s, as well. Economic integration was achieved thanks to the credible political integration between the sides. The US started to emerge as a good partner to rely on economically and politically in Turkish decision-makers’ perspectives during the 1930s. Propaganda campaigns and effective public diplomacy helped them to establish that outlook, and the sustainability of these features consolidated the integration. Therefore, it was to no surprise that Turkey showed the ambition to join the Western alliance led by the US in the 1950s.

Today CW and Turkey pursue their partnership in various fields like defense and energy industries. In time, aircraft business was replaced with these, and the aircraft factory in Kayseri has already shut down. Still, the story of this exceptional partnership, which combined with a heavy diplomatic schedule, a shut down, and a stunt remains interesting.

⁶⁴ Polando, *Wings over Istanbul*, 52.