

P articipant Journal

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The Pfizer pharmaceutical factory at Ortaköy, Turkey.



On Friday, March 5, 1965, during a luncheon for participants in Istanbul Mr. James P. Grant, U.S. A.I.D. Director for Turkey, handed out certificates to 66 returned participants. Beginning in 1949 when American economic aid first came to Turkey through the Truman Doctrine, followed by the Marshall Plan, by December 31, 1964, 3,044 participants had been sent for training to the United States and third countries from Turkey. These men and women are today two-way envoys: Turkey's emissaries in the United States, and America's emissaries in Turkey. The 3,000th Turkish citizen in the AID sponsored training program was Senator Lutfi Ergun. When Mr. Grant presented Senator Ergun with his certificate there was no need to utter many words. Their handshake spoke for fifteen years of mutual understanding.

AID DIRECTOR CITES CHALLENGES OF ‘PROGRESS PARTNERSHIP’

James P. Grant, new U.S. A.I.D. Director for Turkey, called attention to the continuing massive Western effort to assist Turkey in economic development through the Consortium, calling it a "partnership for progress" with the Turkish Republic.

In a major speech delivered before about 100 guests of the Istanbul Economic Research Foundation, Grant cited the accomplishments and some of the problems facing the combination of 14 Western nations and such groups as the World Bank and the European Investment Bank, working as an entity to assist Turkey in the implementation of the Five-Year Plan.

“In the first two years of the Plan,” Grant told his large audience, “the Consortium was successful in increasing the foreign aid flow to Turkey by approximately 50 percent, by roughly \$100 million annually.

"As a direct consequence, Turkey's partners in development in 1963 and again in 1964 obligated themselves to provide more than \$300 million to assist Turkey in her major development program and to supplement the \$400 to \$450 million of foreign exchange earned by Turkey's own efforts."

The new Director of the U.S. A.I.D. Mission in Turkey arrived in Ankara in October, succeeding Stuart H. Van Dyke, and this speech was his first in Istanbul. Grant is the former Deputy Assistant Secretary of State for Near East and South Asia, and at one time was in charge of all of AID's programs and planning operations in Washington. His appointment here underscored the importance the United States attaches to Turkey.

"In 1965," the American official continued, "long-term assistance on concessionary terms should be the largest amount ever, 30 to 40 percent higher than 1964." Grant called attention to the fact that the United States is contributing to Turkey about \$200 million annually, including agricultural commodities but excluding military aid, which would bring the total to over \$300 million annually.

Goal is Clear

The goal of this intense effort for Turkey is clear, Grant stated. Turkey's partners seek to help Turkey accomplish her objectives of becoming an economically, socially, and politically viable democracy with a self-sustaining economic growth rate of some seven percent annually. He was careful to examine Turkey's progress to date praised Turkey's "ably conceived Plan," and reported that in his opinion Turkey's average growth rate of over six percent during the past three years was a very satisfactory rate of performance. He called his group's attention to the physical changes which are occurring in Turkey, saying that "roads, dams, factories for consumer goods are sprouting up all over Turkey--almost like new grass in springtime!"

On a more cautious level, the American AID expert emphasized the hard work which has to be done to achieve Turkey's "graduation" from additional foreign aid by the end of the Second Five-Year

Plan. "In the course of preparation of the Second Five-Year Plan in the months ahead," he stated, "it should be possible to determine whether this is a realistic target in the light of experience to date."

Turkish Debt Levels

Grant cited the impressive effort now going on at the Consortium to re-structure Turkey's external debt repayment requirements for at least the next three years, as something which can help substantially to increase foreign exchange resources if successful. "Like most great efforts," he said, "it is not easy, but a reasonable amount of success is already in sight.

"The success of this effort to raise more funds and to ease the debt problem is, of course, dependent in considerable part on how others judge the prospects for Turkey's own performance in the future in increasing her foreign exchange earnings." Grant explained that Turkey's partners have much good will for Turkey and have been impressed with the domestic growth and the price stability of recent years, even though they still have some suggestions as to how the growth might be increased even more. But their great concern is still with Turkey's need to increase foreign exchange earnings.

Development is Every Turk's Responsibility

Turning to the question of import substitution and creation of new export industries, Grant called for a nationwide effort of self-help. "The businessmen and industrialists of Turkey, by their initiative and skill, can make a great contribution toward closing Turkey's balance-of-payments gap and Turkey's future economic independence." Grant described the effort for development as the responsibility of every Turk and all of Turkey's friends, saying that: "It is the sum of thousands and millions of small actions that will graduate Turkey from the assistance-receiving part of the partnership and gradually turn Turkey into an assistance-giving partner."

Foreign Aid From Turkey

The U.S. A.I.D. Director cited the fact that countries of Western Europe now assisting Turkey were themselves assisted by the American Marshall Plan in their time of need, and that now they are supplying larger and larger amounts of aid to Turkey as their own capabilities have increased.

"Atatürk's vision," Grant said, "can be expected to lead Turkey toward an important role in the development assistance to others in the not-too-distant 1970s, when Turkey no longer needs assistance herself."

"İLERLEMEDE ORTAKLIK"

Birleşik Amerika Milletlerarası Kalkınma Teşkilatı (AID) Türkiye Misyonu Başkanı James P. Grant, İstanbul Ekonomik Araştırma Kurumunun yüze yakın misafirinin hazır buldukları bir toplantıda, yaptığı önemli bir konuşmada, Batılıların Konsorsium yolu ile Türkiye'nin ekonomik kalkınma faaliyetlerine yardım hususundaki büyük ölçüde gayretlerine dikkati çekmiş, ve bu teşkilat ile Türkiye Cumhuriyeti arasında bir "İlerleme de Ortaklık" olarak tavsif etmiştir.

Bu konuşmasında Grant, 14 Batılı devleti ihtiva eden toplumun, Dünya Bankası ve Avrupa Envestisman Bankası gibi gruplar ile birlikte bir tüm halinde, Türkiye'nin Beş-Yıllık Planını uygulamasına yardım hususundaki gayretleri ile elde etmiş oldukları başarıları ve karşılaştıkları bazı problemleri belirtmiştir.

Beş-Yıllık Plan'ın ilk iki yılı zarfında Konsorsium'un Türkiye'ye dış yardımı takriben yüzde 50 nispetinde, yılda 100,000,000 dolar oranında bir arttırmaya muvaffak olduğuna işaret eden Grant şöyle demiştir: "Bunun direkt bir sonucu, 'Türkiye'nin Kalkınma'da Ortaklarının', 1963 ve 1964 yıllarında bu memleketin büyük kalkınma hamlesine yardım etmek gayerile, Türkiye'nin kendi gayret ve çalışması ile elde ettiği

“Turkey has ahead of her a service to perform in helping the developing countries of Asia and Africa. A small start has already been made under CENTO and at such centers as the Middle East Technical University,” he said. “However, further consideration needs to be given to what can be done even now to help those other nations in fields where Turkey can make a particular contribution at the present time.”

Closing, the AID Director described the Turkish goals of the 1970s as difficult and challenging, but cited the impressive record of Turkish accomplishment in recent years as indication that “these goals can be achieved by a Turkish nation pressing forward with vigor and determination--the traditional Turkish will to win.”

400-450,000,000 dolar tutarında devize, bir destek olarak, 300,000,000 dolar sağlamayı taahhüt etmiş olmalarıdır.

Bu konuşma, 1964 yılının Ekim ayında, Türkiye'ye gelerek Stuart H. Van Dyke'den, AID'nin Türkiye Misyon Başkanlığını devralan Grant'ın İstanbul'daki ilk konuşmasını teşkil ediyordu. Bundan evvel Birleşik Amerika Devletleri Dışişleri Bakanı Yakın Doğu ve Güney Asya Yardımcısı Vekili olarak vazife gören Grant, bir-süre de AID'nin Washington'daki program ve planlama faaliyetlerini idare eden kısmın başında bulunmuştur. Grant'ın Türkiye'deki bu yeni vazifeye tayini, Birleşik Amerika'nın bu memlekete vermekte olduğu ehemmiyetin bir ifadesidir.

AID başkanı sözlerine devamla şöyle demiştir:

“1965 yılında imtiyazlı şartlarla sağlanan uzun vadeli yardım, bugüne kadar sağlanmış olan yıllık yardımların en büyüğünü teşkil edecek, ve 1964 yılında sağlanmış olan yardımdan yüzde 30-40 nispetinde fazla olacaktır.” Grant Birleşik Amerika'nın Türkiye'ye, askeri yardım hariç, tarım mahsulleri yardımı dahil, yılda 200,000,000 dolar yardım sağladığını söylemiştir. Bu meblağ uzun-vadeli yardım miktarının yekununu yılda 300,000,000 dolardan yüksek bir seviye'ye ulaştırmaktadır.

Gayeler Açıktır

Grant, Türkiye'ye yardım hususundaki hızlanan bu gayretlerin ne hedef göttüklerini şu şekilde izah etmektedir: Türkiye'nin ortakları,

Türkiye'nin ekonomik, sosyal ve siyasi yönden kuvvetli bir demokrasi haline gelmek ve yılda yüzde yedi oranında kendikendine yetecek bir ekonomik gelişme süratini muhafaza etme yolundaki gayelerin tahakkukunda yardımcı olmak istemektedirler. Grant, Türkiye'nin bugüne kadar kaydettiği ilerlemeleri incelemiş, Türkiye'nin büyük bir öngörü ile hazırlanmış olduğu Beş Yıllık Planından sitayişle bahsetmiş, ve Türkiye'nin son üç yıl zarfında elde ettiği yüzde altı'dan fazla gelişme nisbetinin gayet tatmin edici bir nispet olarak kabul edilebileceği kanaatinde olduğunu söylemiştir. Türkiye'de her gün "baharda topraktan fıskıran taze otlar gibi" yeni yollar, yeni barajlar, yeni istihlak maddesi imal edecek fabrikaların kazanılmakta olduğuna Grant ehemmiyetle işaret etmiştir.

AİD Başkanı İkinci Beş-Yıllık Plan süresi içinde Türkiye'nin munzam dış yardımlara ihtiyaç kalmaması yolunda büyük gayretlerin sarfedilmesi gerektiğine ehemmiyetle işaret etmiş, ve önümüzdeki aylarda İkinci Beş-Yıllık Plan hazırlanırken, bugüne kadar edinilen tecrübelere dayanılarak, bu hususun realist bir hedef olup olmadığının tespit edilebileceği kanaatini izhar etmiştir.

Türkiye'nin Borçlarının Seviyesi

En az önümüzdeki üç yıl süresi içinde, Türkiye'nin dış borçlarının karşılamak üzere yeni bir formül'ün bulunması için Konsorsium'un büyük gayretler sarfetmekte olduğuna işaret eden Grant; "bütün büyük gayretler gibi, bu da kolay olmayacaktır. Fakat, ümitler belirmiştir, ve bu yolda başarı, kısmen olsun, elde edilmiştir."

Grant sözlerine şunları ilave etmiştir: "artan ölçüde fon temini ve bu yolda açığı kapatmak imkanları, muhakkak ki, Türkiye'nin önümüzdeki yıllarda döviz gelirlerini arttırmak için girişeceği çabalara karşı başkalarının gösterecekleri tepkilere bağlı olacaktır." Türkiye'nin ortaklarının bu memlekete büyük ölçüde iyi niyet beslediklerini, ve son yıllarda Türkiye'ye müşahede ettikleri gelişmeler ve fiyat istikrarından memnuniyet duyduklarını, ifade eden Grant, yine de bu yollarda yeni ilerlemeler temini bakımından, Türkiye'ye ortaklarının bazı tavsiyelerde bulunabileceklerini söylemiştir: Grant'a göre bu ortakları halen en çok ilgilendiren husus Türkiye'nin yabancı dövize devamlı ihtiyacıdır.

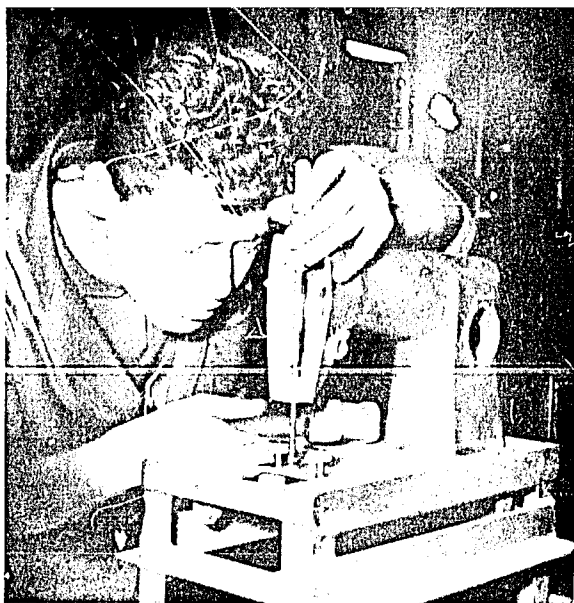
generated by sales of agricultural commodities under such programs as Food for Peace are made available for loans to private business firms. To qualify, a company must be the branch or an affiliate of an American firm, or must be a firm which consumes U.S. agricultural products or expands markets for them. In Turkey, these loans are made and are repaid in Turkish Liras. The informal name for these loans is in honor of Rep. Harold Cooley of North Carolina, who was instrumental in drafting portions of the original legislation to utilize American agricultural commodities overseas.

In this issue of the *Participant Journal* there are many stories of Turkish factories situated along the "Cooley Highway," with details on their activities in the industrial development of Turkey and the importance of their output both for domestic use and as potential foreign exchange earners through export. The products range from sewing machines to Jeeps—from truck tires to pharmaceuticals—from corn products to rolled steel.

While most of the factories utilizing Cooley funds have been located along the Sea of Marmara in the Istanbul—İzmit region, Ereğli Iron and Steel holds the largest Cooley loan to date and has utilized the funds for its huge new steel mill on the Black Sea, which has already begun production of steel plate and sheets from domestic ingots.

Thus Turkey benefits in many ways—initially, from the utilization in Turkey of American agricultural products and the elimination of their purchase with scarce dollars; the creation of internal markets and maintenance of commercial business transactions; the creation in Turkish currency of an available fund for industrial development; the output of numerous factories all producing essential items; the growing possibilities for export as production capacity grows; and possibly the most important benefit of all—creation in Turkey of an awareness and skill in industrial management and technical sophistication.

American participation has permitted Turkey to shorten radically the normal time needed to develop such an industrial resource of trained men and operating plants. The "Cooley Highway" leads to economic development.



Coming Soon-ALL-TURKISH

“Everyone who works for Singer and everyone who buys from Singer calls me ‘Papa Singer’,” said Mr. Neset Ariman, General Director of Singer Sanayii A.Ş., who has been with the Singer Company for thirty-eight years.

Some Singer sewing machines have been imported to Turkey since the early days of the company. At first, explained Mr. Ariman, Singer made 95 percent of all sewing machines sold in Turkey. Then, soon after World War II, sales of Singer sewing machines dropped to 30 percent of the total market due

to restrictions. Through the Foreign Investment Encouragement Law, Turkey opened her doors to foreign investment and Singer was one of the first to respond.

“The word ‘first’ always applies to Singer,” said Mr. Ariman. Singer was one of the first foreign companies to open a factory in Turkey. Singer was the first factory to use 80 percent of local material in production. And Singer will be the first to produce its machines with 100 percent local material, hopefully early in 1966.

Singer Sanayi A.Ş. is a sister company of Singer Sewing Ma-

Kalkınma Her Türkün Mesuliyetidir

İthal malları yerine diğer malların ikamesi ve kullanılması, ve yeni ihraç malları imal edebilecek sanayilerin kurulması luzumundan da bahseden Grant, kendi kendine yardım konusunda memlekette milli çapta bir gayretin sarfedilmesi gerektiğini belirterek demiştir ki: "Türkiye'nin iş adamları ve sanayicileri teşebbüs ve kabiliyetleri ile, Türkiye'nin tediye muvazenesi açığını kapatmağa ve gelecekteki ekonomik bağımsızlığını sağlamağa büyük ölçüde hizmet edebilirler." Grant, kalkınma gayretlerinin her Türk'ün ve Türkiye'nin bütün dostlarının mesuliyeti olduğuna, ehemmiyetle işaret etmiş ve demiştir ki: "Binlerce ve milyonlara küçük icraatlerin toplamıdır ki Türkiye'yi, ortaklığın yardım gören ortağı statüsünden çıkaracak ve tedricen yardım eden bir ortak haline getirecektir."

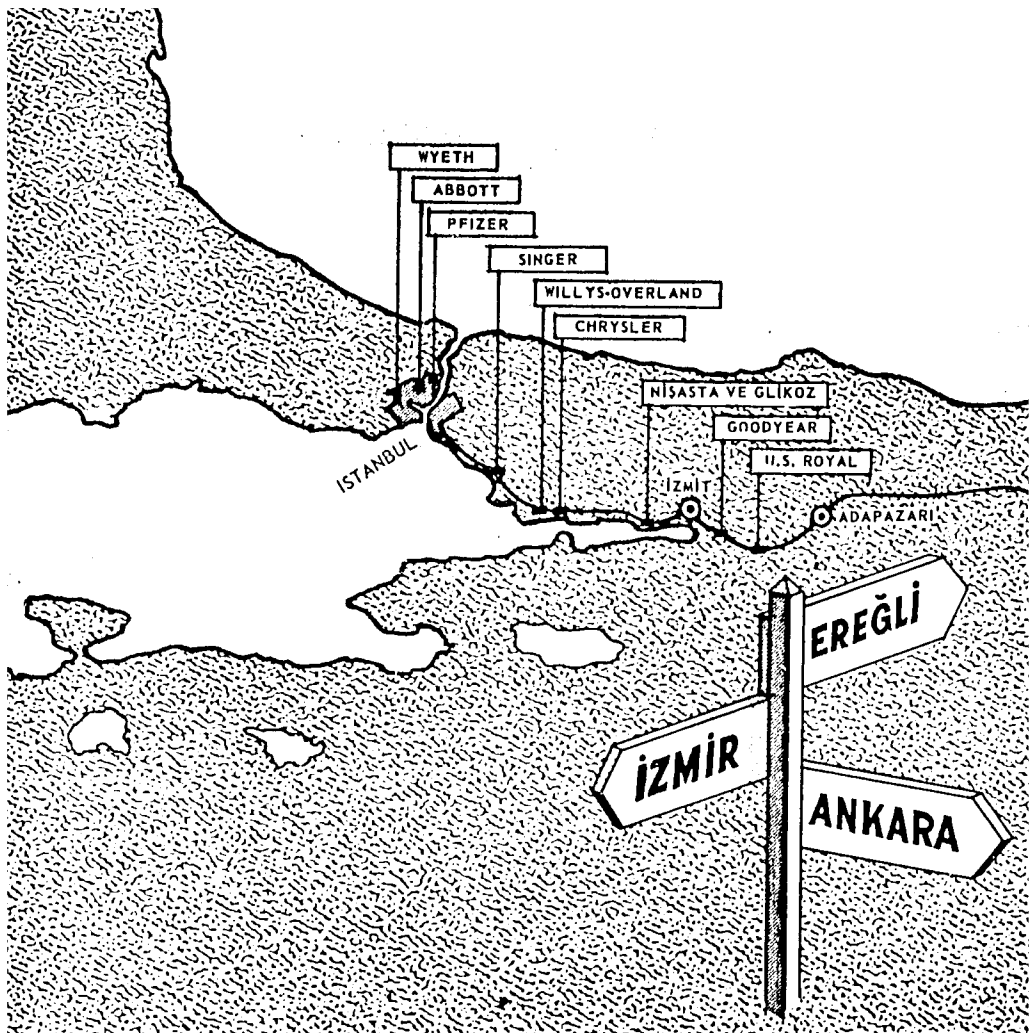
Türkiye'nin Diğer Memleketlere Yardımı

AID Başkanı şimdi Türkiye'ye yardım etmekte olan Batı Avrupa memleketlerinin, kendileri de muhtaç durumda buldukları günlerde Amerikanın Marshall Planı yardımlarından istifade ettiklerini, şimdi ise, kendi imkanları geliştikçe, Türkiye'ye gittikçe artan bir nispette yardım ettiklerini belirtmiştir.

Bu konuda Grant demiştir ki: "Türkiye artık yardıma ihtiyacı kalmıyacağı pek de uzak olmıyan 1970 yıllarında kalkınma yardımlarında bulunan başkalarına önderlik edebilecektir. Atatürk bunu yıllarca evvel görmüştü."

Grant sözlerine şunları ilave etmiştir: "Türkiye'yi Asya ve Afrika'nın kalkınmakta olan memleketlerine yardım gibi önemli bir görev beklemektedir. Bu yolda, CENTO ve Orta Doğu Teknik Üniversitesi gibi merkezlerle, küçük çapta adımlar bile atılmış bulunmaktadır. Mamafih, Türkiye'nin bugün bile bazı özel sahalarda, diğer memleketlere ne gibi yardımlarda bulunabileceği yolunda incelemelere ihtiyaç vardır."

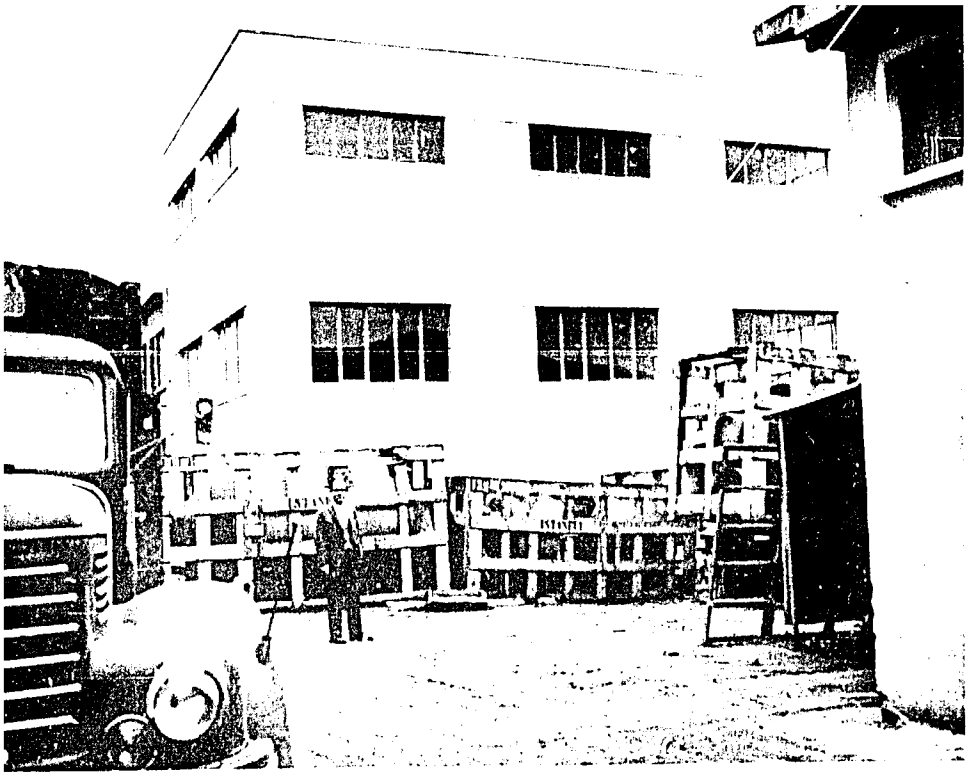
Konuşmasına son verirken, AID Başkanı Türkiye'nin 1970 yıllarındaki hedeflerini "zor ve tahakkuku büyük gayretler isteyen işler," olarak tavsif etmiş, bununla beraber, son yıllarda Türkiye'nin sağladığı büyük başarıları "bu hedeflerin Türkiye'nin geleneksel başarıma azmi olan gayret ve sebatla, Türk milletinin kendisi tarafından, tahakkuk ettirilebileceğinin," bir ifadesi olarak belirtmiştir.



Down the “Cooley Highway”

Americans call it the “Cooley Highway”—Turkey’s principal road which stretches from Istanbul to İzmit—because of the number of industrial plants in that area which have been assisted by “Cooley” loans through U.S. A.I.D.

Just what is a Cooley loan? Under provisions of American Public Law 480, up to 25 percent of foreign currencies which are



Every day demand for Yarımcı's products is increasing. Every day the factory is expanding. Yarımcı now has a new leader and a new future.

hoping that two negatives would make a positive. But the laws of reality did not conform to the laws of mathematics. They continued to lose money; their machines were outdated; and they lacked a leader.

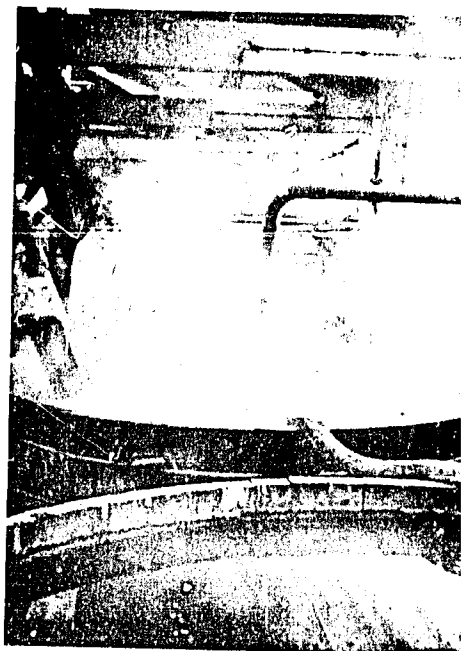
In 1962 Avni Kösematoğlu, a chemical engineer trained in the United States, joined the company. He became the General Manager of the company and also took on the post of director of the factory. İsmail Sezer, a U.S. A.I.D. participant, who went

to the United States under an industrial relations project, also joined the company as sales director.

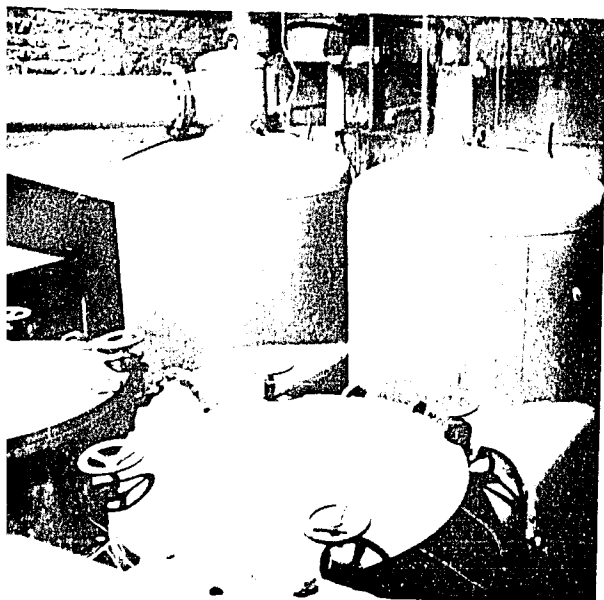
Avni Kösematoğlu was given a free hand. The machines of the factory had to be renewed. Since 1962 nearly all the machines have been replaced or renovated. Today in the factory, stainless steel monsters have replaced the old giants that had outlived themselves. But the old giants are kept operative. "I must meet demand," says Kösematoğlu. He

adds: "Every day demand for our products is increasing. Our capacity has increased. But we are not the only ones who are developing. When I cannot meet the demands of even a single customer I will regard myself a failure."

The Yarimca factory manufactures starch, glucose, dextrose, and several by-products, the most important of which is corn oil. The only raw material used by the factory is corn. The factory received a 3,000,000 T.L. Cooley Loan from AID in 1963 because it regularly buys U.S. corn imported to Turkey through



Yesterday: a two thousand lira value of proteins went to the sea with waste-water from the corn steeping tanks.



Today: this waste-water is transformed into highest quality animal feed.

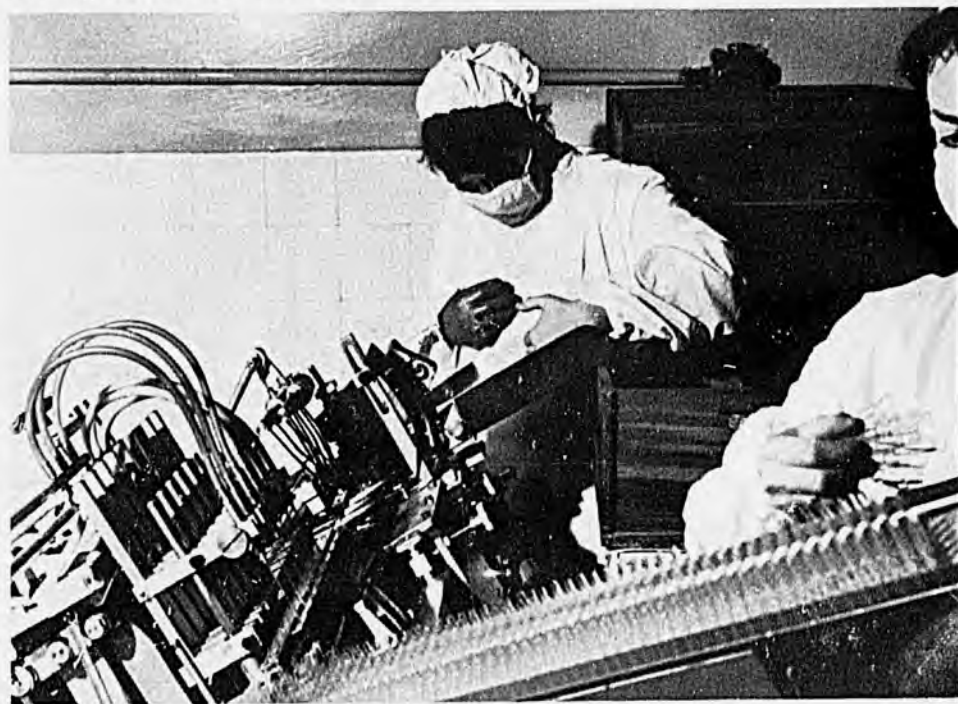
eggs. TM-11 improves the resistance of animals against bacterial diseases and prevents the death—on a large scale—of young animals.

A recent survey conducted in Turkey has shown that through the use of TM-11 there has been an increase in meat of 11%, in milk of 2.5%, and in eggs of 25%. If TM-11 was to be given to all livestock and poultry in Turkey, the yearly increase in productivity would be 12,884,680

kg. in meat, 56,024,000 liters in milk, and 340,627,500 in eggs. Translated into currency this would bring an additional national revenue of 254,582,294 T.L. in one year.

Rapid development of the pharmaceutical industry in Turkey is a necessary part of raising the nation's public health standards. U.S. A.I.D. Cooley Loans are aiding in this development, and with this aid are working to bring about a healthier Turkey.

Sealing operations in semi-sterilized section.



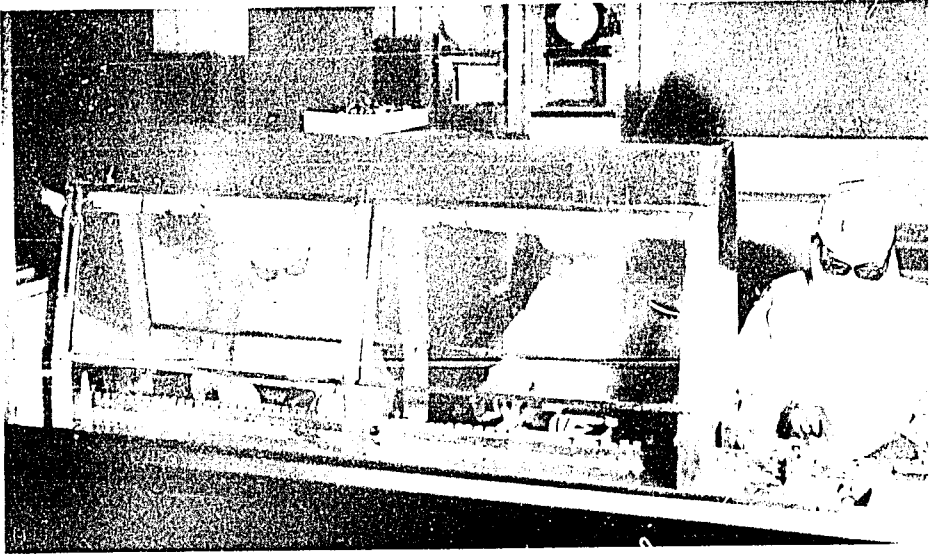
The Man Who Never Looks Back

*Only the future is important
for
the man who never looks back*

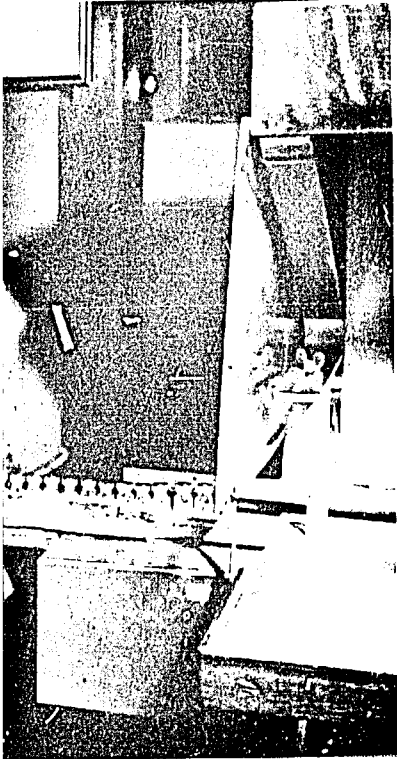


It is said that such terms as development, drive and know-how are intangibles. But following Avni Kösematoğlu for three hours from one part of his factory to the other; walking with him from one machine to another; listening for three hours to the dreams come true of a man whose fixed idea, whose very *raison d'être*, is development—one feels as if these intangibles are solid achievements here at the factory.

Yarınca Starch and Glucose Factory has had a difficult past, but now has an unlimited future. One starch and one glucose factory in Istanbul (both losing money) joined forces in 1954



Sealing of bottles filled with anti-biotics in sterilized section.



- ... anti-diarrhetic drugs
- ... animal health products and feed supplements
- ... animal antibiotics, deworming products and anti-parasitics.

“The men and women who produce these products, who test them and who sell them have all been excellently trained,” says the General Manager, Mr. W. G. Treharne. Key men both in the management and technical departments have been sent for training to sister Pfizer companies in Germany, Belgium, Italy and England.

*"A murderer kills one man.
YOU can kill one thousand."*

CHARLES PFIZER

This sign appears on a wall in the Pfizer factory in Istanbul.

Mr. Treharne also explains that public relations at Pfizer is taken quite seriously. "Our potential customers must first be educated," he stresses.

To carry out this "education," Pfizer uses a fleet of 30 vehicles which carry trained salesmen to even the most remote parts of Turkey. Here they instruct doctors, veterinarians, extension workers and even farmers in the villages about the latest products that have left the Pfizer factory's production line. Even these salesmen must go through a one or two days re-training program every month held in Ankara, Istanbul and Izmir by Pfizer specialists.

Pfizer's Public Relations Office also distributes illustrated booklets, films and even holds farm demonstrations. It has also played an important part in the creation of a Child and Mother Welfare Center established at

Selimpaşa near Istanbul. Pfizer also awards scholarships—sixteen to date—to medical, veterinarian and pharmacological students in Turkish universities.

A world leader in the production of feed supplement, Pfizer is also concentrating its efforts to educate the villagers regarding what feed supplements can do for Turkey's 80 million animal population.

Through the treatment of contagious animal diseases and the extensive use of preventive remedies on livestock, the role that livestock and livestock products will play in the national economy can be enormous. The following is a striking example that speaks for itself.

Pfizer has today 58 products on the Turkish market. One of these is TM-11, which is a feed supplement that contains Terramycin, and which increases the productivity of meat, milk and

printed on it. It was addressed to every man and woman working for him anywhere in the world and read: "A murderer kills one man. You can kill one thousand."

This cautious philosophy is evident everywhere at Pfizer. The control system here is excellent. Every particle that comes into the factory—even raw materials and pharmaceutical products coming from other Pfizer factories overseas—has to go

through the Test and Control Laboratory of Pfizer's Istanbul plant.

Control continues during all stages of production. Parallel to quality control comes packaging and processing control. Only after the finished products have reached the transit warehouse are sales permitted. Even this does not stop the control on Pfizer products. Statistical end control continues especially with the periodic check of antibiotics.

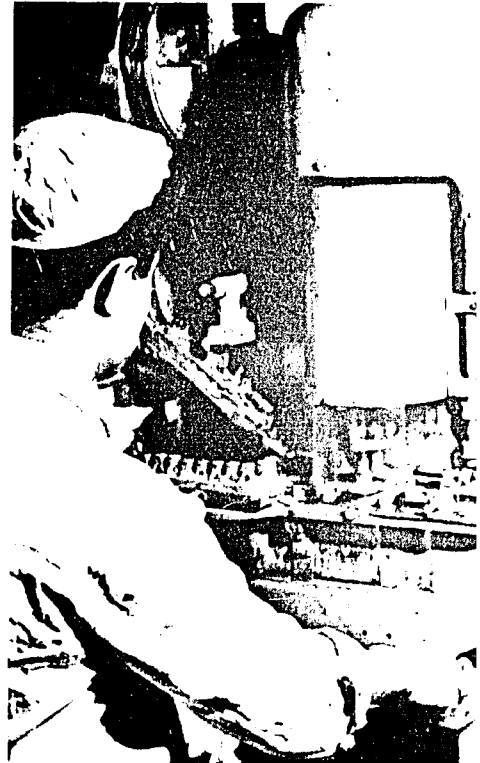
Testing in bacteriological and biological laboratory.





Pyrogen test on rabbits in Pfizer testing laboratory.

Testing of bottles before going into sterilized section.



Says Pfizer's Control Laboratory Chief Pharmacologist, Nurettin Turan, "At Pfizer, control and research are as important as production."

Pfizer of Istanbul manufactures all types of pharmaceuticals. These mainly are:

- ...broad spectrum antibiotics
-terracyclin, sigmamyne
- ...narrow spectrum antibiotics—penicillin, streptomycin
- ...vitamins
- ...anti-tubercular drugs

which it expects to produce a large variety of chemicals to be used in the pharmaceutical and food industries.

Before the chemical plant can be opened, extensive research has to be done as it is Wyeth's intention to use a great percentage of locally-produced

raw materials in this plant. A process engineer has already arrived from the mother company in the United States and is directing the research that has to be done in this field. Wyeth hopes to begin production in its new chemical plant by the middle of 1965.

*Mixing of ingredients
in sterilized section.*



Packaging of antibiotics.





COVER:
Filling bottles of antibiotics in Pfizer's sterilized section.

An American Factory with no Americans

The Pfizer Pharmaceutical factory at Ortakoy is a Turkish stock company with all its shares owned by the Charles Pfizer parent company in the United States. The Pfizer factory, which was constructed in Istanbul in 1958, received a Cooley Loan of 7,000,000 T.L. from U.S. A.I.D. in 1961. Yet, there is not one American working in the factory as a technician or as a manager.

Mr. W. G. Treharne is the General Manager of Pfizer in Turkey. He is an Australian who came to Istanbul from a Pfizer factory in India. All the other 350 employees and workers at Pfizer are Turks. These trained

workers are aware that the work they are doing is as important for Turkey as it is for Pfizer.

The Editor of the *Participant Journal* was squired around the factory by Pfizer's Public Relations Director, Mrs. Gülseren Ramazanoğlu, a former Fulbright grantee. They were accompanied by an U.S. A.I.D. photographer and his assistant. The discipline in the factory was so perfect that not once did one person look up, even when the double flashes sparked as the photographer took his pictures.

On one of the walls was a placard that had a striking message from the late Charles Pfizer

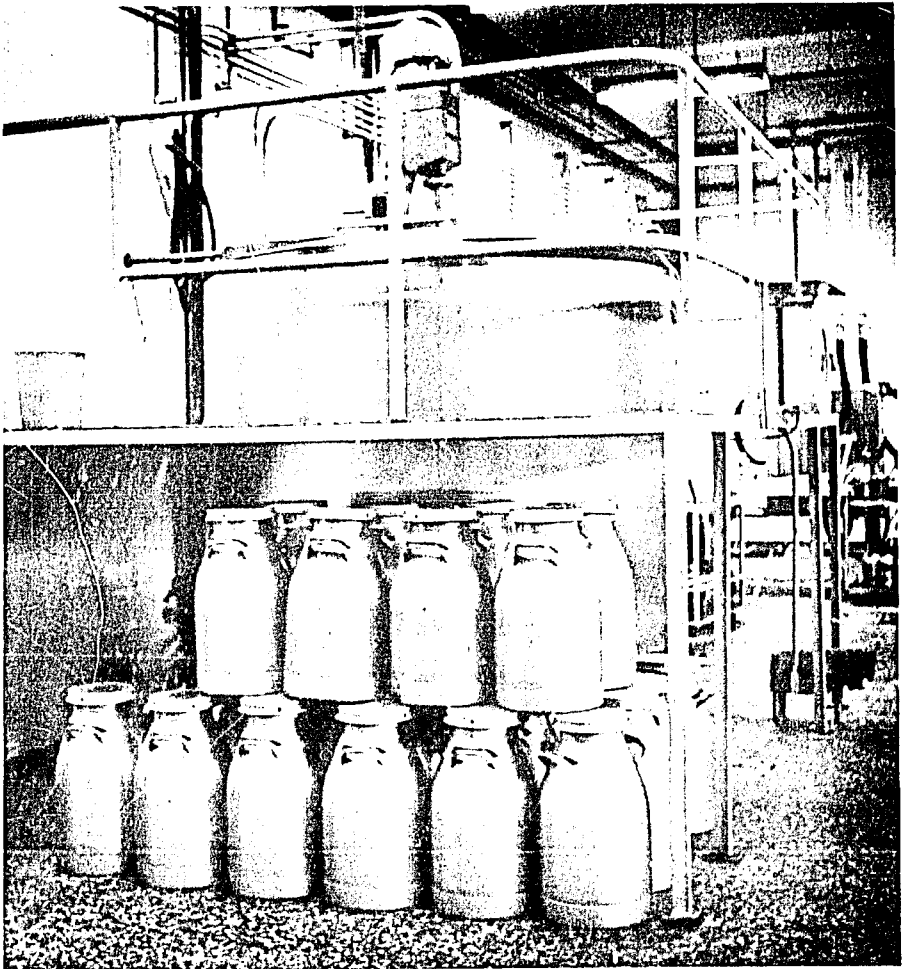
said Mr. Louis S. Hernandez, General Manager of Wyeth in Turkey.

Halit Tüzüner, Vice President and Managing Director of Wyeth in Turkey, said that Wyeth expects to expand continually for the next three and a half years.

Wyeth is owned by the American Home Products Corpo-

ration. Its present manufacturing concentrates essentially on two infant milk formulas as well as other milk products. It is by far the largest and most modern factory in Turkey producing milk products. While all the ingredients for this production are imported, all the milk used for production is purchased locally.

All milk used in Wyeth Laboratories is obtained locally.





Wyeth is by far the largest and most modern factory in Turkey producing milk products.



The pharmaceutical plant at Wyeth produces a large variety of pharmaceuticals including antibiotics, tranquilizers, vitamin products, anti-diarrhetics and gastro-intestinal specialties. In 1965 Wyeth expects to introduce several new products. "Also," says Mr. Hernandez, "we have

plans to develop basic manufacturing in the artificial hormone or steroid field."

The first Cooley Loan Wyeth received was for 4,000,000 T.L. With the second 6,600,000 T.L. Cooley Loan, Wyeth is now undergoing an expansion and is building its new chemical plant in

- *To help 30 million Turks live healthier lives.*
- *To help make 80 million livestock become better producers.*

PHARMACEUTICAL FACTORIES

tablets, liquids, ointments, and suppositories.

"We are thinking of expanding shortly and opening new departments for the production of chemicals and veterinary products," says Mr. Azzopardi.

Like the other American pharmaceutical companies operating in Turkey, Abbott attaches great importance to public relations as a method for increasing sales. Their public relations team is composed of 45 extremely well-trained men. These "detail men" cruise the country in 17 specially-equipped cars. They operate from and report to 5 regional centers which in turn report to the head office in Istanbul.

These teams do not stop by just contacting doctors and pharmacies in Turkey's 68 provinces. They also visit many minor towns, some in the most remote parts of the country. Here they

inform doctors and pharmacists about new products, take orders, listen to complaints, give advice and see to it that Abbott Laboratories does the best possible job of serving the people of Turkey.

Sealing of penicillin bottles in Abbott Laboratories.



The advertisement features a black and white photograph of a baby on the left. To the right of the baby is a tall, narrow display of various vitamin bottles. Further to the right is a large rectangular sign with the following text and table:

VITAMINLER I LITREBE

	A	B	C	D	E	K
ADNE 8070	2500	40	7	30	5	40
SMA 5-25	2500	400	6	30	5	40
TRER 8070	1500	20	0.7	15	40	1.50

Below the table, the text reads: **SMA 5-25 VITAMINLERI TAM OLARAK İHTİVA EDER**

Newest American Pharmaceutical Factory

Wyeth Laboratories in Istanbul is the latest American Pharmaceutical plant that has started producing its products in Turkey.

After receiving the first part of the 10,600,000 T.L. Cooley Loan from U.S. A.I.D., the Wyeth Company began building its Istanbul factory. Operation began

in July 1963 and sales commenced in November 1963.

"We have had our problems and delays and although we did not meet our objectives for the first year, our experience here has shown us that recovery will be easy and that Wyeth will be a successful venture in Turkey."

in the country and periodic courses are offered in several provinces, towns and villages. Between 1961 and 1964 (inclusive) 37,690 women and girls were graduated from these Singer sewing courses.

There are 325 workers in the Singer factory. All the machines are ultra-modern, and have been specially manufactured for the sewing machine industry. Every worker is a specialist in his field. The Turkish engineers working at the Singer factory were trained in sister companies in England, Germany, Italy, and the United States.

"Our workers are of the highest quality," said Mr. Roxburgh. He estimates that the work force in Singer will in-

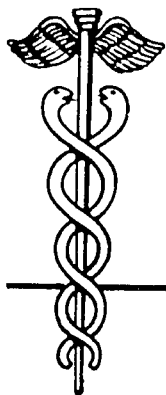
crease to 500 when the expansion of the factory has been completed in 1966.

With its office force included, Singer has 1,277 employees, agents, and branch men selling Singer machines in Turkey.

"We are known in the 68 provinces, in all the towns, and I would venture to say in nearly all villages in the country," said Papa Singer. "When," he added, "Singer produces its 100 percent Turkish manufactured machine, my long years of working for Singer and for Turkey will have borne their most valuable fruit."

Factory Manager George O. Roxburgh and Singer craftsman. All woodwork is hundred percent local.





AMERICAN

The Pharmaceutical Industry in Turkey is growing rapidly. Three major firms among the various pharmaceutical houses operating within Turkey's borders--Abbott Laboratories, Wyeth Laboratories, and the Pfizer Pharmaceutical Factory--have received U.S. A.I.D. Cooley Loans to help in their development.

The Abbott Laboratories

When Turkey passed legislation in 1954 to encourage foreign investment in Turkey, Abbott Laboratories of Chicago was one of the first companies to set up a branch factory here.

Although Abbott Laboratories is an American concern, there is not one American on the personnel list of the 150 people now working in Abbott's offices and modern laboratories.

A. Azzopardi, the General Director, has been with Abbott for twenty years. He remembers when Abbott was still an importer

of pharmaceuticals in Turkey, and he points out that Abbott Laboratories was one of the first companies which received a U.S. A.I.D. Cooley Loan

In 1958 the branch of the Abbott Laboratories in Istanbul received a 4,616,000 T.L. Cooley Loan to be used for expansion, working capital and to facilitate extension of larger and longer credits to customers.

At present Abbott is active in the pharmaceutical field manufacturing antibiotics, injectables, tablets, special enteric-coated

First machine with 100 percent local material.

110 specially equipped vehicles.

37,690 women and girls.

Sewing Machines

chines Company in the United States. The greater part of shares in the Turkish Company are owned by the U.S. parent company.

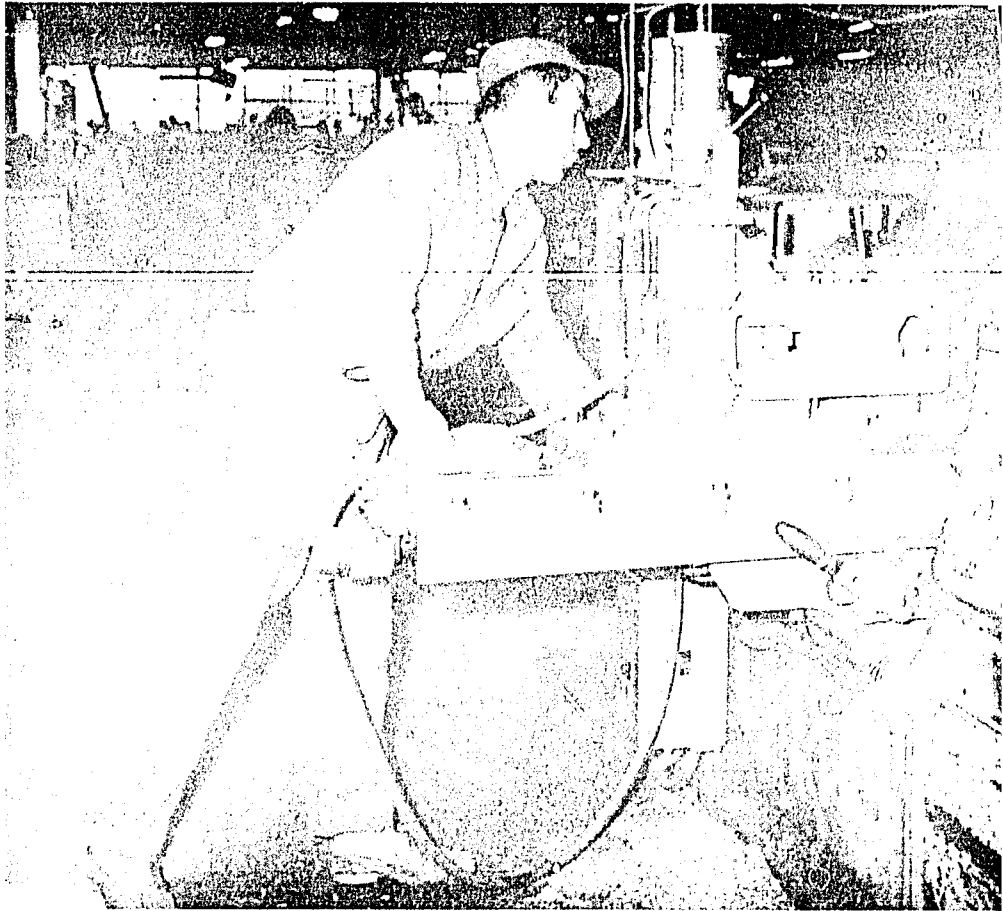
Singer Sanayi A.S. received two Cooley Loans from U.S. A.I.D. of 1,650,000 and 7,500,000 T.L., totaling 9,150,000 T.L. With these loans the Singer factory is now expanding. "We hope to produce our machines with 100 percent local material when this expansion is completed," explains Mr. George O. Roxburgh, manager of the factory.

Mr. Roxburgh said that the first machines to be produced

with purely local material will be the family-type sewing machines. "But," he adds, "it will only take a short time for the industrial-type machines to follow suit."

Mr. Roxburgh personally conducted the *Participant Journal* team through the factory which has a capacity of 80,000 machines per year. It is now working one shift only and is producing 40,000 machines. "It is that 20 percent of needed imports that is limiting production to full capacity," said Mr. Roxburgh.

The Singer factory near Istanbul began production in

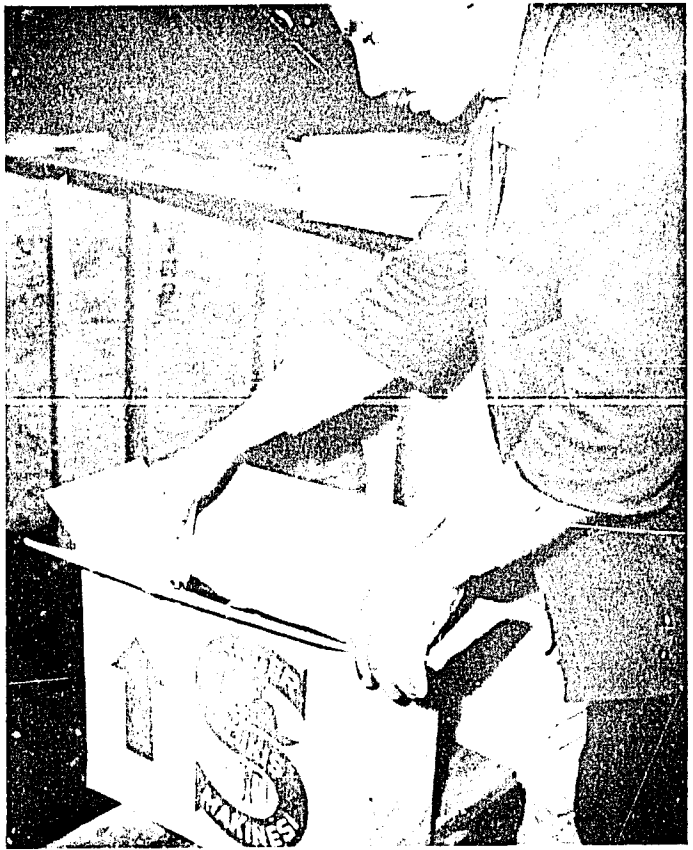


Specially manufactured for the sewing machine industry, the machines at Singer...

1960. In 1961 the factory produced 9,000 machines and this production rose gradually to 40,000 in 1964. "At present," estimates Mr. Ariman, "Singer is producing and selling from 70 to

75 percent of all sewing machines in Turkey."

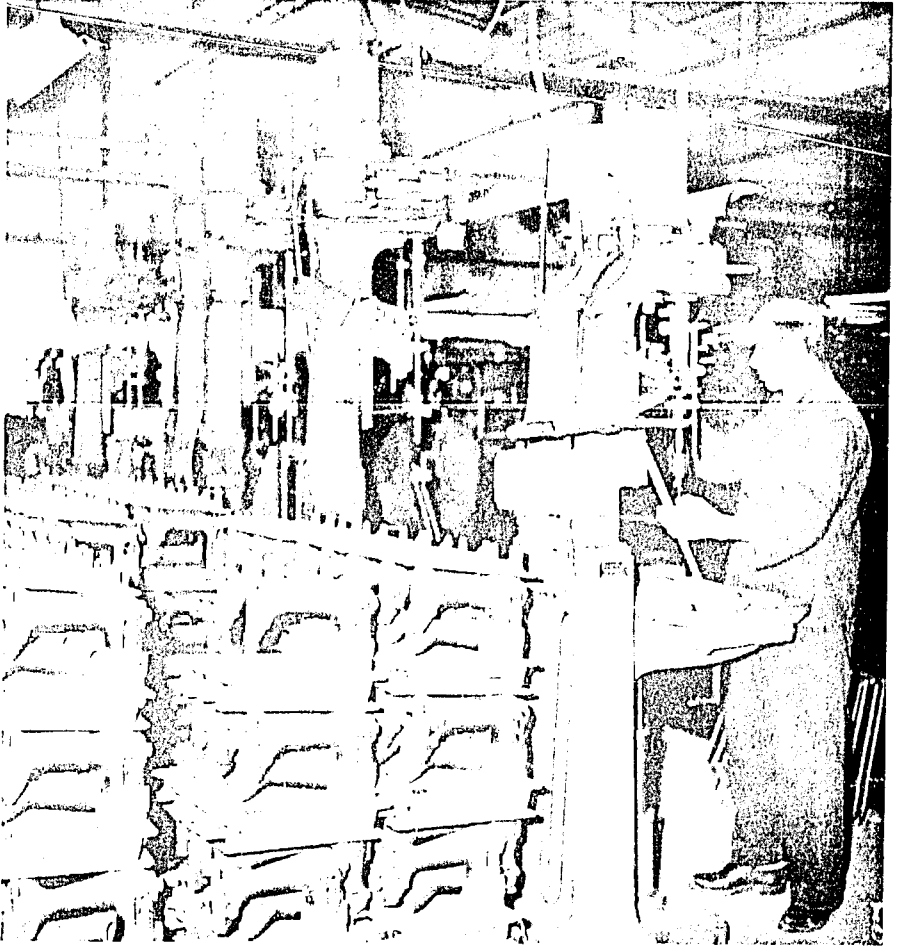
Three factors play major roles in these sales according to both Mr. Ariman and Mr. Roxburgh. First, Singer is a good



... Produce two machines every minute ...



... Which have passed through every phase of control.



Family-type machines, used in provinces, towns and villages. Soon will be produced with totally local materials.

machine, and its name has been known longer than any other machine in the country. Second, Singer has 110 specially-equipped vehicles that travel from province to province, from town to town and from village to village. The well-trained specialists who drive these cars visit old and potential customers. They sell machines, inform people about

them, and repair and maintain the sewing machines. And they only charge for services when they sell spare parts. Third, courses in sewing have been organized by Singer Sanayi A.Ş. ever since the Company began its activities in Turkey, and they have attracted thousands of women and girls. Continual courses are given in all Singer salons

most marked in the Scandinavian countries, with Germany next.

The reserves at the Kavak mine are very large, and Turk Maadin has at least ten years of ore blocked out at Kavak.

"We went through a trying and difficult period," said Mr. Berg. He added: "But, thanks to AID's Cooley Loans we managed

to continue stocking ore; we managed to bring low-cost power from Sariyar to our principal mine at Kavak; we managed to modernize and increase our mining equipment; and we are today in a stronger position than we ever were in the more than 50 years this firm has been in business in Turkey."

Concentrate plant at Kavak, Mihaliççik. Lines added on picture show power transmission line coming from Sariyar.

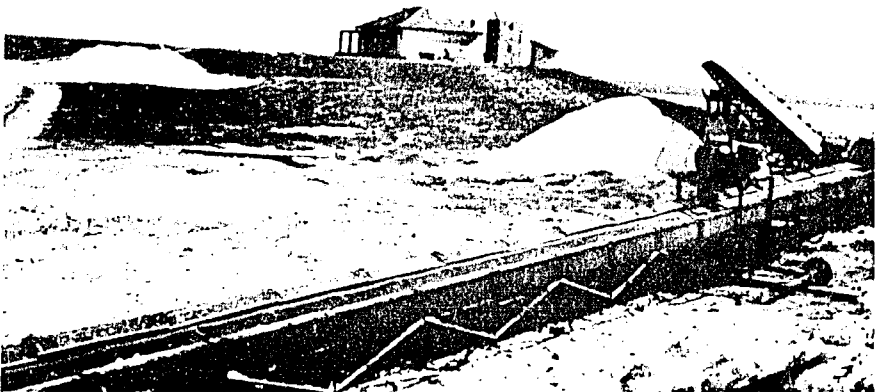


SODIUM SULFATE FOR TOMORROW'S INDUSTRY

Turkey has several salt lakes, and in them lies an estimated reserve of 30 million tons of sodium sulfate. Alkim Alkali Kimya of Istanbul extracts the largest amount of sodium sulfate from three briny lakes--and American Cooley loans have helped this firm to grow.

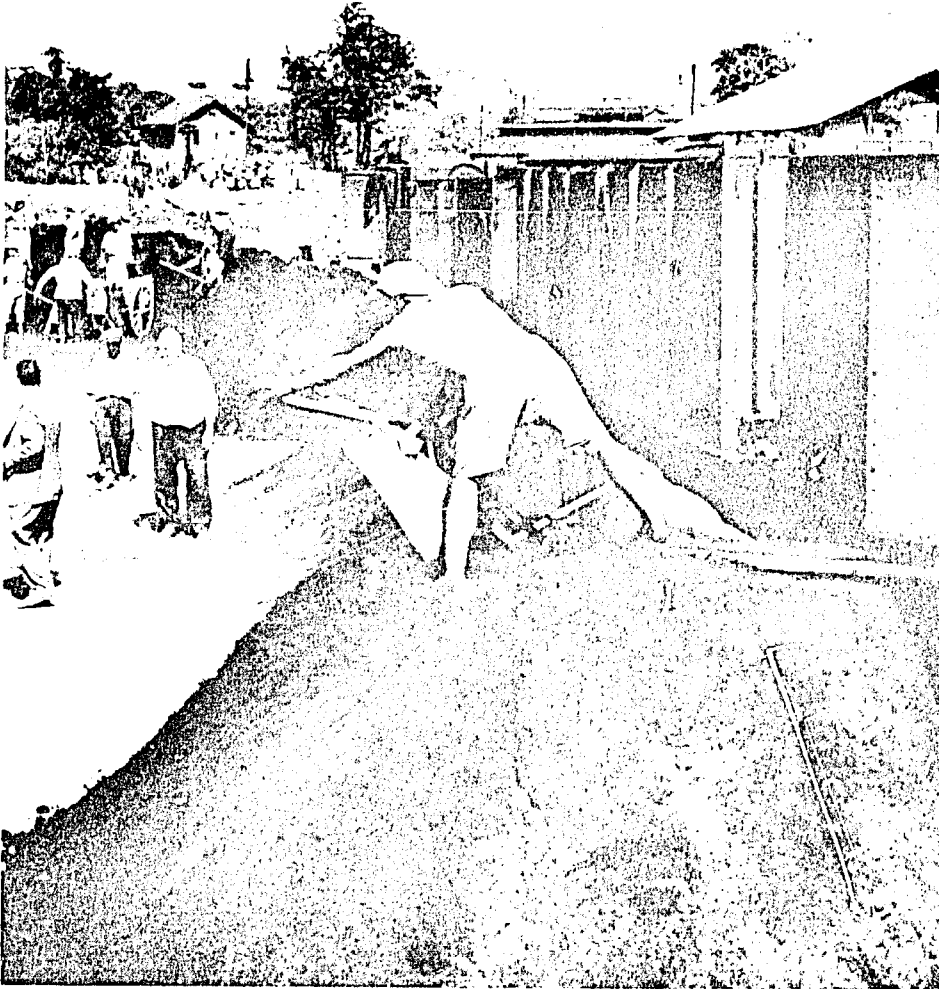
Extraction rights were granted to this company for 15 to 45 years by the Turkish Government, and the firm supplies sodium sulfate to both public and private sector industries. The company services requests from paper, glass, textiles, chemicals, and soap industries.

Sodium Sulfate...



First Cooley Loan for power transmission line from Sariyar.

Second Cooley Loan to build up stocks of concentrates.



Chrome concentrate transhipped from Izmit.

Then came the difficult period when low-priced chrome flooded the world markets. It was then that all sales stopped. "This critical period continued for nearly three long and difficult years," said Mr. S. O. Berg, the Swedish general manager of Türk Maadin A.Ş. "If it had not been for a second Cooley Loan of 7,000,000 T.L. we received in 1963 and 1964, exclusively to build up stocks of our concentrates, we would probably have had to stop operations."

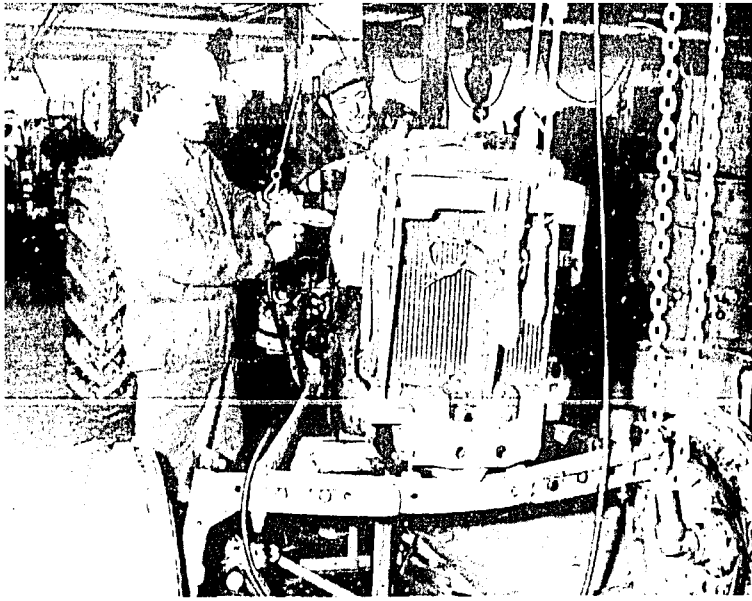
In this period Türk Maadin built a stockpile of 70,000 tons of concentrate. "Cooley Loans," said Mr. Berg, "helped us to preserve a past and to create a future."

Now the critical period is over. Sweden, Norway and Germany are already on the market and France is expected soon to return. Türk Maadin is already exporting its normal output of 60,000 tons of concentrate and hopes in the coming year, or even maybe this year, to dispose of part of its stockpile. "A year ago a liability, this stockpile can now become an asset for us," said Mr. Berg.

Many European countries now show a marked preference for chrome concentrate which is

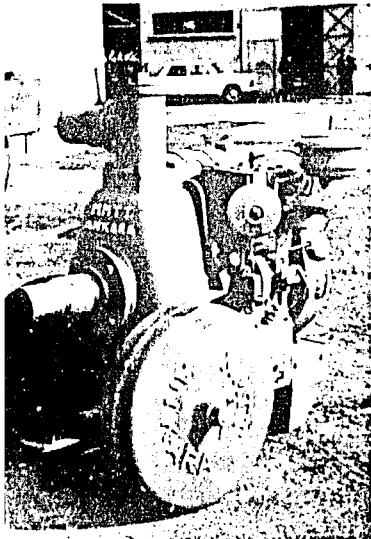
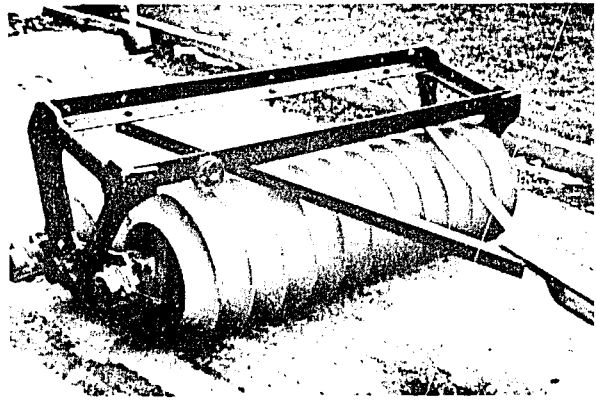
transformed into ferro-chrome. The principal reason for this preference is because the machinery needed in factories using ferro-chrome is much cheaper and necessitates less investment than the equipment needed to put up a factory that uses high-grade chrome. This preference for chrome concentrate is most





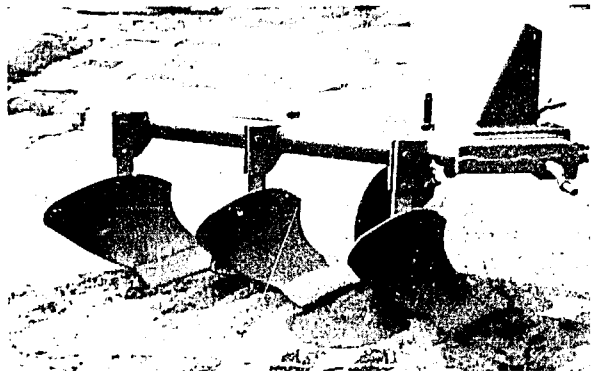
*Tractor
being
mounted.*

Disc harrow — 100% Turkish material.



Motor pump.

Tractor plough — 100% Turkish material.



Cooley Loan Preserves

a Past
and
Creates
a Future

Türk Maadin A.Ş. is one of the oldest mining companies extracting chrome in Turkey. Its operations date back more than fifty years. Originally a Swedish-Swiss company, Türk Maadin A.Ş. became an American-owned Turkish company in 1946 when its proprietors, the Grunfeld family--one of the most prominent mining companies in the world--settled in the United States and became American citizens.

The principal mine where Türk Maadin A.Ş. extracts low-grade chrome and transforms this into concentrate (Cr_2O_3 --56 percent) is in Kavak near Mihaliççik. The firm now also operates a second chrome mine in Fethiye.

Türk Maadin A.S. received a first U.S. A.I.D. Cooley Loan of 3,000,000 T.L. on October 13, 1961. The greater part of this loan was used to build a 27 kilometer private power transmission line from Sariyar to Kavak. Haulage and shaft equipment was also purchased with part of this loan.



Minneapolis Moline Turkish tractor factory.

British Ferguson and Fordson, the German Hanomag, and the Italian Fiat. Minneapolis-Moline also assembles the Italian Fiat tractors on contract.

Minneapolis-Moline, however, is the first tractor factory to use 45 percent of local material in its tractor production. The amount required by law is 35 percent.

This year Minneapolis-Moline imported 130 M-602 models. These 69 H.P. machines are a modernized and better-equipped replica of the old UTSD model. They will be sold for 66,960 T.L. and will probably cost less if partially manufactured in Turkey. Manufacturing of these machines will not begin until the

130 test machines have been tried out in different areas of the country and their adaptability and suitability to soil conditions have been established.

In 1963 a total of 8,300 tractors were manufactured in Turkey. This number rose to over 10,000 in 1964 and will probably remain about the same in 1965.

Minneapolis-Moline also manufactures agricultural equipment such as tractor plows, disc harrows, hoeing machines, soil pulverizers, and motor pumps. Most of the material used for this type of manufacture is 100 percent local. Some equipment needing imported discs or bear-

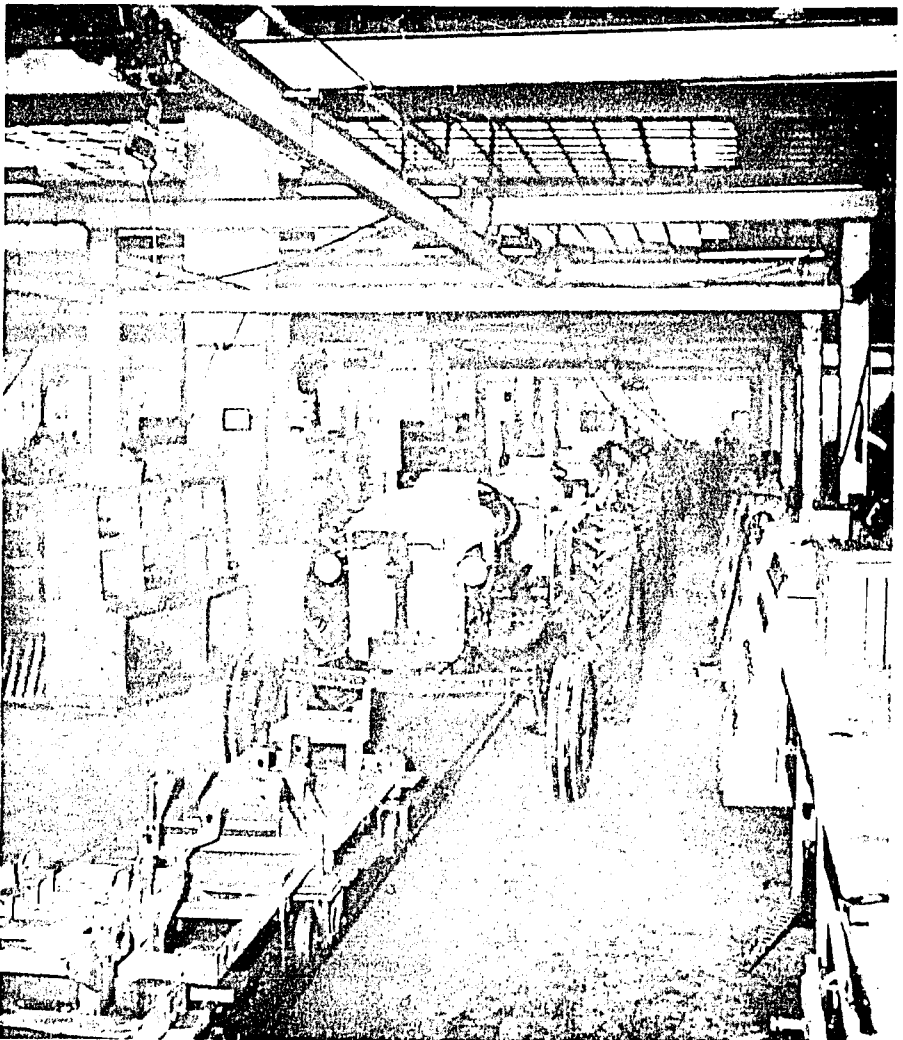
ings still contain 90 percent local content.

The Minneapolis-Moline factory has manufactured and still manufactures heavy equipment--on order--for the State Highway Department and deep-well pumps for DSI (State Hydraulic Works.)

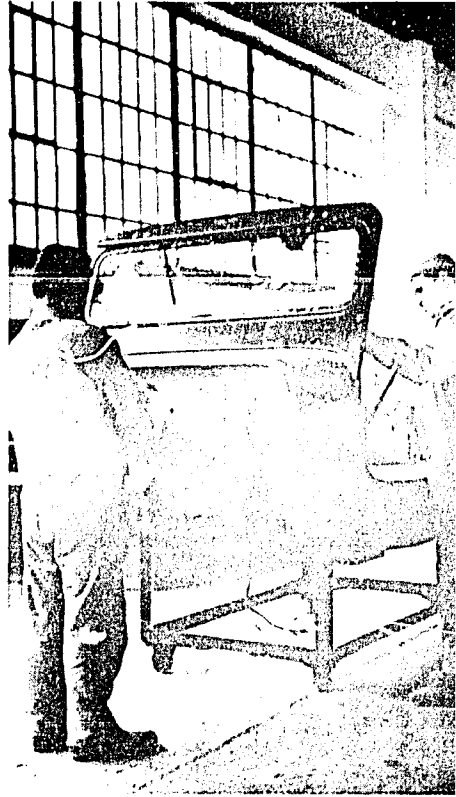
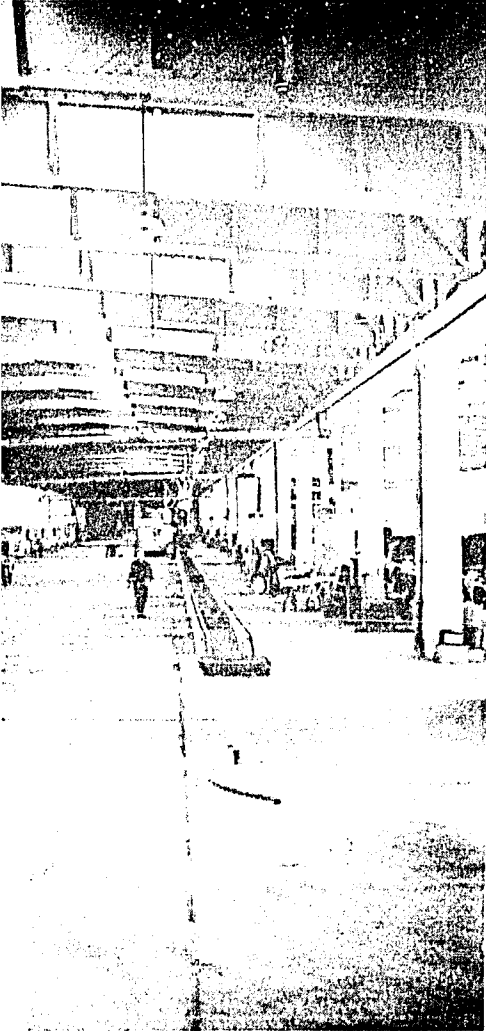
The factory also works on order for the general market.

Agriculture is a major factor in future Turkish prosperity, and this growing field needs all the tractors and heavy equipment that Minneapolis-Moline can produce.

Interior of Minneapolis Moline Factory.



Laçin Ökmen, the director who has to work at 25 percent of capacity, reminds one of a tiger in a squirrel's cage.



Workers in the Jeep factory have received in-factory training.

Turk Willys-Overland has the largest covered assembly line in Turkey.

MINNEAPOLIS MOLINE

First Tractor Built in Turkey

The first tractor fabrication plant in Turkey, the Minneapolis-Moline Turk Traktor Fabrikasi, assembled its first tractor in 1955. That year 880 tractors left the assembly line of the Turkish-American factory built on the outskirts of Ankara.

Minneapolis-Moline of the United States is a 30 percent partner of the company, having given its patent rights to the company. The remaining 70 percent of the shares are owned by the Agricultural Bank, the Machines and Chemical Industries, the Agricultural Equipment Institution, and several agricultural cooperatives. Total shares are 20 million Turkish Lira.

The Minneapolis-Moline tractor factory received a U.S. A.I.D. Cooley Loan of 7 million T.L. for expansion and operational expenses.

In the ten years the factory has been in production, it has assembled and built 4,796 tractors. In ten years, which is the normal life span of a tractor, not one of the Minneapolis-Moline tractors has been scrapped. Some of these old tractors which are in good condition have been sold for up to 50,000 T.L., which is considerably more than the purchasers paid for their machines.

There are other tractor factories that assemble tractors in Turkey today. These are: the

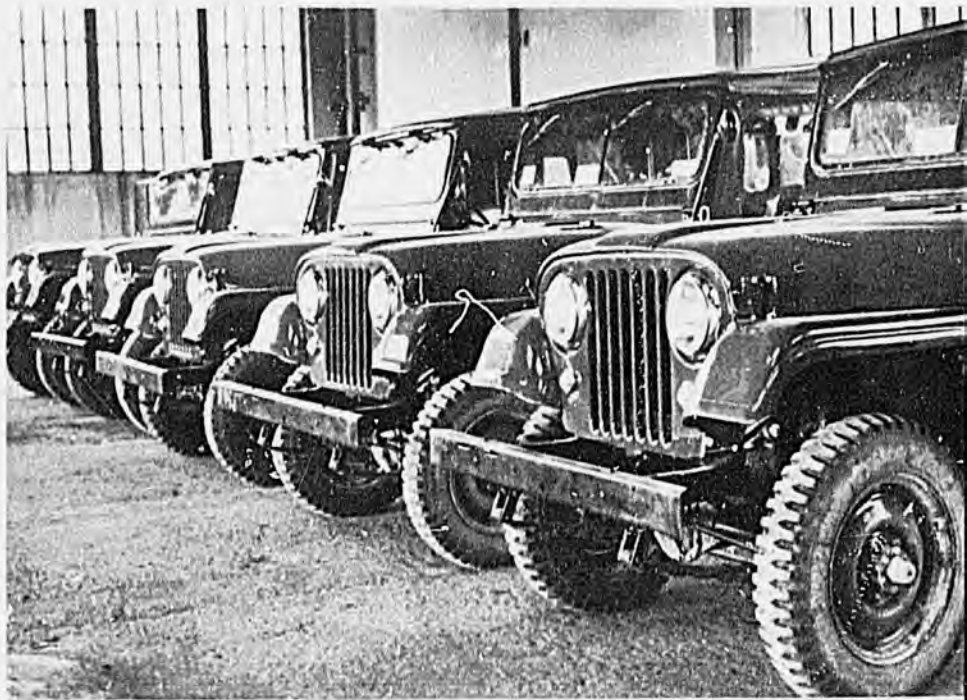
crease of that content. In 1964, says Laçin Ökmen, 35 percent of the Jeeps produced in Turkey came from local material. This consisted of springs, batteries, paint, seats (complete upholstery), canvas tops, and tires.

Until 1964 the local material used in the Jeep was 24 percent. This year (1965) the wiring harness, steps, bumperettes, spare tire carrier, jerrycan holder, and cargo body will also be built locally. When Ereğli Steel de-

livers the products ordered by Willys-Overland the local content of the vehicle will increase up to 45 percent. It will then also include locally manufactured pintlehooks, speed governors and sheet metal parts.

The highest production in the Willys plant so far has been 4,000 vehicles yearly. Yet the capacity of the plant is 20,000 vehicles. "We are geared to develop with Turkish development," says Laçin Ökmen.

Between 1960 and 1964 17,000 Jeeps were assembled in the Istanbul factory.



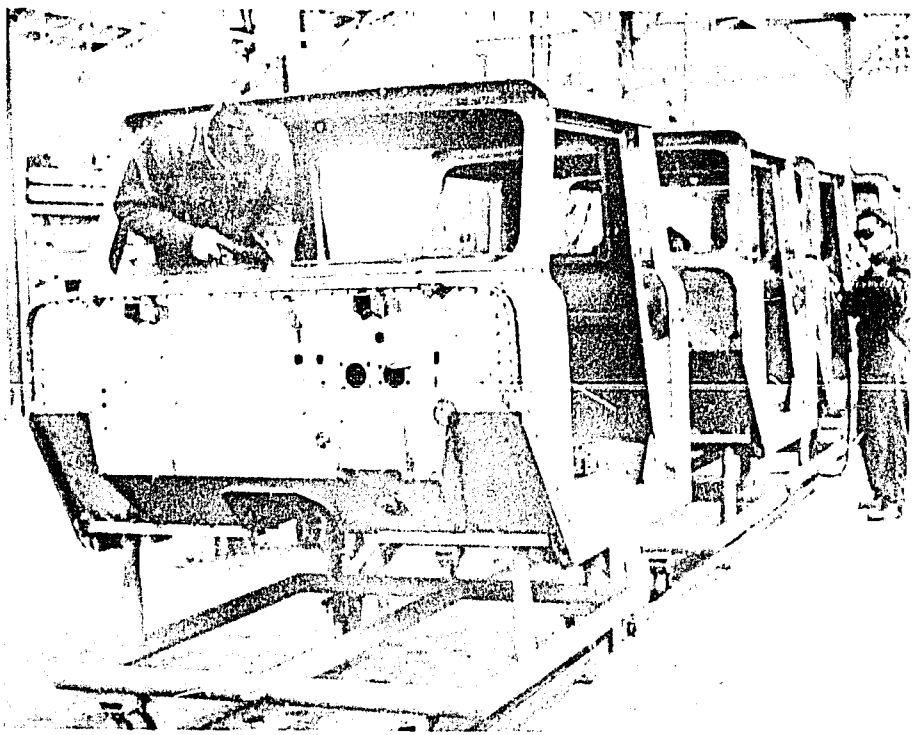
At the end of January 1965 the labor force of Turk Willys was 515. The wages they receive are far higher than standards in the country. Every foreman, technician and worker interviewed evinced a personal pride in the factory which they all, without exception, called "our" factory.

Jeep attaches the utmost importance to training of its personnel, both technical and executive. For advanced specialization Turk Willys-Overland has sent several executives and technicians to be trained in sister companies in Europe and the United States. "But what we are most proud of," says Laçın Ökmen, "is that several of our sister companies in Iran, other Middle Eastern countries, and even from the Jeep Factory in Palermo, Italy, have sent personnel to our factory for advanced training."

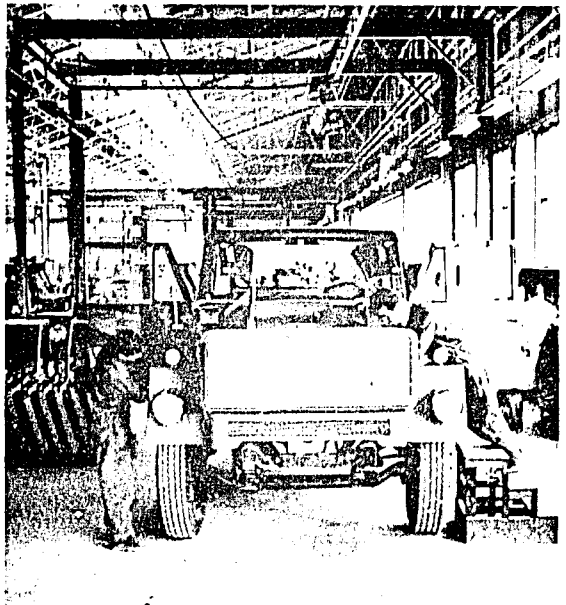
The introduction of the Five Year Development Plan says "The sad results of an unplanned economy have led to the adoption of planning as an essential way to development . . ." In the Turk Willys-Overland Factory there is not a minute that is unplanned. Even coffee and tea are served during two fifteen-minute periods in the work day.

Willys, and the people at Willys, are ready to develop. They are eager to do more. They know they can do more. And





Assembly of bodies of Fargo, Desoto and Dodge trucks.



*Last touches
on Fargo truck.*

Jeep

COMES TO TURKEY

Since 1955 there has not been one American working in the Turk Willys-Overland Factory," said Laçin Ökmen, the American-trained director of the Jeep Factory.

This statement of the young factory director was a statement of pride in the technological achievement of Turkish engineers, technicians in this factory in which it was a shareholder.

Turk Willys-Overland factories first began operating in Tuzla, Istanbul in 1955. The United States company owns 25 percent of the shares of the Turkish factory and the Verdi firms own the remaining 75 percent.

Between 1955 and 1959 a total of only 900 Jeeps were assembled in this factory. In 1961 Turkish Willys received 15,000,000 T.L. in Cooley Loans from AID to be used as working capital. And between 1960 and 1964 17,000 Jeeps were assembled in the factory for private use and for the Turkish Army.

In the assembly plant of Willys at Tuzla which covers 35,000 square meters of covered area and is the largest assembly plant in Turkey, the Willys people--the Turks working in partnership with Willys--try to include as much local content as possible, and their plans for the future are for a progressive in-

first units came off the line in July 1964.

The Turkish subsidiary of Chrysler is owned 60 percent by the Chrysler Corporation and 40 percent by the following Turkish firms: Ruşensad-Rıza Sadıkoğlu ve Kardeşi; Tatko-Otomobil, Lastik ve Makine Ticaret T.A.Ş.; and Çiftçiler Ticaret ve Sanayi A.Ş.

The joint investment is 20,000,000 T.L. and with the 35 million T.L. Cooley loan the factory began operating with 55 million T.L. The capacity of the factory is 5,000 units per year, but now due to quota restrictions the factory is working at only 25 percent capacity.

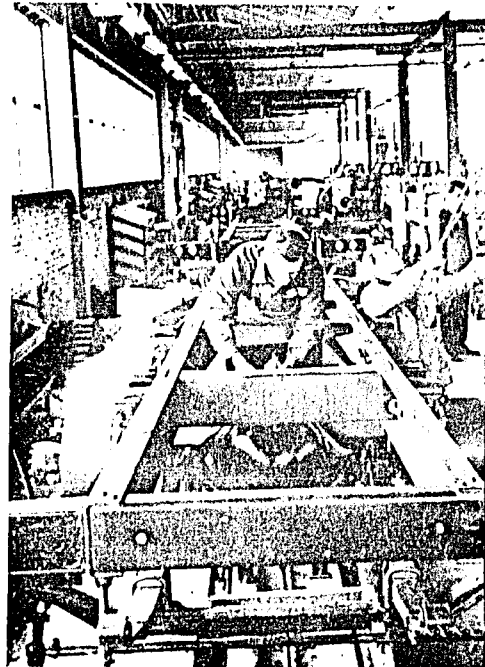
The Turkish Chrysler factory presently is producing Dodge, Fargo, Desoto trucks in the following types:

- D 100 -- GVW rating in Kg. 2,450
- D 300 -- GVW rating in Kg. 4,530
- D 407 -- GVW rating in Kg. 12,720
- D 406 -- GVW rating in Kg. 10,230

The Chrysler plant is equipped to build any type of truck. Of the trucks presently built, the cab and front-end sheet metal were specially designed for Turkey and countries with similar requirements.

The first XLV truck cab ever built by Chrysler anywhere in the world came off the line of the Chrysler plant at Gebze, Istanbul.

The XLV was designed with the primary objective of using as much local content as possible in the manufacture of the truck. At present 32.1 percent of the content in the XLV is local. With tires this figure rises to 40 percent. When the needed steel can be purchased from Ereğli, and it is hoped that this will be soon, then the local *work on chassis of trucks in Chrysler factory.*



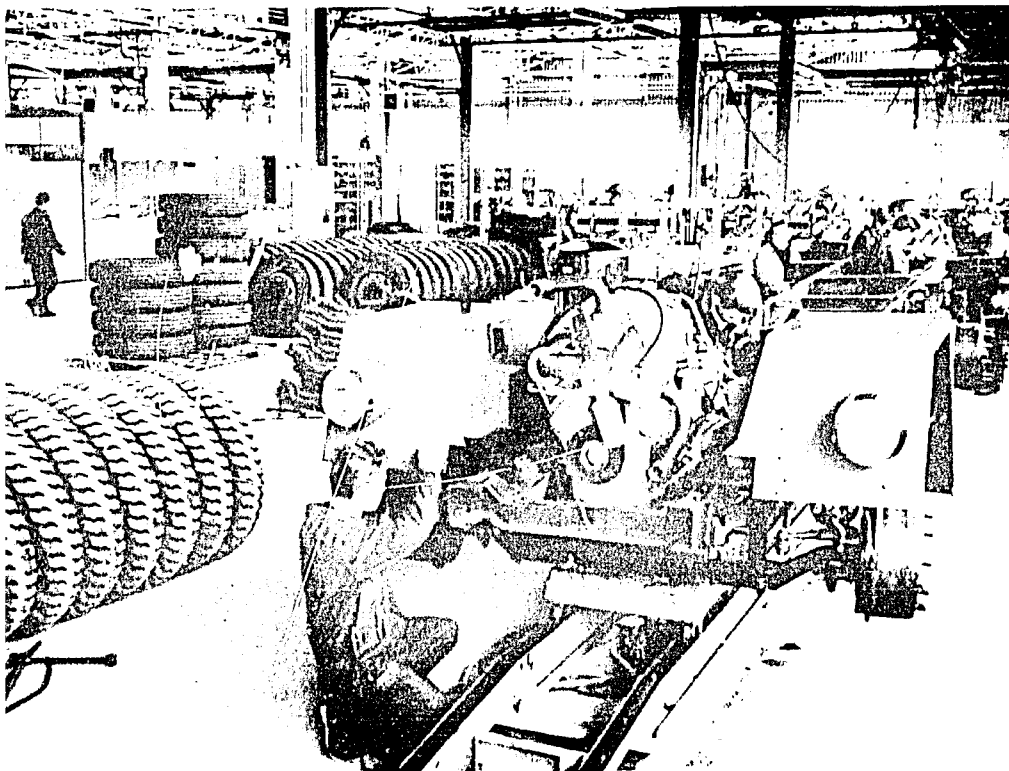
content will increase by a minimum of 3 percent.

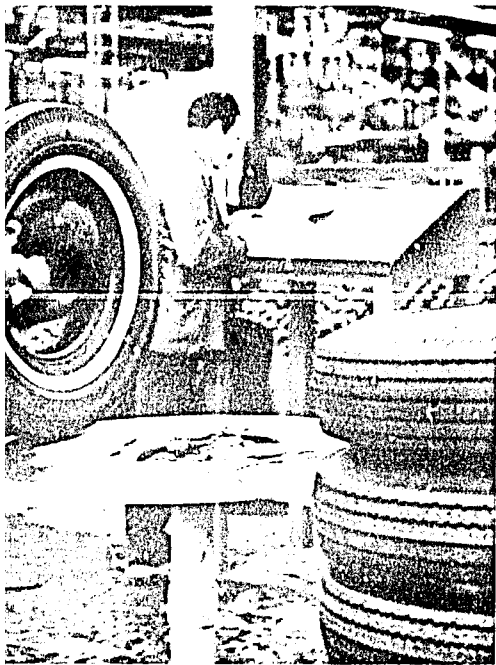
Mr. Steven M. Hedegus, General Manager of Chrysler Sanayi A.Ş. says: "The XLV is a good product. We hope that within three years the local content in manufacture of this truck will increase considerably. We are now working at 25 percent of capacity. This, we hope, will also increase rapidly in the

coming years."

Turkey needs foreign investment. And Chrysler does not hide the fact that the United States, to maintain its pre-eminent position in world motor-vehicle production, must expand operations overseas. The opportunity was here, and private entrepreneurs of both countries took it. Chrysler is a striking example of this joint venturing.

Mounting of body.





Controlling interiors of completed tires.

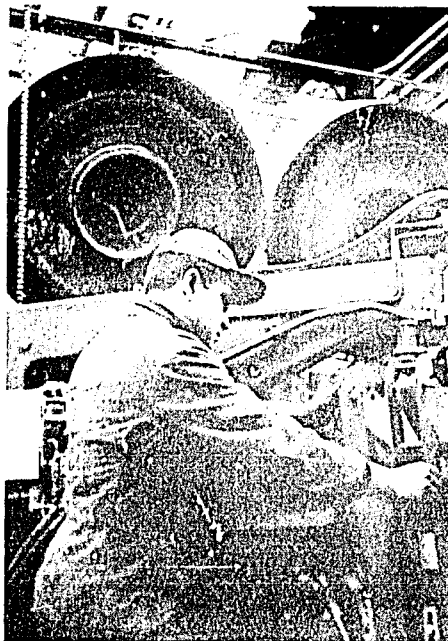
they have been so well trained that we now are putting up another \$4.5 million dollars to expand more and more.”

U.S. Royal works in three shifts, twenty-four hours a day. The 14 curing presses presently operating will be increased to 30. When all the presses have been set up the factory will begin to produce tractor tires as well.

Enver Göknül, industrial relations manager of U.S. Royal, who took the *Participant Journal* team around the factory, did not

hesitate to let the engineers, foremen, and even workers on the job answer questions. Every worker knew exactly what he was doing, through what operations the tire he was processing had passed before it had reached him, and what were to be the following operations.

The Turkish Five Year Development Plan estimates that the total tire demand in 1967 will be 645,800. These will consist of 61,000 automobile tires, 498,700 truck and bus tires, and 86,100 tractor tires.



Curing presses.

CHRYSLER



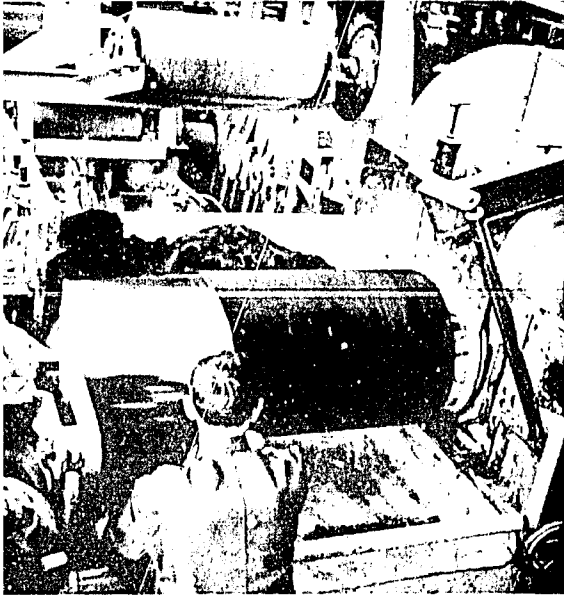
Designs a New Truck for Turkey

The following is an excerpt from a paper written by K. P. Mazurek, E. D. Heins, and C. B. Nanssen of the Export-Import Division, Chrysler Corporation:

"United States automotive manufacturers, to maintain their pre-eminent position in world motor-vehicle production, must expand their operations overseas. Therefore, it has been desirable to develop a vehicle which can be easily manufactured overseas for minimum capital expenditures.

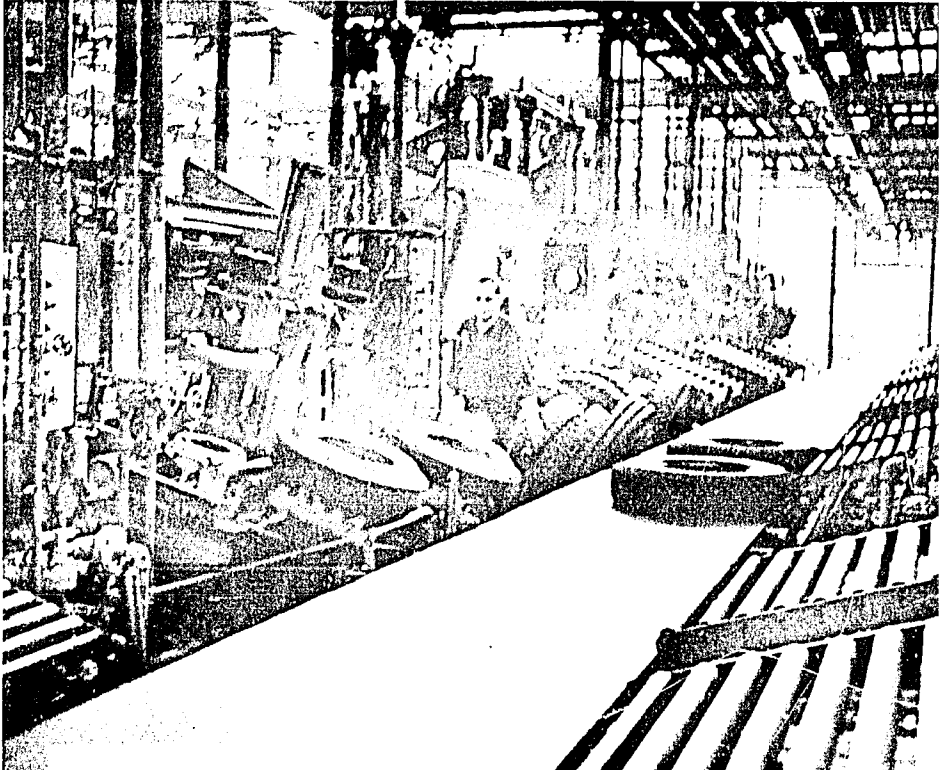
"Chrysler's International XLV truck-cab has been styled, designed and processed for low volume production overseas."

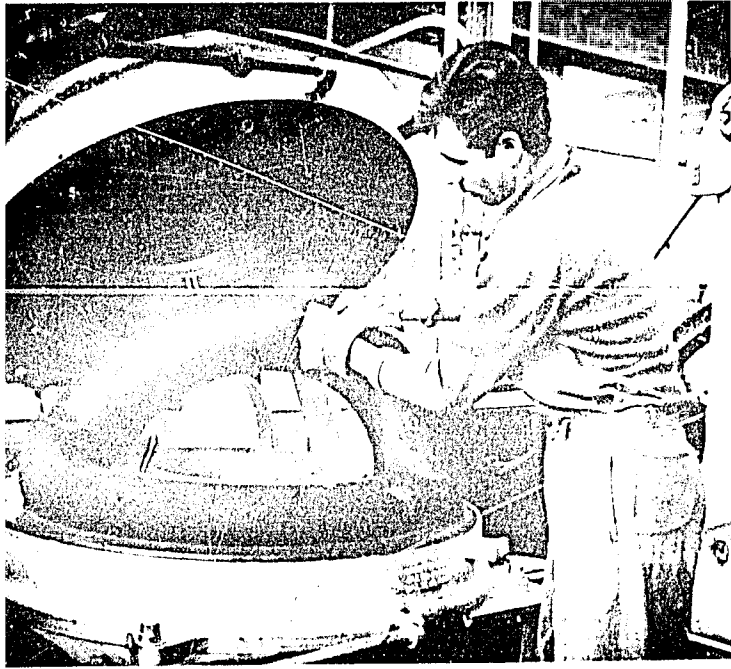
While Chrysler designers were working on the XLV in Detroit the Chrysler people in Turkey began building their factory on the Izmit-Istanbul road, which now many Americans have nicknamed "Cooley Highway." Construction began in May 1963 after Chrysler Sanayi A.S. had received a 35,000,000 T.L. Cooley loan from AID. The



Worker stripping rubber off roller at U.S. Royal tire factory.

Tires coming out from automatic curing presses.





Curing of tubes.

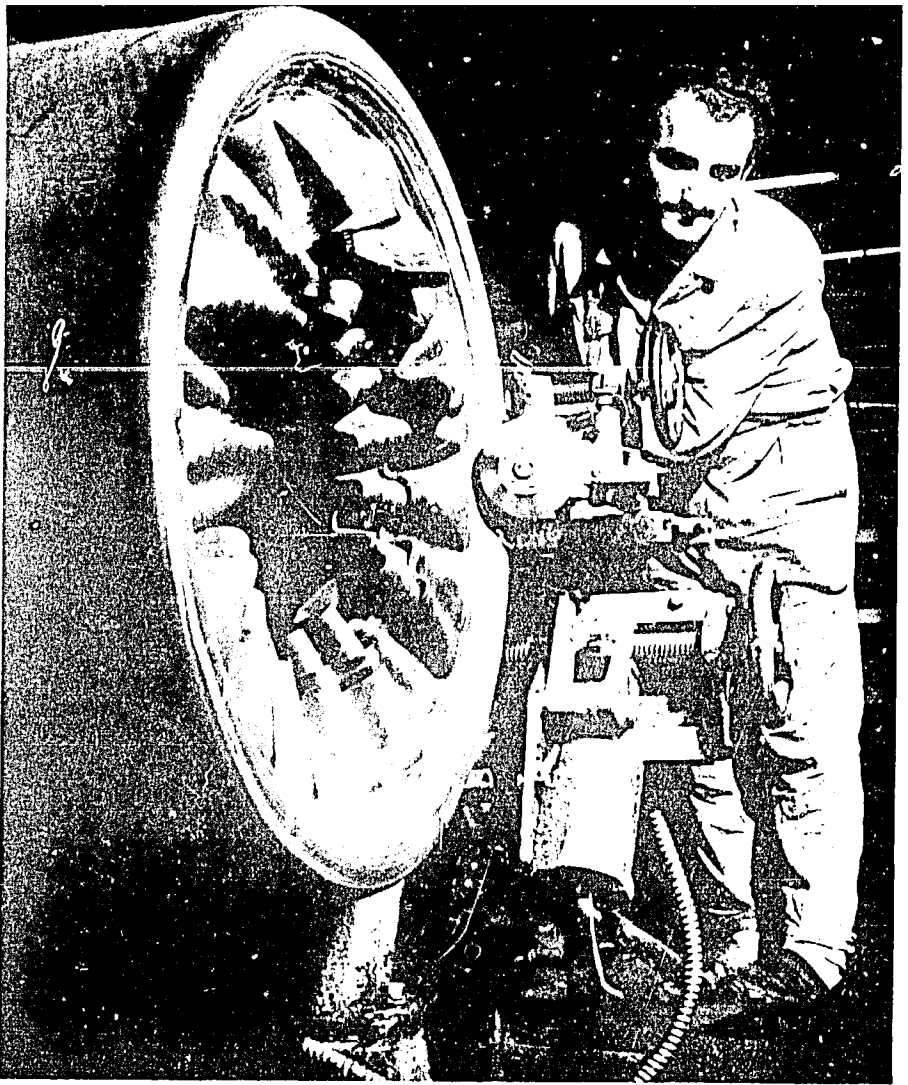
ing to a total of 49,600,000 T.L., were a great instigation to bring this second American tire factory to Turkey.

U.S. Royal employs 300 wage earners and 125 salaried employees. Of these only eight are foreign—three at the head office and five at the factory in Adapazari.

Like Goodyear, Royal has also been doing all its training locally through special labor trainers brought in from abroad. Instructors were brought from the parent company in New York and

returned home after remaining in Turkey for periods ranging from three to six months.

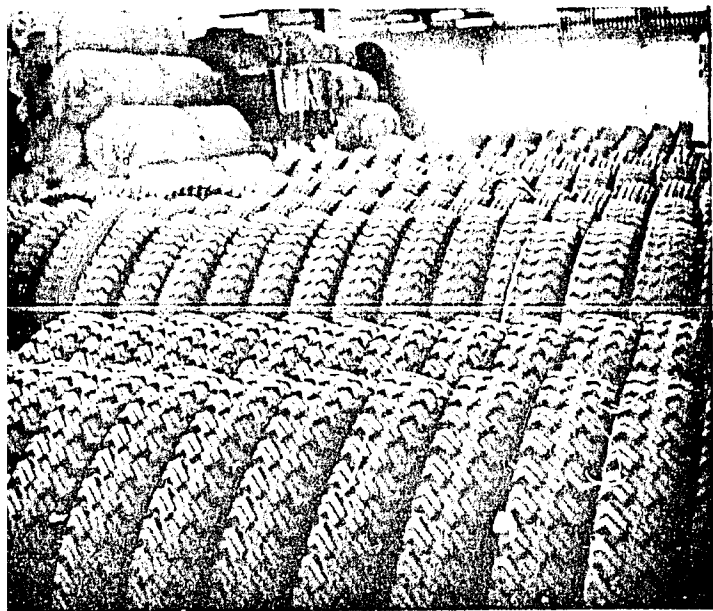
U.S. Royal is now spending approximately \$4.5 million for the expansion of its factory. "When we first started," states Mr. L. W. Montreuil, the manager of the factory, "we put up some of the most modern—what we call sophisticated—machinery in our factory. It could have been a wrong step, but it was not. Today I have twelve Turkish engineers working and every one of them was trained in this factory. And



Passenger car tires before curing operation.

peak training period 16 labor trainers were brought in from various parts of the world to train Turkish employees. Since Goodyear is an international company, additional and future training will be done in Good-

year's overseas plants that are best adapted for the particular training need. One Turkish Goodyear employee underwent two years of training in England and now heads one of Goodyear's departments in the Istanbul area.



U.S. ROYAL

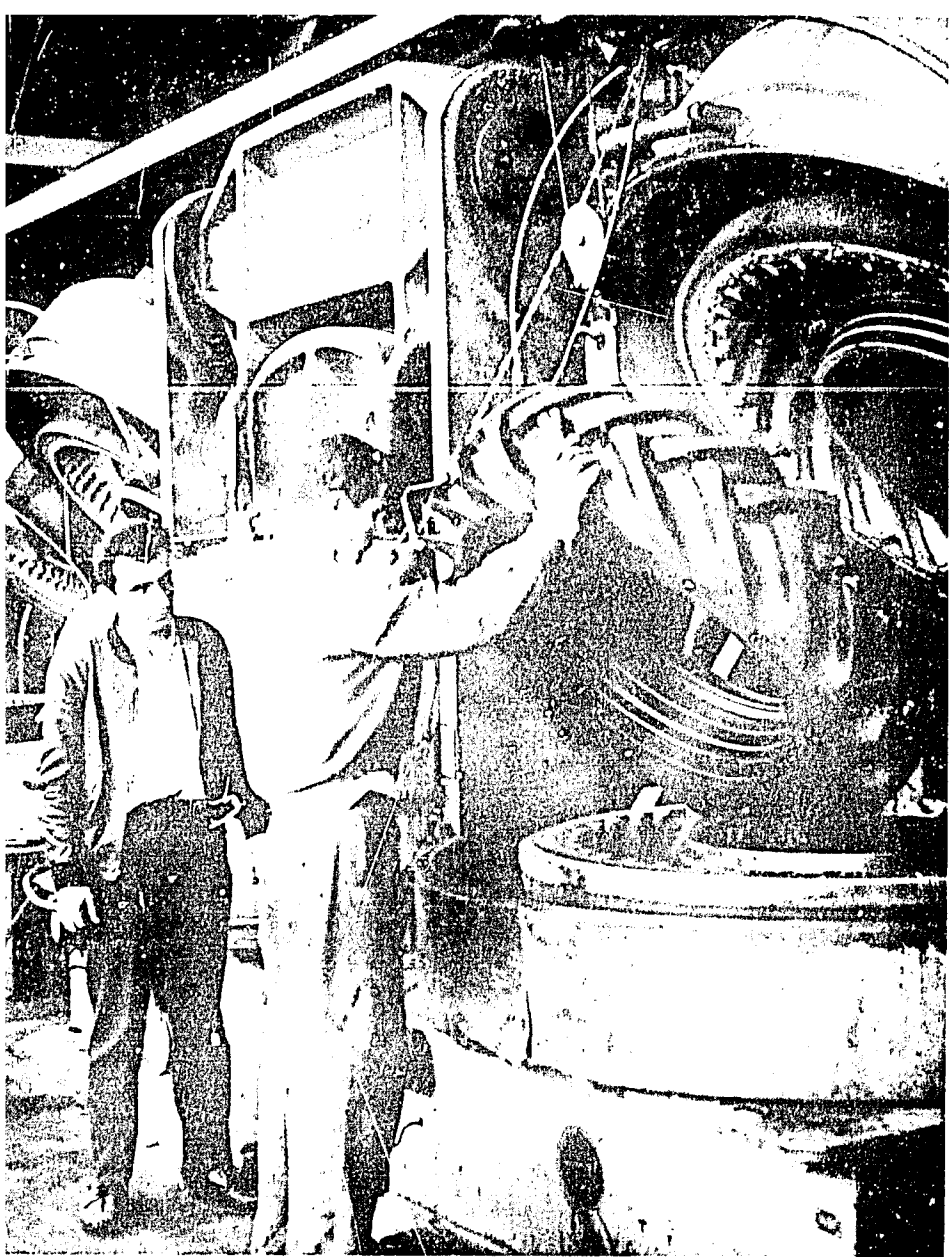
U.S. Royal has begun a \$4.5 million expansion

U.S. Royal Lastikleri A.Ş., a sister company of U.S. Royal, came to Turkey after Goodyear. U.S. Royal's factory, which began operating on January 1, 1964, now has a slightly higher production capacity than Goodyear.

Shares of the U.S. Royal firm are owned 60 percent by the parent U.S. company and 40 percent locally. The present production

capacity of U.S. Royal today is 190,000 tires yearly. As soon as the expansion which is underway is completed, production is expected to reach the figure of 300,000 tires annually.

Mr. Leonard C. Daniels, General Manager of U.S. Royal Lastikleri A.Ş., said that the two Cooley Loans his company received from U.S. A.I.D. amount



Tractor tire curing at Goodyear tire factory. Foreman Celal Karakadilar supervising work was simple laborer before he followed in-factory training courses.

material for this production is imported. But Turkey saves a minimum of 30 percent in costs by having these tires manufactured in the country. Turkey's previous tire imports for automobiles, trucks, buses, and tractors averaged \$20 million yearly. Through these three new factories, Turkey now saves \$6 million each year in import substitution.

Goodyear opened its Turkish company under the name of Goodyear Lastikleri T.A.Ş. The capital of the firm is 54 million T.L., two-thirds put up by the parent company in the United States and one-third belonging to 710 Turkish shareholders—every one of them in the private sector.

Goodyear received its first Cooley Loan of 50,000,000 T.L. from U.S. A.I.D. before building the factory. The second loan of 19,800,000 T.L. was obtained from U.S. A.I.D. for the expansion that is now in progress.

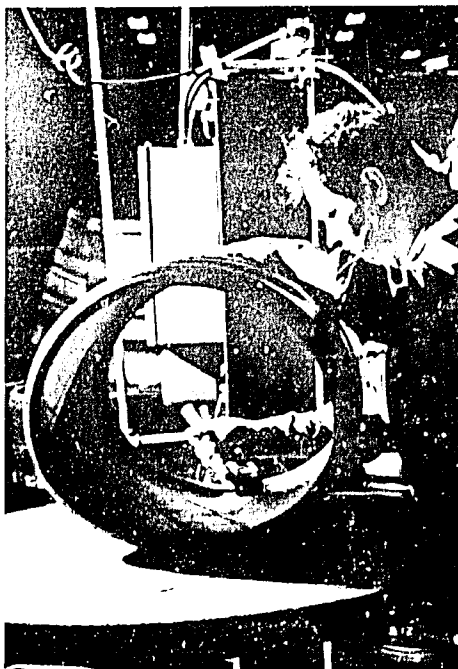
Goodyear produces about 30 percent of all the tires now manufactured in Turkey. Recently Goodyear has been concentrating on tractor tires and is curing about 50 large tractor tires daily. The other types produced by the factory are passenger and bus/truck tires. The factory has

recently begun manufacturing camelback, a material used for retreading tires.

Goodyear at present employs 12 foreign and 426 Turkish personnel. Mr. Chambers estimates that when this expansion has been completed and the new additions start operating at the end of 1965, personnel will be increased by about 200 people—all Turkish. Foreign personnel will remain at the present 12.

All the training of the personnel at Goodyear has been accomplished locally. At the

Smoothing operation before curing.



loaned three of its personnel, including Mr. Huizer, to the American-Turkish partnership, and the İş-Bank has loaned five of its officers. All of these personnel are on leave of absence.

"We have been organizing outstanding personnel in Istanbul and İzmir," said Mr. Huizer. He added, "Although we have been operating less than one year in Turkey I have found that Turkish men and women show great and swift adaptability to new systems."

Mr. Huizer explained that the Bank of America had entered into similar co-ventures in Iran, Libya, Morocco, and Greece. In some ventures of this type Bank of America enters with as little as 3 percent of the capital. The purpose is to bring new banking "know-how" into other countries and also to create ties with international banking.

"In Turkey," said Mr. Huizer, "we have been especially fortunate to work with such a partner as İş-Bank. This bank has its branches in all parts of the country. Since we are partners, the İş-Bank can count all our international branches as its own branches, and vice versa. The American-Turkish Foreign Trade Bank has placed a complete

range of commercial banking facilities at the disposal of other Turkish banks, commercial and industrial enterprises. The Bank will provide opportunities for training banking personnel wherever experience in banking techniques is necessary."

The American-Turkish Foreign Trade Bank, whose principal activity is in commercial banking in foreign trade and/or investment, extended its first credits in February of 1965. It will help Turkish industrial firms get into contact with foreign firms for sales of their products. It will also help foreign enterprise by informing interested parties regarding investment and business possibilities in Turkey.

"We may not yet be a major bank in Turkey," said Mr. Huizer, "but we have a major job to do. We intend to help Turkish industry abroad and we intend to help foreign industry develop in Turkey. I have not the slightest doubt that this co-venture of ours will be a success. We have a common aim and we have not had the difficulty we have had with personnel in other countries. We have been invited to Turkey by the Turks. We will do our utmost to bring to Turkey what Turks need most."

TURKEY'S TIRE INDUSTRY AND IMPORT SUBSTITUTION

GOODYEAR

*Goodyear soon to produce
500 tractor tires daily.*

“If it had not been for the Cooley Loan we could not have come here,” said Mr. Nelson Chambers, Managing Director of Goodyear Lastikleri T.A.Ş.

“Cooley Loans made it possible for us to build the Goodyear factory in Turkey. We built the factory in only 231 days after breaking ground. And we cured our first tire on December 30, 1962,” added Mr. Chambers.

Now Goodyear is expanding its factory with an additional Cooley Loan. Today Goodyear is producing 500 tires daily. After

the completion of its expansion program, Goodyear expects to step up production to 833 tires daily after October 1965.

Turkey's future economic growth and stability depend largely on closing the trade gap. This is done not only by importing less, but by shifting its imports to those commodities Turkey cannot produce; by producing more internally; and by earning more through exports.

Turkey's three tire factories now build nearly all the tires that Turkey needs. All the raw

"These are old customers. Now I have also to meet the demand of new customers in the country and in foreign countries. Pepsi Cola and Coca Cola, both new factories in Turkey, need 500 tons of glucose for caramel in 1965. They have informed me that their combined need for 1966 will be over 1,000 tons. Holland has contacted us for glucose and animal feeds. We hope to make our first exports to this country within a few months. We are also in contact with Syria, Lebanon and Iran."

The factory in Spain is the example Kösematoğlu has set for his factory and for himself. "What they have achieved in Spain I can achieve here," he says.



Stock ready for shipment.





NEW VENTURE IN INTERNATIONAL BANKING

It was less than one year ago that Turks, Americans, and Italians began a co-venture of banking in Turkey through the creation of the American-Turkish Foreign Trade Bank in Istanbul.

The need for such a bank was stressed by İş-Bank, one of Turkey's leading banking institutions, and was encouraged by the Turkish Government. The American-Turkish Foreign Trade Bank was formed with the participation of the Bank of America. İş-Bank supplied 76 percent of the 10 million T.L. capital, while the Bank of America-International put up 20 percent, and Banca d'America e d'Italia of Milan—a subsidiary of the Bank of America—supplied the remaining 4 percent. The American-Turkish Foreign Trade Bank is supported by lines of credit from shareholding banks similar to the original

capital supplied. It also received, in 1964, a Cooley Loan of 20 million T.L. from U.S. A.I.D.

The purpose of this AID loan is different from the other Cooley Loans given by AID since it will be used to help the Bank to re-lend funds with a minimum repayment period of three years to firms in industry and commerce who work in the interests of Turkey's economy. Local banks, excepting the Industrial Development Bank and the Industrial Investment and Credit Bank, do not extend credits for over six months duration.

The Bank has its main office in Istanbul and opened its first branch in Izmir in November 1964. "We soon hope to open a branch in Ankara," said Mr. Pieter Huizer, General Manager of the Bank.

The Bank of America has

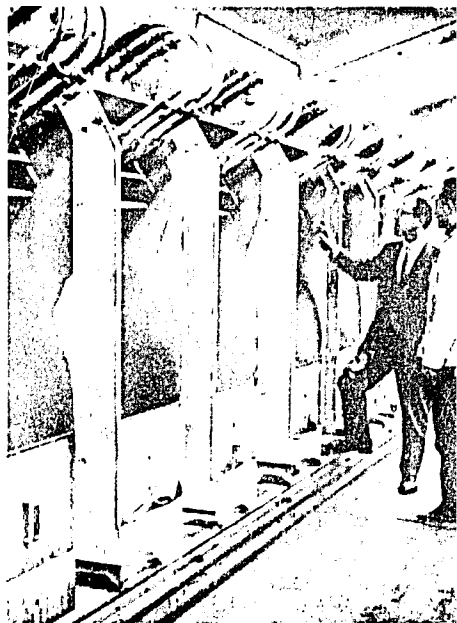
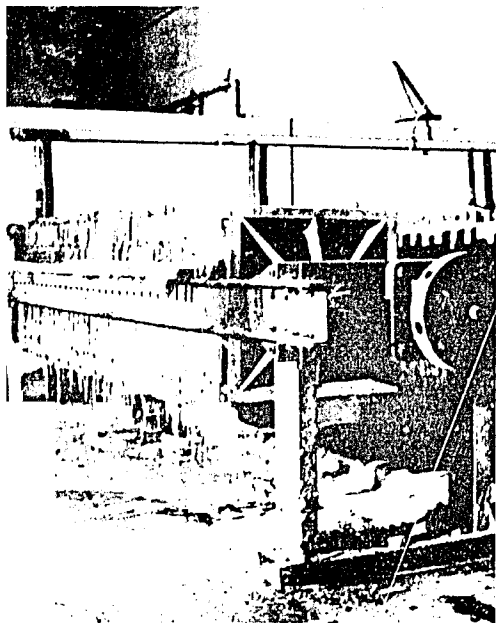
PL 480. A third of the Cooley Loan is being used as working capital and the other 2,000,000 T.L. has been used for expansion of the factory. In 1962 there were 180 workers in the factory. Today with modern automatic machines this number has been reduced.

It was difficult to get information from Kösematoğlu regarding the past days of the factory. He is a man who does not look back. Only after I explained to him that I could only evaluate his tomorrows by com-

paring them with his yesterdays, he said: "There is nothing to hide. There is even a great deal to be proud of. But for this country only the future is important. And I must meet the demand. Listen:

"We are a country where industry should not be compared with the United States. In my particular industry Spain is the right prototype. In Spain a starch factory whose evolution I have been following closely rose from a production of 40 tons daily in

These old filter presses are now replaced with rotary vacuum filters and by such ultra-modern fiber washing machines of stainless steel.



1959 to 400 tons in 1964.

"The first year I joined Yarimca, in 1962, our production was 6,000 tons. This production rose to 8,500 tons in 1963 and 9,600 tons in 1964. We hope that with the new machines we put into operation our 1965 production will exceed 13,000 tons.

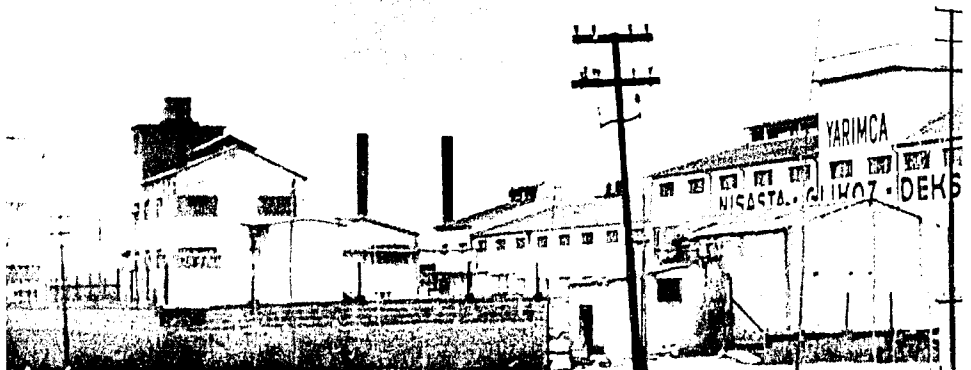
"Before we began our expansion, the waste-water (which carried the protein from which the best type of animal feed is extracted) went to the sea--2,000 T.L. daily went into the sea--2,000 T.L. of waste per day. Now we use this protein as animal feed.

"Of the starch we produce, 75 percent goes to the textile industry, 15 percent to the food

industry, 5 percent to the paper industry, and 5 percent to the production of dextrine.

"Of the glucose produced 95 percent goes to the food industry and 5 percent to the tanning industry.

"Of our old customers Mensucat Santral, one of the largest privately-owned textile industries in Turkey, used 30 tons of starch in 1964. Their orders for 1965 are for 75 tons. Güney Sanayi, a textile factory in the Adana sector, used 20 tons in 1964. Their orders for 1965 are for 40 tons. The Sümerbank textile factories bought on the market 750 tons of starch in 1964 through their adjudications. This year they have requested bids for 1,400 tons of starch.





... from Turkey's bitter lakes.

U.S. Essex Mines owns 70 percent of the firm, and the remaining 30 percent is owned by Vedat Kora and his family. Mr. Kora is general manager and mining engineer for Alkim Alkali Kimya.

Vedat Kora says that their potential yearly capacity at present is 100,000 tons, but that the demand of the market is yet nowhere near that figure although it shows a gradual and healthy increase. Although Alkim Alkali Company received a 3,519,000 T.L. Cooley Loan from U.S. A.I.D. to expand its pumping units and drying ponds, the Company has used only 1,000,000 T.L. of this loan so far.

The market demand for sodium sulfate in 1960 was 1,500 tons. It rose to 7,000 tons in 1964 and it is estimated that it will be over 15,000 tons in 1967, especially if the planned Kraft paper factories are built in the meantime.

Vedat Kora is also experimenting on sodium sulfide. He is now producing one ton daily especially for research purposes. Sodium sulfide is mostly used in the tanning industry.

Kora has great hopes of exporting considerable amounts of sodium sulfate in the near future. The world price of this commodity is between \$15 to \$18 per ton. Middle East and European countries are especially interested in sodium sulfate.

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PARTICIPANT JOURNAL

Legally Responsible

Editor:

Talât Gonenç

Editor:

Rıza Çandır

Dr. Vali Reşid Caddesi

No. 16 Kavaklıdere

Ankara/Turkey