‘Our Dear Res¸adiye’: The Legend and the Loans behind Ottoman Naval Rearmament, 1908–1914

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ABSTRACT

The seizure of the newly-built Ottoman dreadnought Re¸sadiye by First Lord of the Admiralty Winston Churchill on 31 July 1914 is widely held to have spurred the Young Turk regime in Istanbul to contract an alliance with Germany and enter the Great War at its side. This owing to widespread belief (still held by historians today) that it and a second seized dreadnought had been fully paid for by donations to the Ottoman Navy League collected from across the Ottoman Empire and beyond. Drawing on the archives of banks and of Vickers, who constructed the Re¸sadiye, this article demonstrates that the warships were in fact paid for by funds lent by British, French and German banks—as well as by Vickers itself. Drawing on Ottoman newspapers of the time, it explains how the Navy League myth developed, constraining Ottoman room for manoeuvre in the crucial months of summer 1914.

KEYWORDS

Ottoman Navy League; armaments industry; Vickers; dreadnoughts

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noting that the loss represented ‘a priceless gift to hawks in the Ottoman government, not to mention German leaders trying desperately to bring Turkey into the war’. This push factor, combined with the pull of the German Kaiser’s subsequent ‘gift’ of two replacement ships, the battle-cruisers SMS Goeben and SMS Breslau supposedly triggered the Ottoman decision to seek an alliance with Germany. Had the Ottoman public known what Ottoman ministers of the time knew—that the Navy League had contributed next to nothing to the Reşadiye or any other Ottoman dreadnought—might things have turned out differently?

This essay takes the Reşadiye (originally named Mehmed Resad V) as its focus, investigating the history and the myths surrounding its financing in the years 1911–1914. Though the smaller of the two seized dreadnoughts, it was still one of the largest, fastest and most powerful dreadnoughts of its day: 160 m long, carrying five pairs of 13.5-inch guns and a crew of 1130 men. Commissioned from the British arms manufacturer Vickers in June 1911, the Reşadiye’s price tag was £1.8 m/2m OL (Ottoman Liras), equivalent to £200 m today. It was funded, not by patriotic Ottomans, but by loans, whose eye-watering interest rates increased the total cost to £2.9 m/3.2m OL. Far from being fully paid for, only 36% of this total cost had been paid when the ship was seized. Nor was it complete when it was requisitioned.

The Reşadiye was one of the most advanced weapons systems of its time, produced by the world’s most advanced defense contractor. In 1911 it was still common for different firms to produce elements of such a warship under separate contracts. In the case of the Reşadiye, however, Vickers furnished everything: the hull, the turrets, the munitions—even the officers’ sword belts. As we shall see, Vickers’ approach to financing was equally innovative, and formed part of a broader strategy to lock in the Empire not only as a client, but as a partner for Ottoman industrialisation and knowledge transfer. Set against the forbidding backdrop of the Tripolitanian War (1911–1912) and Balkan Wars (1912–1913), this was a bold strategy on the part, not only of Vickers, but of Ernest Cassel and Calouste Gulbenkian, the financiers (Anglo-German and Anglo-Ottoman respectively) who organized the financing.

Commissioning the Reşadiye in 1911 was also a risk for the Unionist regime in Istanbul, named after the Committee of Union and Progress (CUP) which took power after the Young Turk Revolution of 1908. This might seem a curious observation to make, given how common it is to present the Ottoman state as the victim of a concerted campaign of financial exploitation intended to position British, French, and German bondholders, bankers and industrialists to grab ‘shares of the ruins, once the Empire collapsed’. According to this thesis the Ottomans did not decide for themselves to modernize their fleet, they were ‘coerced and seduced into buying the latest weapons from the factories of Vickers or Krupp’. This victimization hypothesis is non-falsifiable: had the Ottomans been denied funds to purchase dreadnoughts that too could be presented as a conspiracy to keep the Empire weak.

This essay restores agency to the Ottomans and resists the temptation to read events backwards from November 1914. With the majority of imperial revenues administered by foreign bondholders of the Ottoman Public Debt Administration (OPDA) established after the Ottoman bankruptcy of 1876, Ottoman economic sovereignty was certainly limited: just as it was for Greece, Serbia and Bulgaria, all of whose revenues were also subject to similar controls. At first glance Ottoman loans, the Ottoman navy and Ottoman land forces might seem to have been under tight French, British and German control in these years. Far from working in concert, however, rivalry between these powers gave the Ottomans scope for manoeuvre in the years 1908–1914. The theory that ‘merchants of death’ such as Vickers’ Basil Zaharoff were cynically fuelling arms races in hopes of war was exploded half a century ago.

This essay consists of four parts. The first considers the background to the Ottomans’ 1911 commission of the Reşadiye: the Ottomans’ attempts to revive their navy for the dreadnought age, Vickers’ consolidation of the armaments industry and the establishment of the Ottoman Navy League in 1909. The second addresses the order itself, focusing on the role of the Türkiye Millî Bankası (National Bank of Turkey) in issuing the 1.9 OL (£1.7 m) worth of 5% Ottoman
Treasury bills that really paid for the Res¸adiye. The third section takes the launch of an incomplete Res¸adiye in 1913 as a hook on which to consider how the Navy League mobilized the Empire behind ‘our dear Res¸adiye’: the key to regaining Aegean islands lost to the Greeks in the Balkan Wars (there was little mention of recapturing the Dodecanese Islands lost to Italy in the Tripolitanian War). The final section considers the efforts of Vincent Caillard and other Vickers executives to broker a solution to the dreadnoughts crisis unleashed by Churchill.

The Navy League’s unprecedented success in mobilizing Ottoman public opinion created problems as well as opportunities for the CUP.13 Though its leaders knew that the League had contributed next to nothing to the acquisitions of capital ships in the years 1910–1914, the widespread delusion that warships had been paid for with ‘funds taken from our families’ food budget, from our children’s mouths’ stoked dangerous fires, not least when the patriotic donors were presented as ‘not only the Ottomans, but all Muslims’.14 It prevented Ottoman ministers from taking decisions (to sell the dreadnoughts, above all) that might have avoided catastrophe. They became trapped by a myth of their own making.

The origins of the Ottoman Navy League, 1908–1909

The League was one of many civil society groups to spring up in Istanbul following the July 1908 Revolution. The removal of restrictions on associations and the press combined with optimistic rhetoric of Ottoman rebirth facilitated the establishment of the Ottoman Navy League in 1909 and its monthly journal Donanma (Navy, est. March 1910).15 The trigger was the 4 July 1909 Naval Demonstration, presented by the Unionist newspaper Tanin (who published a programme the previous day) as the Navy’s ‘day of salvation’. In his report of the Demonstration the following day Tanin’s editor, Hüseyin Cahid (Yaçın), urged the creation of ‘semi-official associations … to work for the improvement of the navy’.16 Five days later three civil service doctors (one Ottoman Greek) and an engineer met to discuss the idea, and, with the help of appeals published in Istanbul newspapers, the founding meeting was held at the Club of Civil Service Doctors on 19 July 1909. As Mehmet Beşikçi has noted, the Navy League was an exercise in ‘organized spontaneity’.17

Open ‘to the Turk, Arab, Albanian and Bulgarian, to the worker, peasant and townsman’, the League required members to pledge to give at least 40 para (= 1 kuruş or 1/100th of an OL) a month for year.18 Rallies (often with marching bands), charity auctions, lectures, theatrical performances and film screenings provided occasions for recruiting donors, while different degrees of medal invited existing donors to contribute more, with recipients being named in Donanma. By the end of June 1910 there were 36,000 members (according to Donanma itself) in Istanbul. Some of these members may have joined after receiving death threats, extortion being one of the League’s unacknowledged means of fostering patriotism.19 By 1911 there were 122 branches inside and outside the Empire, for whom we do not have membership numbers. Those in Ottoman provinces (vilayets) were usually established by the vali (governor) and other local officials, who sat on branch committees alongside local notables, non-Muslim and Muslim alike.20

The Navy League presents an extraordinary opportunity to assess degrees of loyalty and Pan-Islamist sentiment across the Empire and beyond in the years 1909–1919, from Indian Muslims living in New York to Ottoman Muslim students attending the University of Edinburgh.21 Chronologically it dovetails neatly with the Ottoman-led fundraising campaign for the Hijaz Railway linking Damascus and Medina, constructed between 1900 and 1908. That campaign also found strong support outside the Empire, where it ‘came to be seen as an anti-Western project which combined religion and the military strengthening of the Sultan-Caliph’.22 Indeed, the League learned much from the Railway campaign: the makeup of regional committees, the medals given to donors, the salary sacrifice scheme—even the occasional use of extortion are found in both cases.
Like the League, the Commission behind the Railway did not publicize the fact that donations (voluntary and involuntary) only covered a fraction (28%) of the total cost, the rest funded by hypothecated taxes. Unfortunately historians of the League have not been in a position to assess the relative generosity of the different millets, vilayets or genders: although some internal League records remain in Ankara, they are nowhere near substantial enough to make such analysis possible. Thanks to Selahattin Özçelik we do have a total for how much the League raised in its ten-year life (1909–1919): 3.5 m OL, 28% of which came from monthly subscriptions, 12% from one-off cash donations and 20% from officials donating a month’s salary. Even if we overlook the problems with Özçelik’s figures, the discrepancy between this total and the total cost of the Ottomans’ navy programme in the years 1910–1914 is evident: 3.5 m OL might (had it all been donated by 1914)—yet Özçelik’s figure is for all donations down to 1919—have paid for one dreadnought, but not the full programme, costing more than 9 m OL. The yawning gulf between the League’s ambitions and its means is hiding in plain sight. Yet the claim that it paid for all the dreadnoughts passes unchallenged by Özçelik and the League’s other historian, Serhat Güvenc.

Semih Gökatalay has recently suggested that only around 2 m of this 3.5 m OL was actually spent on warships, the rest being consumed by salaries and the costs of running the various match, cigarette-paper and other concessions which the League operated. For reasons advanced below, even this figure appears inflated. Indeed, in the absence of more detailed research the most likely scenario would have the League contributing nothing to the Ottomans’ acquisitions of capital warships, only managing to acquire three troop ships—useful, certainly, but a world away in size and cost from the dreadnoughts which form the focus of this article.

The League encouraged Ottomans to blame Abdülhamid II for the decayed state of the Navy. The deposed sultan was accused of restricting navy manoeuvres because of his suspicions of the Navy’s loyalty, leaving his fleet rotting at anchor on the Halic (Golden Horn). Evren Mercan has recently argued that some of this apparent neglect reflected French ‘Jeune École’ thinking, a school of naval doctrine which favoured swarms of small ships and submarines over battleships. Domestic warship construction capacity certainly declined under Abdülhamid II’s reign, however. While Istanbul’s navy yard was able to construct copies of a 30-metre French torpedo boat in 1886, it went into sharp decline in the 1890s. Neither of two Shadiye-class corvettes laid down at İzmit in the early 1890s were ever launched. Meanwhile British, German and French firms vied for Ottoman custom: Krupp’s desire to break into the Ottoman market dovetailed with the German Kaiser’s 1889 and 1898 visits to Istanbul. The consolidation of the global defense industry in the years around 1900 makes it hard to chalk this or that armaments order up to a single national ‘team’. The Anglo-Swedish small arms firm Maxim-Nordenfelt had a major production facility, Placencia, located in a third country: Spain. The 1898 contract to rebuild the Ottoman ironclad Mesudiye went to Armstrong-Ansaldo, a Genoese yard run as a joint venture between Whitworth Armstrong (British) and Ansaldo (Italian). Mergers created management headaches for firms attempting rapid vertical integration, bringing the production of explosives, steel plate, turrets and turbines under one roof.

Unlike the Armstrongs, the Vickers brothers (Albert and T. E.) proved adept at hiring and delegating to a kitchen cabinet of talented directors, whose range of backgrounds, nationalities and skills allowed Vickers to innovate out of the periodic slumps (such as that of 1902–1908) that characterized the arms industry. Many of its finest technologists, finance and sales executives were acquired in the course of its aggressive campaign of mergers and acquisitions, which saw the firm’s issued capital rise from £1.5 m in 1897 to over £5 m ten years later. After acquiring it in 1897 for £435,000, Vickers invested five times that sum upgrading the Barrow yard which constructed the Reşadiye, doubling the workforce to 10,000.

Vickers had executives with real expertise in the Ottoman Empire. Born Zacharias Basileios Zacharoff at Muğla (southwest Anatolia) to an Istanbul merchant and notary, Vickers secured Basil Zaharoff’s services along with Maxim-Nordenfelt in 1897. An adventurer rather than
prototype ‘organisation man’, Zaharoff never formally became a director of Vickers, yet his swashbuckling spirit allowed him to become the firm’s unofficial foreign sales manager by 1914. Born in London, Vincent Caillard served in the Royal Engineers delineating new Balkan borders in the aftermath of the 1877–1878 Russo-Turkish War before being appointed to OPDA on its creation in 1881. He joined Vickers in 1898, becoming Finance Director in 1906. A third key figure, Frank Barker, was born in Istanbul and worked for the French-controlled Imperial Ottoman Bank (IOB), before moving to Parsons Turbine, who manufactured ship engines (including those in the Reşadiye).

The Revolution cleared the stables of the influence-peddlers such firms had bought and paid for under the old regime. Yet the new power structures governing imperial procurement and finance were unclear. Conspiracy theories which characterized the Committee of Union and Progress as a ‘Judaeo-Masonic clique’ muddied the waters. In the Thessaloniki-born dönme Mehmed Cavid Bey, however, the CUP had a media-savvy Minister of Finance with liberal, free-market credentials: Cavid had previously been an economics teacher and founded Ulûm-u İktisadiyye ve İctimaiyye Mecmuası (Journal of Economic and Social Sciences) in 1908. This was a man British, French and German concession hunters felt they could do business with.

The Tripolitanian War dashed Cavid’s initial hopes of cutting defence spending, pitting him against ministerial colleagues, above all Talât and Enver, of a more militarist bent. In 1909 the Hellenic Navy’s commissioning of an armoured cruiser, the Giorgios Averof (named after a Greek patriot whose bequest had funded a third of the ship’s cost) triggered that Greco-Ottoman naval race which forms the backdrop to this paper. Cavid secured several loans to help finance these wars, sought to negotiate a settlement to the ‘Armenian Reform’ question and would remain influential on through World War I and beyond—attending the 1922 Lausanne Conference as part of the Turkish delegation. Cavid’s diaries have been published and his contribution to pre-1914 economic thought in Turkey has drawn scholarly attention—but he has yet to receive the biography he deserves. For our purposes it is important to note Cavid’s skill in combining rhetoric of economic nationalism with openness to foreign direct investment—while resisting his ultra-nationalist CUP colleagues.

**Ordering the Reşadiye, 1911**

In its first few years there seemed no end to what the Ottoman Navy League could do. In April 1910, just nine months old, the League paid for four destroyers ordered from the German Schichau yard. These vessels received suitably patriotic names, such as Gayret-i Vataniye (‘Zeal for the Fatherland’). In August 1910, it paid for two pre-dreadnoughts originally commissioned for the German fleet in 1890. The League proposed to purchase no less than ten dreadnoughts, all by itself. It started in 1911, with the Reşadiye. Like all the others, this too, historians tell us, was fully paid for by patriotic contributions to the Navy League. Instead of having to borrow at extortionate rates from IOB or Deutsche Bank, the people were paying cash for their own navy.

Once one looks a bit deeper, the story begins to unravel. The two German pre-dreadnoughts (Turgut Reis and Hayreddin) were purchased, not with cash, but with 17 m Reichsmarks’ (917,000 OL) worth of Ottoman Treasury Bills issued by Deutsche Bank. When these fell due on 1 April 1911 the Ottomans found themselves unable to pay (again). While unused bills were returned at par, the majority were covered by a new 769,291 OL issue of 5% Ottoman Treasury Bills issued jointly by IOB and Deutsche Bank. These ‘Bons de Trésor du Comité de Souscription Nationale pour la Flotte Ottomane’ were reimbursed by eighteen monthly payments of 40,000 OL. Cavid had effectively rolled over the debt, repackaging it in a more ‘patriotic’ form. As he noted in his diary, what funds the League did have were being spent, not on warships, but on steamships needed to operate its passenger ferry concession.
without consulting the Ottoman Ministry of the Marine, these antiquated British-built vessels represented poor value for money.47

Deutsche Bank had been sceptical of the League from the start, even suspecting it was sponsored by British shipyards wanting to drum up more orders.48 In March 1911 the Bank’s Istanbul branch wired Berlin that the League had, at most, 200,000 OL on hand, with income running at around 40,000 OL a month ‘but hard to tell if it will continue to sustain this level in the future’.49 Such caution was wise: having started out at just 2,826 OL a month (for December 1909 to March 1910 inclusive) donations had then increased, but at their pre-WW1 peak (May 1910), they only reached 32,822 OL.50 Significant sums, but even assuming the May 1910 rate could be sustained, it would take more than five years to pay for the Reşadiye. Deutsche Bank felt bounced into issuing the League bons, reacting testily when the deal (which they wished kept secret) was leaked to the Ottoman press: Zia hailed it as ‘a sign of sincere friendship’, which placed the ‘nation’ under an obligation to ‘make every sacrifice to ensure the League collected enough funds to repay the loan twice, nay three times over’.51

When it came to ordering their first dreadnought a few months later in 1911, therefore, there was no question of the League being able to help. Recourse was had to yet more Ottoman Treasury Bills. Under a law passed in May 1911 the Ottoman legislature gave the government credits of 500,000 OL per annum for ten years. Although no real money was involved, under the revived 1876 constitution this mechanism secured a form of control over the executive’s spending, something which ought to have reassured the Empire’s creditors, familiar with the uncontrolled spending of Abdülahmet II.52

Unfortunately 1.5 m of the 5 m OL credits were already committed, and the remaining sum was not enough to pay for the two dreadnoughts Ottoman ministers wanted. It was unclear if Grand Vizier Hakki Paşa could get further credits through the Chamber and Senate before the session ended. Hence the decision to order one ship from Vickers: the Reşadiye.52 Or maybe one and a half: while Hakki Paşa was cautious, Cemal (a leading CUP figure, and future Minister of the Marine) was pushing for a second dreadnought to be ordered, albeit as a hull, ‘leaving the armoury and guns to be finally ordered as soon as the Chamber has voted further credits’.53 The National Bank of Turkey’s Managing Director, Henry Babington Smith, discussed terms for a loan with Nail Bey, Minister of Finance. They agreed that NBT would issue Ottoman Treasury Bills of varying maturities (the longest being seven years), each carrying 5% coupons, paid quarterly.54

Treasury bills (bons du tresor) were not secured against a named state revenue stream and had a shorter term than loans (months, rather than years).55 Between 1910 and 1914 Ottoman Treasury bills to the value of 10 m OL were issued, often in wartime, when loan issuance was impossible.56 The ‘Rechadieh Bills’ (as they were called) were issued at 96 and 3/8ths, carried interest and had a multi-year term. Alongside other, less reputable forms of state finance, such as the cash advances offered by foreign banks and contractors like Vickers, the lenders issuing such bills hoped that this floating debt would subsequently be bundled into a consolidating loan.57

Ottoman Treasury bills were ‘loan-like’, yet attracted less diplomatic oversight, making them easier to issue than loans, if harder to place on the market. As Cassel noted, NBT was ‘too little known by the public’ to run the risk of using underwriters to place the bills on the London market. If the underwriters were left with unsold bills, it would be an embarrassment. Given the recent revolt in Ottoman Albania, NBT’s London brokers were ‘pessimistic’.58

Two outlets remained. One was to place the bills among private banks/la haute banque, who would not object to holding the bills rather than selling them on to clients.59 One NBT director was well-positioned to make the attempt: the bank’s founder, Calouste Gulbenkian. In 1911 this Ottoman Armenian had yet to become the ‘Mr Five Per Cent’ of legend, but he was quickly building a reputation in Paris and London for his skill in financing oil companies.60 In July 1911 Gulbenkian sought to place the bills quietly in both London and Paris. These bills were now selling on a 6% basis (i.e. so far below par that the effective interest rate was 6% rather than 5%)
with 1/2% commission going to Gulbenkian himself. ‘I shall take no steps that would compromise the business’, Gulbenkian assured NBT’s London manager, ‘I mean I will not in any way offer it on the market’.61

Gulbenkian had played a key role in the foundation of NBT (est. 1909), at the instigation of Unionist ministers.62 Given the tendency to pigeonhole it as ‘British’, it is important to emphasize the NBT was a Unionist initiative. As British Foreign Secretary Edward Grey noted in December 1908, ‘the proposed National Bank … was their own idea, not ours’, though, he went on, ‘we could not do otherwise than encourage the attempt of the Turks to get control of their own affairs’.63 Gulbenkian persuaded Cassel to overcome his initial doubts and travel to Istanbul in March 1909 to set up the bank in collaboration with leading Unionists and editors, including Cavid Bey as well as Reşid Sadi and Hüseyin Cahid, editors of the Unionist newspapers Ikdam and Tanin respectively.64 From its inception NBT was intended to secure the Ottoman Empire access to European capital without the diplomatic strings: ‘buy where you borrow’ policies that required the capital raised by this or that loan to be spent on orders placed in that same country.

NBT served as godfather to the Turkish Petroleum Company (later Iraq Petroleum) in 1912, but struggled to secure major Ottoman loans. It failed to contract an Imperial loan in 1910, leading Cavid to strike a deal with Deutsche Bank in 1911. Cassel had been intimidated by the hostile French press campaign instigated by the French Foreign Ministry and IOB after the latter failed to secure the loan, and discouraged by Grey’s reluctance to defend NBT. In January 1911 Cassel was considering allowing NBT to be absorbed by another bank.65 The ‘Rechadieh Bills’ offered the chance to stay in the game while supporting British exports. By June he was lamenting that he had been ‘too much influenced by my readiness to assist British industry, and also by my wish to secure a footing for the Bank in Turkish State business’.66

When Gulbenkian reported that both Marcus Samuel (founder of the oil company Shell) and Seligmann Brothers had expressed some interest, Cassel told him to stop trying to place the bills.67 As with the 1910 loan negotiations, so here events (‘the Montenegrin difficulty and Moroccan question’) had overtaken them, and the propitious moment had passed:

If the Turks had acted with any promptness the business would have been done before I left London, and then they would have obtained what they have never obtained before, i.e. from 2 1/2 to 5 years' credit, in having a battleship built and delivered to them. Neither the French nor the Germans have ever given them any such facility, or anything approaching it.

Gulbenkian’s argument that NBT had to finance the Reşadiye or risk losing prestige left Cassel cold: ‘I am not, in fact, aware that there is any prestige … So far, the Turks have not come to us unless they wanted us.’68 Evidently the 1910 loan negotiations had persuaded Cassel that the Unionist government was only interested in exploiting NBT, less as a source of capital than as a stalking horse in its efforts to loosen IOB’s grip on Ottoman finance.

Despite Cassel’s discouragement, Gulbenkian helped NBT to place £924,000 worth of the Rechadieh bills by mid-July 1911. Cassel, Gulbenkian and other major NBT shareholders took £400,000, which was probably far more than they desired to hold. Other large buyers were the Charter Trust and Agency (£294,000), Schweizerische Bankverein (£156,000)—Seligmann and two other houses took smaller tranches.69 The contract between Vickers and the Ottoman government was signed 28 July 1911. The difficulties with financing the Reşadiye had placed the relationship between NBT and Vickers under strain, causing what Cassel referred to as ‘unpleasant feeling’: fearing NBT might back out, Vickers informed NBT that it considered an earlier letter from Cassel to Albert Vickers to constitute a ‘binding engagement to finance [the] bills’.70 Under the terms of this letter Vickers agreed to pay NBT £90,000 and accept up to £320,000 of Ottoman Treasury Bills in part payment.71 Vickers was lending itself money to build the ship, a policy Barker justified on the grounds it might lead to ‘profitable business in Turkey, the Balkan States, Greece etc.’.72 In August the keel of Reşadiye was laid down in Vickers’ Barrow yard.
Having been appointed conseiller financier to the Ottoman embassies in both Paris and London in July 1910, Gulbenkian was in regular contact with Cavid and his successor at Minister of Finance Nail Bey in 1910–1912. No stone was left unturned in the search for capital: alongside proposals for a petroleum régie and a loan backed by the Ministry of Public Works Gulbenkian was consulted about £60,000 Abdülhamid II had in an account at Crédit Lyonnais—indeed, these funds may have been where most of the Reşadiye’s large downpayment came from. At no point was the Navy League mentioned.

Launching the Reşadiye, 1913

The loss of Tripolitania and the Dodecanese Islands to Italy in the 1911–1912 war emphasised the importance of a blue water navy to an Empire with far-flung possessions: the majority of the Ottoman fleet retreated behind the heavy guns protecting the Dardanelles. The apparent indifference of the Powers fuelled suspicions that international rule of law was a façade masking Darwinistic ‘survival of the fittest’. To the CUP’s critics, such as the Hürriyet ve İtilaf (Liberty and Entente Party), defeat suggested that the CUP’s centralization policy could not in fact uphold the Empire’s integrity. With fears that Crete and Albania (supported by the Austro-Hungarians) might be lost next, in early 1912 the Ottomans published their Navy Programme: 6 dreadnoughts, 20 destroyers, 6 submarines and 2 minelayers.

The First Balkan War (October 1912–May 1913) fought against the Balkan League (Greece, Bulgaria, Serbia and Montenegro) only served to ram home the navy’s importance: unable to bring reinforcements into Macedonia by sea owing to a Greek blockade, the Ottomans lost Thessalonika (Salonika), birthplace of many CUP leaders, in November 1912. Meanwhile Bulgarian forces pushed east, reaching the Çatalca lines (50 km west of Istanbul) before stiffened Ottoman resistance led to an armistice in December 1912. The Ottoman Navy had again retreated to the Dardanelles, sortieing forth in mid-December only to be defeated at the Battle of Elli. Although the opposing Greek fleet was smaller, the Italian-built Averof amply demonstrated its technical superiority over the older Ottoman pre-dreadnoughts Turgut Reis and Hayreddin. The Greeks were left free to capture Imbros, Lesbos, Chios and other Aegean islands with only token resistance from the Ottoman Navy.

While the Ottomans recognized that the war had stripped it of most of its remaining European possessions, the loss of the former imperial capital of Edirne and the Aegean islands was deeply felt. Happily, Edirne was recaptured by Enver in the Second Balkan War (June-August 1913), and hopes remained high that—with the Reşadiye’s help—the lost Aegean islands could be recovered as well. Cavid’s diary for July 1913 suggests that the CUP leadership resolved around this time to dispense with Ottomanism and economic liberalism in favour of ‘Islamic politics’ (İslam siyaseti) and mercantilism. The profile of non-Muslim members of both the Defense and Naval Leagues declined. Fuelled by accounts of wartime atrocities committed against Balkan Muslims as well as the sight of Muslim refugees from the region passing through Istanbul, the Unionist ‘programme of indoctrination’ intensified, with the creation of the paramilitary youth association Türk Gücü (Turkish Strength Association). Though the ship was far from complete, lacking superstructure and guns, the festive launch of the Reşadiye’s hull at Barrow on 3 September 1913 was promising. In addition to being reproduced in postcards (Figure 1) and in the pages of Donanma the launch was also filmed: this was probably the film Rüstüem Bey proposed to screen in the United States in August 1914.

For the Empire’s creditors, however, the Balkan Wars were frightening. In April 1913, while the First Balkan War was still raging Caillard met with Cavid in Paris to agree terms under which the Reşadiye bills due in June 1913 could be postponed. Officially non-payment would trigger the remaining bills falling due immediately: NBT ensured that this stipulation was not invoked. Apart from the aforementioned 1911 Deutsche Bank-issued bills there is nothing in the archives
of IOB, NBT, Vickers, Deutsche Bank or the British or French Foreign Ministries to suggest that
the Navy League was seen as a potential source of finance for the Reşadiye. Yet its mythical
funding was already acting as a constraint: when NBT suggested that the Ottomans sell the
Reşadiye in July 1913, Cavid replied that no Ottoman cabinet could ever take such a decision, cit-
ing the League.82

The second dreadnought, the Rio de Janeiro, was bought from the Brazilians in December
1913.83 Originally ordered from Armstrong’s Elswick yard in September 1911 and due for comple-
tion in 1914, this dreadnought (renamed Osman) had fourteen 12-inch guns to Reşadiye’s ten
13.5-inch guns. In buying it the Ottomans defied the French Foreign Ministry as well as the
Russian government, who had encouraged the Greek premier Eleftherios Venizelos to acquire
the vessel for the Hellenic Navy.84 Panicked, Venizelos rushed to buy two American ships that
the head of the British Navy Mission to Greece considered ‘entirely useless for war’.85

To their great discomfiture, during the Balkan Wars the British Admiralty had officers
seconded to both the Hellenic and Ottoman navies.86 For these officers the Battle of Elli had
demonstrated that dreadnoughts demanded deep reserves of capable sailors (ideally ones
trained on smaller ships), officers capable of taking initiative, and regular maintenance—all
things the Ottoman Navy did not have.87 As Churchill noted, the Hellenic Navy could handle
‘any inefficient, badly-handled, capital ships’ the Turkish might acquire.88

The funds for the Osman were once again raised by Ottoman Treasury bills. This time it was
the private bank Périer Frères who issued 100 m Francs’ (c. £4 m) worth of 5% Ottoman Treasury
Bills, secured against a property tax administered by OPDA. Périer’s actions drew the ire of the
French Foreign Ministry as well as both the IOB and NBT (who believed any new loan issued
after its 1912 Ottoman Treasury bills should repay those same bills).89 In the absence of Périer’s
archive details are unclear, but evidence survives to indicate that this was a high-speed, high-
reward endeavour: not only were IOB and the French Foreign Ministry out of the loop, OPDA
had not been informed either.90 In stark contrast to NBT’s experience in 1911, the issue was
completely subscribed three days before the purchase window opened on 18 December 1913.91
The Ottoman Minister of the Interior later claimed that an eye-watering 20% interest was paid.92
Why would the Ottoman Empire have accepted such usurious rates if voluntary subscriptions for dreadnoughts were available?

In December 1913 an emergency law dictated that Ottoman civil servants donate their salaries for that month to the League, to help fund the Osman. Whereas the Navy League had previously attracted little notice in Britain, the press coverage garnered by the purchase of the Rio de Janeiro helped attract the attention of the satirical magazine Punch. Entitled ‘The Splendid Paupers’, Leonard Raven-Hill’s cartoon (Figure 2) featured two Ottoman officials gloomily holding postcards of the Osman, which they have received in lieu of pay. ‘I don’t know who gets the
Dread’ one glumly observes, ‘But I know we’ve got the Nought.’ The 713,297 OL Özçelik claims were raised in this way was only equivalent to around 20% of the Osman’s contract price. The funding for Osman did not come from the League, however, but from Périé, with over 1 m OL in interest on top. It seems doubtful that the salary sacrifice actually saw funds transferred to the League. Instead, the wheeze served to salve civil servants’ dismay. As patriots, rather than merely the unpaid, they had agency of a kind.

December also saw Vickers and the Ottomans launch a joint venture to take over imperial arsenals on the Golden Horn and build a new facility at İzmit (on the Asian shore of the Sea of Marmara): shares in the controlling company, the Imperial Docks, Arsenals and Naval Construction Company, were divided 60: 40 between the Ottoman government and Vickers. NBT subsequently issued £100,000 worth of 5.5% bonds for the company. It is interesting to contrast this docks company with an earlier British investment in Istanbul port facilities: the Constantinople Quays Company, established in 1890. In that case the British government had taken the truly remarkable step in 1910 of investing £335,000 of secret service funds buying shares, simply to keep the Germans (who controlled the Haydar Paşa port on the other side of the Bosphorus) out—a sop to Anglo-French entente. The Anglo-Ottoman Docks, Arsenals and Naval Construction Company founded in 1914 was driven by a business agenda.

In inviting British firms to build a facility in their territory as part of a joint-venture the Ottomans had precedents: in the mid-1880s Italian Naval Minister Benedetto Brin sought to foster domestic production of steel plate and ship turbines through strategic mergers and joint ventures with leading British and French firms. As we have seen, by 1910 Italy was able to produce entire warships, for its own navy and for export (e.g. the Averof), on its own soil, with the help of Armstrong and Vickers.

Losing the Reşadiye, 1914

By January 1914 the Ottoman financial situation was dire. As one diplomat at the German embassy noted ‘a European state in this situation would long since have declared bankruptcy’, adding that ‘Turkey can perhaps keep its head above water a while longer by granting concessions and other, small revenue sources’. The Frankfurter Allgemeine Zeitung’s correspondent wrote that Enver’s cabinet was ‘obsessed with dreadnoughts’ and ready to give anything to get its hands on some. Having failed to interest New York bankers in a combined loan-and-dreadnought-purchase in February, Cavid went to Paris to seek another loan (800 m French Francs/28m OL), signing in April 1914.98

Eager to show the Empire that British financiers were still trying to ‘help to preserve the independence and integrity of Turkey’, by resisting the ‘advance of the French Financiers’ the newly-appointed British ambassador in Istanbul (Louis Mallet) proposed that £950,000 still owing for the Reşadiye and £780,000 for the Osman be rolled into the new loan, making a total British participation of 20 m French Francs. Though this did not happen, the British certainly got more than their fair share of the orders resulting from the loan: that same month Vickers and Armstrong together signed the largest Ottoman defence contract to date, worth almost £4 m: a new ‘super-dreadnought’ (Fatih, i.e. ‘Conqueror’), two scouts, four torpedo boat destroyers, two submarines and a floating dock. Not that French yards were overlooked: four received orders for gunboats and destroyers.

Of course, such deals needed ‘financial lubrication’. In April 1914 the Ottoman Minister of the Marine, Cemal, was asking NBT for his retainer ‘for special services’ to be increased. The previous month Interior Minister Talat had Périé’s Istanbul representative arrested after the latter began leaking the names of those he had bribed on Périé’s behalf, to secure the Osman deal. Caillard reported a few days later that Cemal was also demanding increased assurances that the newly-commissioned vessels could not be seized by the British government.
It is unclear what exactly prompted Cemal’s concern. But the joint note issued by the western powers two days later, on 24 April 1914, which recognized Greek sovereignty over the captured Aegean islands, may have led to fears that the Ottomans would be denied delivery of warships which (as everyone knew) would be immediately deployed to recapture those same islands. Since January readers of the Istanbul satirical magazine Karagöz had been treated to cartoons in which the traditional Ottoman comedy double act, Hacivat and Karagöz, had fun teasing Venizelos with the Reşadiye and Osman: pulling him back as he vainly swam towards Lesbos (Figure 3), giving him ‘Osman pills’ (naval shells) on his sickbed, and winching up Greek dreadnoughts as if they were children’s toys. In one of the accompanying articles Karagöz gleefully tells of how he made some Athenian Greeks he saw on the İstiklal tram in Istanbul uncomfortable, by reading out newspaper reports of the Rio de Janeiro’s purchase. When the Greeks suddenly disembarked, Karagöz sent them on their way: ‘when our armoured ships arrive your islands will become mice nests raided by a tabby cat’. Back in February Vickers had informed NBT that they planned to hold sea-trials in July and deliver Reşadiye in ‘about the middle of October’. Churchill thus took the decision to have British sailors board the incomplete Reşadiye on 31 July 1914 not because the ship was ‘half an hour’ from steaming to its new home (as contemporary accounts in Ottoman newspapers had it), but to prevent Ottoman sailors from boarding it and raising their flag, which would have made requisitioning harder, diplomatically at least. On the 3 August the Osman was requisitioned, again by the Admiralty, and the Foreign Office asked the Ottoman government to transfer the contract, allowing the British state to complete the ship for the Royal Navy, reimbursing the Ottomans what they had already paid to Vickers. Though the question of the seizure’s legality would justify an essay to itself, to conclude that it was a ‘flagrantly illegal act’ simply adds invective to a historical episode that, as we have seen, has already suffered enough from the victimization thesis.

As Mustafa Aksakal has shown, the signing of the German alliance and declaration of armed neutrality (3 August) were followed by a long ‘Penelope’s game’ on the part of Enver and Talât. Whether as a fortuitous result of miscommunication among the cabinet (not all of whom were
initially aware of the alliance) or savvy spinning out of negotiations, the Empire did not end up declaring war on the Entente until 10 November. By that point they had employed the pressure of Ottoman public opinion to bounce the Kaiser into giving (rather than selling) the two dreadnoughts and secured a fresh loan from a reluctant Deutsche Bank.\footnote{112}

Vickers meanwhile struggled to maintain friendly relations between Istanbul and London. An instalment towards the \textit{Fatih} programme of £700,000 that the Ottomans had paid Vickers on the 1st August was reimbursed \textit{via} IOB six days later.\footnote{113} Although Churchill sent Cavid and Talât telegrams expressing his personal regret, noting ‘the patriotism with which the money had been raised all over Turkey’, Vickers’s Charles Ottley made it clear that such diplomatic niceties were not enough: the British government needed to reach the Ottoman people, not its leaders.\footnote{114} Ottley wanted ‘to get into the Turkish press a statement that England is friendly to Turkey’. Otherwise, seeing that Enver’s ‘bellicose party is in the ascendant in the Turkish Cabinet, our friendly diplomatic messages may be suppressed by the Porte, and may never reach the Turkish people’.\footnote{115} The situation was out of ministers’ hands: whether the likes of Enver were driving the media storm triggered by Churchill’s actions, or being driven by it, the outcome looked equally poor.

In London the Ottoman Ambassador could be ‘philosophical’ about the ships and urged his Foreign Minister to accept the British offer of compensation, together with its linked guarantee of Ottoman sovereignty against Greek aggression. Here again, however, the fury sown by the Navy League myth made difficulties: Grand Vizier Said Halim replied that as the two dreadnoughts had been paid for by ‘a national subscription’, no imperial government could sell them when ‘discontent reigns across the Empire’.\footnote{116} Diplomatic démarche nonetheless continued: Grey repeated his offer on the 18th August, while the Russians told the Ottoman Ambassador in St Petersburg that, provided they remained neutral, Russia was happy for them to take over the \textit{Bagdadbahn} and would not ask for its return in any future peace treaty.\footnote{117}

To the intense relief of the British ambassador, on 9 September Said Halim Paşa announced that he wanted to sell the two ships—yet another detail left out of histories of this episode. Unfortunately the Admiralty held that, in view of the Ottomans’ violation of their neutrality (by admitting German warships to the Dardanelles and refusing to intern the German sailors, as was their duty under international law) ‘it would be contrary to the public interest to pay any lump sum to Turkey during the war’. Laurence Oliphant of the Foreign Office agreed.\footnote{118} As they had already warned, the £113,780 worth of ‘Rechadieh Bills’ that fell due on the 14 September were not honoured by the Ottomans.\footnote{119} They threatened to suspend payments under the April 1914 contract without a guarantee from Grey that those ships would not be seized. This guarantee was given—but only in late October, to the acute embarrassment of Caillard.\footnote{120} A week later war was declared.

\textit{‘Our dear \textit{Reşadiye}’}

After peace broke out in 1918 Vickers, NBT and various diplomats spent more than a decade trying to work out how much each owed the others—a story which cannot be gone into here.\footnote{121} The Ottomans never saw the \textit{Reşadiye}. In a way they did not need to: in the years between 1911 and 1914 ‘our dear \textit{Reşadiye}’ seemed to be everywhere, from New York to Hyderabad, on postcards and medals, in films, in cartoons and in visions of a new ‘fatherland’. The success of the Ottoman Navy League in mobilizing Ottoman public opinion was unprecedented: though older, its British, American and Austro-Hungarian equivalents struggled to appeal to those outside a narrow circle of retired officers and cranks.\footnote{122} The Ottoman Navy League succeeded, at least for a few years, in engaging Muslims and non-Muslims within the Empire, even as its campaigns outside the Empire focused on Islamic unity against western imperialism.\footnote{123} For the CUP, who had come to power without anything resembling a popular base, it must have appeared as unexpected as it was felicitous.
Yet there was something artificial about this popular navalism. Although these years witnessed a new fashion for giving boys names such as ‘Turgut’ (after Turgut Reis, the sixteenth-century Ottoman naval hero) alongside other names perceived as ‘Turkish’ (rather than ‘Arab’), the naval tradition to which such gestures pointed was remote.124 If resistance to army conscription and the relatively modest success of the army-oriented Defense League are any guide, blue-water patriotism did not equate with a willingness to serve afloat. Apart from Karagöz and Hacivat, ‘our dear Reşadiye’ seemed to sail by herself: she promised quick revenge on Greece and enhanced international prestige—all for just ‘forty para a month’, to quote the League’s slogan.125 Even after the seizure of the two dreadnoughts Donanma insisted that there was consolation to be found: having proved the League could afford one Osman, ‘thanks to our nation’s patience, determination and devotion’, it could order several more Osmans.126

It was too good to be true. Ministers such as Cemal, Talât and Cavid knew it: after all, they found the loans which did the real work of paying for the new dreadnought fleet. Unfortunately they were either unwilling or unable to challenge the popular narrative. In a speech delivered in July 1914 Cavid claimed that the League had already raised between three and four million lira in the previous four years, and would pay for the Fatih.127 By September 1914 some of his colleagues had nonetheless recognized that the dreadnought purchasing had gone too far, and sought to sell one or both of the Reşadiye or Osman. At the same time they recognized that the blowback from any such sale would, thanks to the success of the League’s propaganda, cost them dear politically. With the help of the Kaiser and his ‘gift’ of two replacement dreadnoughts they were impelled into a war not of their own choosing.

Over a century on, it is high time to expose the Navy League narrative for what it was: powerful propaganda which drew on the Panislamism stoked by the Hijaz Railway, and further fueled, a few weeks’ later in 1914, by the Ottoman declaration of jihad. Even here, however, it was far from plain sailing. While a fatwa of the şeyhülislam (the Empire’s chief juriconsult) declared its activities in full accord with Islamic law, religious scholars were divided on whether donations to the League could take the place of the animal sacrifices traditionally made during the Festival of Sacrifice (Kurban Bayramı).128 This debate set anti-western Panislamist intellectuals such as Filibeli Ahmed Hilmi against religious conservatives. As Cemil Aydin has noted, we need to be careful of conflating ‘Panislamism’ and ‘Islamism’ in this period.129

While the League raised enough funds to contribute to the acquisition of small support vessels, the repeated recourse to Ottoman Treasury Bills issued by British, French and German banks demonstrates that it was totally incapable of financing dreadnoughts. Why would any state have had recourse to such bills, agreeing to pay £2,939,478 to acquire a ship (Reşadiye) costing £1,795,500, if a ready source of cash lay at hand?

To return to a question posed at the start: why were those banks so willing to help, when the Empire was at war and these bankers’ own diplomats opposed them? Why didn’t OPDA put a stop to the naval race? Here the victimisation narrative struggles, because it fails to capture the transnational perspective of Vickers, its bankers and even the OPDA. Cassel and Vickers certainly had the interests of British industry in mind, offering a bespoke financing deal partly to ensure that the Barrow yard was kept busy. The suggestion that any British shipyard would have delayed work on a ship like the Reşadiye (as Vickers supposedly did, on Admiralty orders), throwing thousands out of work and losing future orders is ludicrous.130

In Istanbul the British Admiralty’s Naval Mission did, admittedly, seek to restrain Ottoman procurement, on the basis that smaller ships were more useful to the Ottomans than dreadnoughts, which only stoked an arms race the Empire could ill afford.131 In London, however, only Churchill was prepared to face the costs: British yards idled as Greece and Turkey took their custom to German yards instead.132 Given Russian fears of Ottoman naval expansion in 1914, things might have turned out differently had the British and French governments told the Ottomans what they could and could not order.133 The story told here supports Jonathan Grant’s
conclusion, that ‘armament firms used the diplomats for their private gain far more successfully than the diplomats used the firms for the furtherance of national objectives’.\textsuperscript{134}

In contrast to Churchill and the Admirals, Vickers and NBT saw no conflict between supporting British industry and supporting the Ottoman Empire financially and technologically. And they were helped, not hindered, by the OPDA. This should not surprise us: as Herbert Feis noted long ago, OPDA was ‘more than a protective body for the holders of Turkish government bonds’, its leaders were ‘the advocates of foreign enterprise in Turkey’.\textsuperscript{135} Though the termination of the centuries-old capitulations (which granted Europeans extraterritorial legal status) on 9 September 1914 is rightly seen as a symbolic declaration of economic independence, it is worth noting that OPDA council member Adam Block had championed such a declaration back in December 1908—in the London \textit{Times}, no less.\textsuperscript{136}

The public-private joint venture between Vickers and the Ottoman Empire proposed for the İzmit arsenal represented an opportunity for both partners: the former secured a production facility in an expanding market, the latter an opportunity to build capacity in a weak sector of the Ottoman economy (heavy industry) and foster knowledge transfer from one of the world’s most technologically advanced companies.\textsuperscript{137} Who was using whom, exactly, in this collaboration?

Though interest rates remained high, competition among British, German and French bankers and contractors served Cavid and the Ottoman state well in one sense: even during war, even with Ottoman finances in disarray, the Ottomans found the money to buy dreadnoughts, vessels they probably did not need and, by the summer of 1914, were willing to sell. In part this was facilitated by the French \textit{rentier’s} curious preference for Ottoman debt above, say, investment in domestic industry.\textsuperscript{138} But the suggestion that the Ottomans were ‘coerced’ into borrowing funds or buying western armaments by French (or English, or German) financiers in a conspiracy to drive the Empire to collapse and feast on the ruins seems far-fetched. More by accident than design, the \textit{Reşadiye} proved a devastating weapon, precisely because its ‘theft’ by the British supposedly exposed the hypocrisy of the western powers.

‘Sometimes it takes a severe shock to rouse a nation’, wrote Tanin in an article condemning the seizure.\textsuperscript{139} ‘England ruined the sacrifice that the public made to defend their homeland ... England struck our hearts at their most sensitive point’.\textsuperscript{140} Such reactions were by no means restricted to the Ottoman capital: British consuls stationed in cities across the Ottoman Empire observed that ‘the fact of the seizure of the Dreadnoughts purchased by Turkey in England has been used as a pretext for inciting public opinion against England in the interests of Germany’.\textsuperscript{141} As Yiğit Akın notes, ‘for the Unionists, this rhetoric of victimization was essential in convincing people of the worthiness of the Ottoman cause and encouraging them to support the government’s war effort only months after the disastrous defeat in the Balkans’.\textsuperscript{142} To that extent Churchill’s audacious gamble backfired. To present his seizure of the ships as more than a contributory factor in the Unionists’ entry into the war, however, would preserve the exculpatory myth. Though scholars continue to debate which members of the inner circle decided what when, Unionist agency in the decision to go to war cannot be denied. Once that decision was taken the Navy League myth proved to be as invaluable as was incredible.

In August 1914 one ship became two. The requisitioned and renamed \textit{HMS Erin} would spend the war far away, patrolling the North Sea, playing a minor role in the 1916 Battle of Jutland. The \textit{Reşadiye} played a far more illustrious role, as heroine of a new republic’s founding narrative. While \textit{HMS Erin} is long forgotten, scrapped in 1922, her twin still plies the seas of Turkish national myth and history: ‘our dear Reşadiye’.

\textbf{Notes}

1. Said Paşa also held the post of Foreign Minister. Rüstem Bey to Said Halim Paşa, 13 Aug. 1914, in Sinan Kuneralp and Gül Tokay (eds), \textit{Ottoman Documents on the Origin of World War One}, 8 vols. (İstanbul: Isis, 2012), 8:134–5.
2. David Fromkin, A Peace to End All Peace: The Fall of the Ottoman Empire (London: Phoenix, 2000), 56.

3. Celâl Bayar, Ben de Yazdım: Millî Mucadeleye Gidiş [orig. 1965], 6 vols. (İstanbul: Sabah Kitapları, 1997), 4: 195. For similar memories see Ahmed Emin Yalman, Yaşın Tarıhi Görüklerni ve Geçirdiklerini [1970] (İstanbul: Pera, 1997), 245; Halil Menteşe, Osmanlı Mebusan Meclisi Reisi Halil Menteşenin Amları (İstanbul: Hüriyet Vakfı Yayınları, 1986), 103; Rauf Orbay, Cehennem Değirmeni: Siyasi Hârlaranım (İstanbul: Emre Yayınları, 1993), 15–6; Cemal Paşa, Hatıralar, İttihat ve Terakki, 1. Dünya Savaşları Anıları [1922] (İstanbul: İş Bankası Kültür Yayınları, 2001), 142; Mahmud Şevket Paşa, Sadrazam ve Harbiye Nazırı Mahmut Şevket Paşa’nın Günlüğü [1965] (İstanbul: Arba, 1988).

4. ‘İngiltere’nin son hareketi … bu gemileri makul olabilecek için kaç senedir disindan sıra verilmektedir Donanma Cemiyeti’nin koşan, bu uğrada kesinlik son meteliğini, babasının son yadigarını bile seve seve donanma sandığına teslim eden şu milyonlarca halka tevcih edilmiş bir darbedir.’ Ingiltere’nin Son Hareketi, Tānin, 11 Aug. 1914. Although founded as Donanma-ye Osmani Mu‘avenet-i Milliye Cemiyeti (League of National Support of the Ottoman Navy), it was popularly known as Donanma Cemiyeti (Navy League), and formally adopted the shorter title in 1913.

5. Sean McMeekin, The Ottoman Endgame: War, Revolution, and the Making of the Modern Middle East, 1908–23 (New York: Penguin 2005), 98. See also Erik J. Zürcher, Turkey: A Modern History, 3rd ed. (London: I. B. Tauris, 2004), 112–3; Benjamin Heller, British Policy Towards the Ottoman Empire 1908–1914 (London: Routledge, 2012), 135.

6. F. Ahmad, ‘War and Society under the Young Turks’, Review of the Fernand Braudel Center xi (1988), 265–86 (272).

7. For comparisons with other vessels see Paul G. Halpern, The Mediterranean Naval Situation, 1908–1914 (Cambridge, MA: Harvard University Press, 1971), app.

8. Conversions based on www.measuringworth.com [accessed 6 May 2020].

9. £1,060,675 of the £2,939,478. If one disregards the financing (the funds paid or owed to holders of the NBT bills), this figure rises to 59%. The National Archives, London, United Kingdom (hereafter TNA), T160/105.

10. V. N. Geyikdağlı, ‘French Direct Investments in the Ottoman Empire before World War I’, Enterprise & Society xii (2011), 525–61 (540).

11. Roger Owen, The Middle East in the World Economy, 1800–1914 (London: I. B. Tauris, 2011), 196, 199 (quote); Donald C. Blaisdell, European Financial Control in the Ottoman Empire (New York: AMS, 1966), 38, 51. For other perspectives on European-Ottoman finance see Donald Quataert, Social Disintegration and Popular Resistance in the Ottoman Empire, 1881–1908 (New York: NYU Press, 1983); Şevket Pamuk, The Ottoman Empire and European Capitalism, 1820–1913 (Cambridge: Cambridge University Press, 1987); Christopher Clay, Gold for the Sultan: Western Bankers and Ottoman Finance, 1856–1881 (London: I. B. Tauris, 2001); E. Eldem, ‘Ottoman Financial Integration with Europe: Foreign loans, the Ottoman Bank and the Ottoman Public Debt’, European Review, xiii (2005), 431–45; M. Birdal, The Political Economy of Ottoman Public Debt (London: I. B. Tauris, 2015).

12. C. Trebilcock, ‘Legends of the British Armaments Industry, 1890–1914’, Journal of Contemporary History, v (1970), 3–19; Clive Trebilcock, The Vickers Brothers: Armaments and Enterprise, 1854–1914 (London: Europa, 1977), 45, 56. For Zaharoff’s diplomacy see J. Maiolo and T. Insall, ‘Sir Basil Zaharoff and Sir Vincent Caillard as Instruments of British Policy, 1915–8’, International History Review, xxxiv (2012), 819–39.

13. See Mehmet Beşikçi, The Ottoman Mobilization of Manpower in the First World War (Leiden: Brill, 2012), ch. 1; E. Ginio, ‘War, Civic Mobilization and the Ottoman Home-Front during the Balkan Wars’ in Dominik Geppert et al. (eds), The Wars Before the Great War: Conflict and International Politics before the Outbreak of the First World War (Cambridge: Cambridge University Press, 2015), 92–113; Ahmad, ‘War and Society’; N. Özel, ‘Defining the Public Sphere during the Late Ottoman Empire: War, Mass Mobilization and the Young Turk Regime’, Middle Eastern Studies, xliii (2007), 795–809.

14. ‘Aileminizin ekmeğinden ve çocuklarınızın yiyeceğinden ve yerleşimizden ayrılim sipariş eyledimiz […] bu muamele yalnız Osmanlılara değil bütün İslamlara karşı açıktan açığa urumuş ve ta canlı miza işleyecek kadar insafsızca urumuş bir darbedir.’ Ingiltere’den Beklenir miydii, İkadım, 9 Aug. 1914.

15. For Donanma see M. Beşikçi, ‘The Ottoman Navy League, 1909–1919’ (MA thesis, Boğaziçi University, 1999).

16. ‘terakkiyat-ı bahriye’yi te’min edecek yolda nim resmi cemiyetler teşkil olunur.’ Hüseyin Cahid, ‘Donanmamız’, Tānin, 5 July 1909.

17. Beşikçi, ‘Organized Spontaneity’, 43.

18. Petraki Papadopoulo, ‘İlk Hatve’, Donanma, i (March 1910), 6–7.

19. Report in Sabah, cited in Sunday Times, 17 July 1910, 9. Armenian Dashnaks were also fond of extortion as a means of extracting funds from wealthy Ottoman Armenians they deemed ‘unpatriotic’. J. Conlin, ‘The Amiras and the Ottoman Empire: The Case of the Gulbenkians, 1880–1923’, Turcica, xlviii (2017), 219–44 (232–3).

20. Beşikçi, ‘Ottoman Navy League’, 128–9. For other, similar examples, see Özcèlik, Donanma, 72, 83.

21. The Edinburgh Declaration’ issued ‘to the Muslims of the world’ was signed by Muslim students from Hyderabad, Damascus, Cairo and Istanbul. Beşikçi, ‘Navy League’, 46–7. See also Özcèlik, Donanma, 113, 116, 125–31, 212–3.
22. W. L. Ochsenwald, ‘The Financing of the Hejaz Railroad’, Die Welt des Islams, xiv (1973), 129–49 (138). See also S. T. Wasti, ‘Muhammad Inshaullah and the Hijaz Railway’, Middle Eastern Studies, iii (1998), 60–72; Ufuk Gülsoy, Hicaz Demiryolu (Istanbul: Eren, 1994).
23. Ochsenwald, ‘Financing’, 148.
24. Access restrictions make these records, held in the Archives of the Ankara University Institute of Turkish Revolution History (Ankara Üniversitesi Türk İnkılap Tarihi Enstitüsü Arşivi) difficult to assess fully. In their work Özbek and Göktalay draw on ministerial correspondence with the League preserved at the Ottoman Archives in Istanbul (Başbakanlık Osmanlı Arşıvleri), but as the former notes (Özbek, ‘Public sphere’, 803) these records are also insufficient.
25. Özçelik, Donanma, 199–200.
26. Özçelik’s table features interest payments made by the League on account of the 5% Ottoman Treasury Bills issued by Deutsche Bank as a credit of 15m kurus, for example.
27. Özçelik, Donanma, 49, 167, 169; Serhat Güvenç, Birinci Dünya Savaşı'na Giden Yolda Osmanlıların Drednot Düsleri Çıltılı (İstanbul: Türkiye İş Bankası Kültür Yayınları, 2009), 57.
28. S. Göktalay, ‘Economic Nationalism of the Committee of Union and Progress Revisited: The Case of the Society for the Ottoman Navy’, Nationalities Papers, 48 (2020): 942–956 (111).
29. Evren Mercan, Il. Abdülhamid Dönemi Deniz Stratejisi (İstanbul: Dergah, 2018).
30. J. Grant, ‘The Sword of the Sultan: Ottoman Arms Imports 1854–1914’, Journal of Military History, lxi (2002), 9–36 (27).
31. See Naci Yorulmaz, Arming the Sultan: German Arms Trade and Personal Diplomacy in the Ottoman Empire Before World War I (London: I. B. Tauris, 2014).
32. For context see Jonathan A. Grant, Rulers, Guns, and Money: The Global Arms Trade in the Age of Imperialism (Cambridge, MA: Harvard University Press, 2007).
33. Ibid., 40.
34. R. Davenport-Hines, ‘The Business Imperialism of Sir Vincent Caillard’ in R. V. Turrell and J. J. van Helten (eds), The City and the Empire (London: Institute of Commonwealth Studies, 1985), 118–34.
35. Trebilcock, Vickers, 47–8.
36. Marling to Edward Grey, 3 July 1911, [The National Archives, London], FO195/2384, f. 13. See also Heller, British Policy, 30; McMeekin, Ottoman Endgame, 86.
37. Zafer Toprak, Türkiye’de Milli İktisat, 1908–1918 (Ankara: Yurt Yayınları, 1982), 24; V. Necla Geyikdağlı, Foreign Investment in the Ottoman Empire: International Trade and Relations, 1854–1914 (London: I. B. Tauris, 2011), 140–2.
38. M. Cavid, ‘Neşriyatımız ve Vakayi Liktisadiye’, Ulum-u İktisadiyye ve Ictimaïyye, iii (23 Feb. 1909), 432.
39. Halpern, Naval Situation, ch 11; Grant, Guns, 176–84.
40. Özcan Ozavci, ‘Honour and Shame: The Diaries of a Unionist and the “Armenian Question”’, in Margaret Anderson et al. (eds), The End of the Ottomans: The Genocide of 1915 and the Politics of Turkish Nationalism (London: T. B. Tauris, 2019), ch. 8.
41. Nazmi Eroğlu, İttihatçılıkanın Ünlü Maliye Nazırı Cavid Bey (İstanbul: Ötüken Yayınları, 2008); Polat Tunçer, İttihatçılı Cavid Bey (İstanbul: Yadıtepe Yayınları, 2010).
42. Güvenç, Drednot, p. 43.
43. Beşikçi, ‘Ottoman Navy League’, 36; Güvenç, Drednot, 57.
44. Fromkin, Peace, 55; A. L. Macfie, The End of the Ottoman Empire, 1908–23 (London: Longman, 1998), 122; Mustafa Aksakal, The Ottoman Road to War: The Ottoman Empire and the First World War (Cambridge: Cambridge University Press, 2008), 111; Yiğit Akın, When the War Came Home: The Ottomans’ Great War and the Devastation of an Empire (Stanford: Stanford Univ. Press, 2018), 70.
45. [Historisches] [Institut] [Deutsches] Bank, Frankfurt a. M., Germany, OR1336.
46. Entry for 23 March 1911. Hasan Babacan and Servet Aşar (eds), Meşruyet Ruznamesi 1, 4 vols. (Ankara: Türk Tarih Kurumu, 2014) 1: 85.
47. For an analysis, see Frey to Auswärtiges Amt, 1 Aug. 1911. HIDB, OR1591.
48. Kautz to Gwinner, 31 Dec. 1909. HIDB, OR1319. At this point Deutsche Bank prioritized Bagdadbahn financing over armaments, as Krupp had decided to seek financing for any Ottoman arms deals not from Deutsche, but from its rival, Dresdner Bank, and Dresdner’s affiliate, Deutsche Orientbank. Boris Barth, ‘Politische Bank wider Willen: Die Deutsche Orientbank vor dem Ersten Weltkrieg’, Zeitschrift für Unternehmensgeschichte 1 (1997): 65–88 (82).
49. Otto Kaufmann to Deutsche Bank, 25 March 1911, HIDB, OR1336.
50. Özçelik, Donanma, 172–20.
51. Cited in Kaufmann to DB (Berlin), 1 April 1911. HIDB, OR1336.
52. Henry Babington Smith to Ernest Cassel, 22 May 1911. [Middle East Archive, St Anthony’s College, Oxford, United Kingdom], GB165-0313, Box 3, ‘Dreadnought No. 1’.
53. Babington Smith to Cassel, 29 May 1911, MECA, GB165-0313, Box 3, ‘Dreadnought No. 1’.
54. Babington Smith to Cassel, 5 June 1911, MECA, GB165-0313, Box 3, ‘Dreadnought No. 1’.
Although known by the same name, British Treasury Bills and French bonds did not bear interest. For the complex history of Ottoman bills' nineteenth-century Ottoman antecedents (Treasury Bonds'/mandats), some of which were secured, see Clay, Gold.

Biltekin Özdemir, Osmanlı Devleti Diş Borçlan, 1854–1914 (Ankara: Ticaret Odası Yayınları, 2009), 94.

Herbert Feis, Europe the World's Banker, 1870–1914 (New Haven: Yale University Press, 1930), 128; Rondo E. Cameron, France and the Economic Development of Europe, 1800–1914 (Princeton: Princeton University Press, 1961), 460–2.

Cassel to Babington Smith, 2 June 1911; NBT London to NBT Istanbul, 26 June 1911 (quote), MECA, GB165-0313, Box 3, 'Dreadnought No. 1'.

For private banking/la haute banque in this period see Samir Saul, 'Banking Alliances and International Issues on the Paris Capital Market, 1890–1914' in Youssef Cassis and Éric Bussière (eds), London and Paris as International Financial Centres (Oxford: Oxford University Press, 2005), 119–50; Cassis and Philip L. Cottrell, Private Banking in Europe (Oxford: Oxford University Press, 2015).

Jonathan Conlin, Mr Five Per Cent. The Many Lives of Calouste Gulbenkian (London: Profile, 2019), ch. 6.

Gulbenkian to Hecht, 11 July 1911, MECA, GB165-0313, Box 3, 'Dreadnought No. 1'.

Frederick Lane to Emanuel Nobel 23 Sep. 1909, C[alouste] G[ulbenkian] F[oundation, Lisbon, Portugal], LDN00038.

Edward Grey to Hardinge, 24 Dec. 1908, TNA, FO1093/111. For the Aegean Islands dispute see G...
91. The bank’s haste led to court proceedings. ‘Tribunal Civil de la Seine (2e ch.), 24 février 1916’, _La Gazette des Sociétés et du droit financier_, v (May 1916), 81–8 (81–2).

92. Cited in Beaumont to Grey, 3 Aug. 1914, TNA, FO371/2137. See also Georges Bénard to Gulbenkian, 13 Dec. 1913, CGF, LDN00067.

93. Leonard Raven-Hill, ‘The Splendid Paupers’, _Punch_, 7 Jan. 1914.

94. Trebilcock, _Vickers_, 134–5.

95. K. Hamilton, ‘The Constantinople Quays Company in Edwardian Economic Diplomacy’, _Diplomacy and Statecraft_, xxv (2014), 41–60; Quataert, _Disintegration_, ch 5.

96. Halpern, _Naval Situation_, 188–9.

97. Mutius to Unknown Correspondent, 9 Jan. 1914 and Weitz to Unknown Correspondent, HIDB, OR1322. For Grey’s assessment at this time, see Roger Adelson, _London and the Invention of the Middle East: Money, Power, and War_, 1902–1922 (London: Yale University Press, 1995), 95.

98. See Sir Cecil Spring-Rice to Grey, 10 Feb. 1914, TNA, FO371/2114.

99. Louis Mallet to Grey, 23 March 1914, TNA, FO800/80, f. 270. Vickers was willing to take bonds of the new loan in payment of the balance on the _Osman_, but this did not come off. Ottley to Babington Smith, 3 April 1914, MECA, GB165-0313, ‘Dreadnought No. 2’.

100. _Cambridge University Library_, Vickers 27.

101. Grant, _Guns_, 182–3.

102. Trebilcock, _Vickers_, 130 (quote); Trebilcock, _Legends_, 16–18; Halpern, _Naval Situation_, 299.

103. Kingham to Babington Smith, 11 April 1914, MECA, GB165-0313, ‘No. 5 H. P. Kingham’.

104. Gunther to Anatolische Eisenbahn (Berlin), 21 March 1914, HIDB, OR1322.

105. Caillard to General Office, 22 April 1914, CUL, _Vickers_ 27.

106. Aksakal, _Road to War_, 47, 83; McMeekin, _Endgame_, 91.

107. Karagöz, 7, 10, 14 and 28 Jan. 1914.

108. ‘bizim ziıhîlarımız gelince emin ol ki adalar tekir kedi uğrarsınız fare yuvasına dönecektir’. _Karagöz_, 7 Jan. 1914, 3.

109. Vickers to Babington Smith, 6 Feb. 1914, MECA, GB165-0313, ‘Dreadnought No. 2’.

110. For the ‘half an hour’ claim see _İkdam_, 7 Aug. 1914; _Tanin_, 7 Aug. 1914. For the incomplete state of the vessels see Armstrong, Whitworth to Treasury Secretary, 4 Feb. 1915, TNA, T1/12061.

111. McMeekin, _Endgame_, 98. For contemporary discussion see Norton Rose to Hecht, 29 Sept. 1914, MECA, GB165-0313, ‘Dreadnought No. 2’, and Léon Ostrorog opinion, 29 Jan. 1915, TNA, T1/12061.

112. Aksakal, _Road to War_, 100ff; Ulrich Trumpener, _Germany and the Ottoman Empire_ (Princeton: Princeton University Press, 1968), 31, 48.

113. ‘Conference on Emergency Expenditure’, 5 Aug. 1914, TNA, T1/12061.

114. Grey to Mallet, 19 Aug. 1914, TNA, FO371/2137.

115. Charles Ottley to Eyre Crowe, 5 Aug. 1914, TNA, FO371/2137. See also Beaumont to Grey, 9 and 10 Aug. 1914, TNA, FO371/2137.

116. Tevfik Paşa to Said Halim Paşa, 15 Aug. 1914 and Said Halim Paşa to Tevfik Paşa, 17 Aug. 1914, in Kuneralp and Tokay (eds), _Ottoman Documents_, viii, docs 288 and 309.

117. Fahreeddin Bey to Said Halim Paşa, 20 Aug. 1914, ibid., doc. 336.

118. Mallet to Grey, 9 Sept. 1914 and Graham Greene (Admiralty) to Laurence Oliphant, 15 Sept. 1914, TNA, FO371/2137.

119. Babington Smith to Eyre Crowe, 15 Sep. 1914, TNA, FO371/2137.

120. Caillard to William Tyrrell, 16 Oct. 1914 and W. Langley to Caillard, 27 Oct. 1914, TNA, FO371/2137.

121. See CUL, _Vickers_ 28.

122. See Halpern, _Naval Situation_, 156–7; Mark W. Hamilton, ‘The Nation and the Navy: Methods and Organization of British Navalist Propaganda, 1889–1914’ (PhD dissertation, LSE, 1986).

123. Özcêlîk, 97–8, 108–11, 155, 191, 289–90; Beşkçi, ‘Naval League’, 44. As Aksakal notes, even an apparently Islamic discourse of ‘jihad’ could and did (when understood as ‘all-out effort’) embrace non-Muslims. Mustafa Aksakal, ‘The Ottoman Proclamation of Jihad’ in Erik-Jan Zonneveld (ed), _Jihad and Islam in World War I_ (Leiden: Leiden University Press, 2016), 53–70 (65).

124. D. Gürpinar, ‘What is in a Name? The Rise of Turkic Personal Male Names in Turkey (1908–1938)’, _Middle Eastern Studies_ xlviii (2012), 689–706 (693–5), 699.

125. Beşkçi, ‘Naval League’, 25, 106.

126. _Donanma_, 10 Aug. 1914, 98.

127. Cited in _Donanma_, 13 July 1914, 34.

128. Mehmet Beşkçi, _Mobilization_, 65–6; Amit Bein, ‘A “Young Turk” Islamic Intellectual: Filibeli Ahmed Hilmi and the Diverse Intellectual Legacies of the Late Ottoman Empire’, _International Journal of Middle East Studies_ 39.4 (2007): 607–25 (612–3).

129. Cemil Aydin, _The Politics of Anti-Westernism in Asia: Visions of Order in Pan-Islamic and Pan-Asian Thought_ (New York: Columbia University Press, 2007), 103.
130. Mahmud S¸evket, Sadrazam ve Harbiye, 95; Güvenç, Drednot Düşleri, 65, 97; Fromkin, Peace, 55.
131. Admiral Hugh Williams to FO, 29 Apr. 1912, TNA, FO371/1487/22853.
132. Winston Churchill memo., 2 Jan. 1913. Cited in Halpern, Naval Situation, 334.
133. Halpern, Naval Situation, 308; Christopher Clark, The Sleepwalkers: How Europe Went to War in 1914 (London: HarperCollins 2013), 240, 334; Sean McMeekin, The Russian Origins of the First World War (Cambridge, MA: Harvard University Press, 2011). McMeekin’s claim (36) that Turkey had five dreadnoughts on order in January 1914 is incorrect, as noted in M. Seligmann, ‘Keeping the Germans Out of the Straits: The Five Ottoman Dreadnought Thesis Revisited’, War in History, xxiii (2016), 20–35 (24). So is Pamuk’s claim that Russian pressure led the French Foreign Ministry to insist that none of the 1914 Ottoman loan be spent on arms. Pamuk, Capitalism, 81.
134. Grant, Guns, 235.
135. Feis, World’s Banker, 337. See also Cameron, ‘France’, 464.
136. Adam Block, ‘Commercial Independence of Turkey’, Times, 14 Dec. 1908.
137. For nineteenth-century state-sponsored industrialisation schemes, see E. C. Clark, The Ottoman Industrial Revolution, IJMES, v (1975), 65–76.
138. Feis, World’s Banker, 38; M. Raccagni, ‘French Economic Interests in the Ottoman Empire’, IJMES, xi (1980), 339–76 (368).
139. ‘Bazen bir milletin uyanması için böyle şiddetli sadmelere ihtiyaç vardır.’ Sultan Osman, Tanin, 7 Aug. 1914.
140. ‘bir kaç sene evvel sefirini omuzlarını taşıdroğlu celi-hürmet ve muhabbeti için mümkün ve gary-i mümkün herşeyi yaptığı İngiltere’nin zebün-küşâne bir darbe ile bizim müdafâ-i vatan namına katlandığıuz bunca ağır fedakârlıkları bir anda mahv etmiş olmas’i ... İngiltere’nin Son Hareketi, Tanin, 11 Aug. 1914. For similar sentiments, see ‘Sultan Osman Drednotu’, İkdam, 7 Aug. 1914; ‘İngiltere’den Beklenilir mıydı?, İkdam, 9 Aug. 1914.
141. R. A. Fontana (Aleppo) to Mallet, 31 Aug. 1914. TNA, FO195/2460/4721. For Norman Scott’s reports from Bagdad, see FO195/2460/4721.
142. Akın, Great War, 72.

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