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towards the failure of monetarist policies in turkey

Already five months ago, in the June 1984 issue, we pointed out that there was no harmony in the Council of Ministers: "Two particularly important ministers, whose areas of responsibility are very much the same, are on the point of strangling each other... Take, for example, the Minister of Finance and Customs Vural Arıkan and the Deputy Prime Minister Kaya Erdem. They cannot find one single point to agree upon... While Kaya Erdem, just like Ozal himself, has distinguished himself as the champion of applying monetarist policies to the detriment of working people and weak enterprises, Arıkan argues that the government should revise these policies so as to raise the workers' purchasing power and to stop small firms from going bankrupt." (Info-Türk, No.92)

On October 26, one of these two ministers, in charge of Finance and Customs, has really been strangled, thus leaving Ozal's "Chicago Bous" a clear field.

However, Arıkan's dismissal did not take place on these grounds. He was fired by General Evren for another reason. For, the minister had denounced the ill-treatment of a high-ranking official of the Finance Ministry who was arrested last months in the "Customs scandal". Arıkan had declared in Parliament on October 24, that "certain dominant forces" were violating the principles inherent to a state based on law. He had accused the governor of the city of Edirne, the director general of the police and the Interior Minister of breaking the law in the investigation into the civil servants, affair. While disclosing in Parliament some cases of torture, he said that the relatives of the people under arrest had complained about the way the policemen behaved. In addition he said that he had tape-recorded their complaints and that he intended to let the MP's listen to it.

While world opinion rose up against the execution of the young Turkish democrats and while Amnesty International confirmed in its year report that



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Two executions within one month... That is General Evren's response to the appeal of both the European Parliament and the Council of Europe Parliamentary Assembly. In a fierce speech delivered in early October at Mus, the General-President reaffirmed the necessity of applying the death penalty to the people he labelled as "terrorists".

"Can those traitors be forgiven? Would you accept that they were not hanged if they are apprehended, put on trial and sentenced to death? If we stop hanging them, this will encourage the terrorists."

Despite the wave of sharp protests in the European capitals:

- on October 7, 1984, a militant belonging to Dev-Yol (Revolutionary Path), İlyas Has, 29, was hanged at Buca civil prison in Izmir (on the Aegean sea). Sentenced to death in October 1982 by an Izmir military court, he was to be the 26th executed prisoner since the 1980 military coup.

- on October 25, another militant belonging to the same organization, Hıdır Aslan, was executed at

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Burdur civil prison (in the Western part of Turkey). He had been sentenced to death by an Izmir military court in July 1981 for "attempting to overthrow by violence the constitutional order".

Several organizations abroad, including the French Communist Party and the Belgian Communist Party as well as the chairman of the European Parliament, had pled for clemency. His lawyers had made an ultimate plea for mercy arguing from the mental state of the condemned person which, in their view, required his renewed appearance before a court. But this petition was turned down by the Military Court of Appeal.

Over the preceding sixteen months no death sentence had been executed in Turkey as a token of a "return to democracy". The latest capital execution on political grounds dates back to June 1983.

The suspension of the application of the death penalty over the past sixteen months did not prevent scores of sentences from being pronounced. Since the beginning of this year 144 death sentences—perhaps even more—have been passed.

After succeeding in having themselves reintegrated into the Council of Europe Parliamentary Assembly, the Turkish Generals forced the Turkish Parliament to ratify the death sentences. As it turned out, on October 4, for the first time the "elected" Members of Parliament ratified the death sentences passed on two political prisoners.

Before Aslan's execution, European Parliament Speaker Mr. Pierre Pflimlin sent a telegram "to the permanent representative of Turkey to the European Communities in order that the latter informs the Turkish authorities of the European Parliament Speaker's wish that a reprieve be granted to the condemned person on humanitarian grounds."

In West Germany, the "Hirsch Committee" which in April and May of this year had conducted a fact-finding mission in Turkey, appealed on October 15 to the "President of the Turkish Republic" and to the West-German Minister of Foreign Affairs. Professor Dr. Martin Hirsch, a former judge at the Federal Constitutional Court along with several other German public figures said in their appeal to Mr. Genscher: "The elimination of human lives, ordered by the state, is deeply inhuman. A state which does not protect the lives of its citizens but destroys them, should not benefit from the Federal Government's support, neither economically and financially nor morally." (Frankfurter Rundschau, 16.10.1984).

After Aslan's execution, at the European Parliament in Strasbourg the Socialist, Communist and "Rainbow" Group Heads sent a letter to the EP Speaker requesting him to express to the Turkish authorities Parliament's "most absolute indignation". They also called on Mr. Pflimlin to intervene with the Council of Ministers of the Ten member countries in order to prevent the EEC-Turkey Association Treaty from being resumed.

On the other hand, the Council of Europe "regrets" the execution of the Turkish militant. Its Spanish-born Secretary-General, Marcelino Oreja, and the Speaker of the Parliamentary Assembly of the 21-member Council, the German Karl Ahrens, said they "expect" all member countries to "align gradually" with the principle of the abolition of the death penalty.

In France, the Senate paid tribute to Aslan. This gesture aroused the Turkish authorities' anger. On the other hand, 34 French intellectuals have made an appeal to stand "an 18-hour democratic guard in front of the Turkish Embassy" on November 6.

In its 26 October issue the French daily Le Monde made the following comments on Aslan's execution: "It is strange that she (Turkey) continues to be represented within an organization whose 'principles of pre-eminence of law' is acknowledged by its member countries, as well as 'the principle whereby any individual falling within its jurisdiction must enjoy human rights and basic liberties'. The Greek Colonels were ousted from the Council for much less. One cannot but be amazed at seeing French public opinion, so sensitive to what happens elsewhere, responding with indifference to such a news."

the practice of torture is keeping on in Turkey, the disclosures made in Parliament by a Turkish minister came as a bombshell for the country's political circles. Those who were looking for an opportunity to get rid of this opponent of monetarism, were not long in dealing him the death-blow!

On October 26, Finance Minister Arıkan was dismissed by General-President Kenan Evren. Under the Constitution, the President is entitled to "put an end, should it be necessary, to the functions assumed by the ministers at the suggestion of the head of the Government." To save its face, the Evren-Ozal duo has also forced Interior Minister Ali Tanrıyar to resign. Tanrıyar, Ozal's brother-in-law, is generally regarded as an unconditional supporter of the Prime Minister.

But the main target of this dismissal was Arıkan and the first signs of this move had been noticed two weeks ago, when the 1985 budget was submitted to Parliament. Contrary to the traditions, the state budget was submitted by Deputy Prime Minister Erdem, while before this always used to fall to the Finance Minister.

According to many observers, the crisis that has broken out is a result of the grave divergences within Ozal's Motherland Party (ANAP). The Party in charge of government affairs which succeeded in winning the "return-to-democracy" sham election in November 1983, by claiming that it endeavours to group together into one single body the four main pre-coup political tendencies, is more and more being torn apart by the rightist extremists of the former Nationalist Action Party (MHP) and, on the other hand, by the Islamic fundamentalists of the dissolved National Salvation Party (MSP).

There is no doubt that this is one of the elements which are provoking a crisis within ANAP (For more details: *Info-Türk Bulletin*, No. 92), but the main reason for this clash is to be found in the fact that, despite Ozal's triumphant speeches, the country's socio-economic situation has more and more deteriorated during the ten-month period following the general election. While Ozal's Chicago Boys were waiting for help by the IMF to stop further deterioration—in return for new concessions—the working classes' oppo-

sition to monetarist policies has begun getting some response from the privileged strata of society as well, including the industrialists.

Hereafter, we will try to outline the desperate socio-economic situation in Turkey.

First of all, Gross National Product:

For 1980 as a whole, the Turkish economy continued to experience stagnant economic growth. Real growth of GNP was a negative 1.1 percent prior to the coup. This rate rose to a positive 4.3 percent in 1981. Substantial progress continued in 1982 and 1983, and GPN increased respectively by 4.4 and 3.2 percent. For 1984 the growth rate is estimated at about 5.7 p.c.

But, in view of the annual growth rate of the population which is still about 2.64 p.c., this growth rate of GNP is very far from ensuring healthy development of the country. Besides, the loss of value of the Turkish Lira against foreign currencies, particularly the US Dollar, has produced a negative effect on the national income per capita:

Years	Income per capita
1980	1,544 dollars
1982	1,370 dollars
1983	1,070 dollars
1984 (estimation)	950 dollars

Source: *Cumhuriyet*, 20.9.1984

Using data provided by the World Bank and the State Statistics Institute of Turkey (DİE), *Cumhuriyet* of August 29 reports that Turkey is going through a process of impoverishment.

An interesting report in the daily *Tercüman* of July 13 gave figures showing a sharp decline in the share of wages in national income over the 1979-84 period, and a correspondingly sharp increase in the share of profit, rent and interest incomes:

Year	Share of wages and salaries	Share of profit, rent and interest
1980	25.8 p.c.	74.2 p.c.
1981	23.4 p.c.	76.6 p.c.
1982	23.2	76.8 p.c.
1983	22.8 p.c.	77.2 p.c.
1984 (estimation)	20.0 p.c.	80.0 p.c.

Again according to *Tercüman* of August 2, the fall of the share of wages in value added in the manufacturing industry over the same period is even more dramatic:

Year	Share of wages in value added (State sector)	Share of wages in value added (Private sector)
1980	15.0 p.c.	10.4 p.c.
1981	12.9 p.c.	9.6 p.c.
1982	9.9 p.c.	9.5 p.c.
1983	9.8 p.c.	9.2 p.c.

When Turgut Ozal presented his government composed of "Chicago Boys" to the new-elected Parliament in December 1984, he claimed that the main feature of the government program was to be an attempt to control inflation and to reduce its annual rate from 40 p.c. to 10 p.c. within a 5-year period.

But the first 10-month period of Government shows that, whereas in other European countries inflation is constantly falling, in Turkey it gained a new

impetus and this year price hikes were higher than expected and all efforts to fight inflation turned out to be unsuccessful.

The State Statistics Institute announced on September 19 that wholesale price increases for the past 12 months (until the end of August) were 56.9 p.c.. It was expected that the annual inflation rate will reach 48.9 p.c. by the end of 1984.

Despite the fact that collective bargaining was again allowed at the beginning of this year, the new wage increases are still very far from covering the price rises. According to the daily *Milliyet* of September 7, the nominal (face-value) wages increased 12-fold over the past 10-year period, but the real wages fell by 49 p.c. over the same period due to the price hikes.

Year	Nominal wages (monthly net)	Real wages (monthly net)
1974	2,047 TL	678.6
1979	8,829 TL	616,2 TL
1980	12,808 TL	460,2 TL
1983	24,877 TL	349,5 TL

Another indication of the impoverishment of the working classes are the data published by the daily *Tercüman* on July 30, 1984. According to this right-wing newspaper, with an average daily wage of 567 TL (\$ 1,40) a Turkish worker has to work at least 16 hours in order to buy 1 kg. meat, while his colleague in Germany can buy the same quantity of meat by working one hour. Below a comparative table has been added showing the number of working hours or days needed to purchase the essential necessities of life in two different countries:

	F.R. OF GERMANY	TURKEY
1 pair of shoes	1 and a half day	12 days
1 set of man clothes	6 days	26 days
1 litre of milk	3 minutes	3 hours
1 kg of sugar	12 minutes	2 hours
1 kg of meat	1 hour	16 hours
1 kg of butter	1 hour	21 hours
1 litre of oil	half an hour	7.5 hours

According to a report published in the daily *Milliyet* of September 1st, the rapid rise in the prices of basic foodstuffs has caused an "earthquake in the kitchen". Although the average monthly wage of a worker was about 25,000 TL in August 1984, a 4-member household has to spend 43,020 TL on basic foodstuffs. As a result, a worker who is householder is no more able to feed himself, his wife and two children. This situation drives many women and children either to prostitution or to suicide. The same newspaper reported on August 27 that the number of children abandoned in Istanbul has reached 140 over the first 8 months of 1984, compared with 40 in 1980.

	USA	Sweden	Greece	Turkey
Per Capita National Income (in dollars)	13,000	12,000	6,000	990
Telephone (per 1000)	760	856	317	53
TV per 1000	631	387	160	110
Car per 1000	526	345	79	14
Rate of schooling	100	86	81	37
Rate of Infant mortality (per 1000)	11.2	6.8	15.6	131

(Source: *Tercüman*, June 15, 1984)

Under these circumstances, the first legal strike since the 1980 military coup started on October 2, 1984, at the Desan-Yıldırım Dockyards in Tuzla. But this move can hardly be regarded as a real use of a fundamental right of the working class of Turkey, because the number of workers employed was a mere 67 and considering that only 21 of them participated in the strike. While the minority of the workers were "picketing" the dockyards, the majority carried on with their work under the "protection" of Martial Law forces.

In view of the fact that the new legislation on labor makes it practically impossible to go on strike in big plants, this first strike can barely be regarded as a symbolic act for the working class, and indeed it served rather to enable the Turkish regime, which has been under permanent pressure from international labor organizations, to save its face.

Although the total number of wage-earners in Turkey exceeds 5 million, the Ministry of Employment announced, after the new labor legislation was adopted, that only 2.3 million of them were to enjoy the right to collective bargaining. The rest of them were denied this right on the pretext that the sectors where they are employed are of paramount importance to Turkey's economy and national security. To cap it all, in the 28 economic sectors where collective bargaining is allowed, only 1,248,000 are unionized and have the right to benefit from the wages determined by collective agreement. The rest of the workers are doomed to survive —themselves and their families— with a minimum wage of 16,200 TL (\$40) per month.

The restriction does not rest there... Though they have the right to collective bargaining, at least a third of those 1,248,000 workers are denied the right to strike in the case of non-agreement, always on the same pretext: safeguarding Turkey's economy and national security. Then, if the two sides of the bargaining cannot reach an agreement, the Supreme Arbitration Council intervenes into the dispute and determines the new wages and social benefits.

As for the rest, about 800,000 workers who have the right to strike, they do not have full freedom to strike. If the employer and the trade union cannot reach an agreement within a 60-day period, the Ministry of Employment appoints an "arbitrator" within six days in order to make both sides agree with each other. If the "arbitrator" proves unable to achieve his task within 15 days, the report of disagreement is sent to the Ministry and, within 6 days, the trade union can order a strike, while the employer can respond with a lock-out.

Nevertheless, even at that stage, either martial law authorities or, if martial law is lifted, the government can suspend any strike for two months.

Consequently, this very long and complicated procedure makes it impossible to make use of the right to strike "granted" to a mere fifth of all wage-earners.

In practice, it is always the Supreme Arbitration Council that determines the wage increases. According to the data published by the daily *Hürriyet* of October 29, the annual rates of both inflation and wage increases are as follows:

	Inflation rate	Wage increases
1980	107.2 p.c.	70-80 p.c.
1981	36.8 p.c.	10 p.c. plus 3,000 TL
1982	25.0 p.c.	15 p.c. plus 3,000 TL
1983	30.6 p.c.	20 p.c. plus 1,500 TL
1984	50.0 p.c.	25 p.c. plus 2,000 TL

Considering that, until then, the average monthly net wage (free-of-tax) of a worker was 25,000 TL, with the new increases "granted" by the Supreme Arbitration Council, this salary will be brought up to 35,000 TL, but it will be very far from covering the monthly cost of basic foodstuffs for a 4-person household, that is 43,020 TL. The same newspaper reported that the monthly budget of such a family rises to 97,200 TL, including expenditures for housing, dressing and other vital needs.

This unbearable situation has already brought about violent attacks in the Turkish press against the economic policies of the Ozal government. Even the pro-governmental trade unions, under the pressure of their members, have been forced to raise their voices against the present labor legislation. But the dissatisfaction does not rest there...

ANGER OF BIG BUSINESS

While the first anniversary of his electoral "victory" is approaching, big business, the main supporter of Ozal's new economic policies, has launched a campaign of criticism.

Addressing a meeting in Giresun on September 29, Turkish Union of Chambers and Commodity Exchanges Chairman Mehmet Yazar, the key figure of Turkey's private enterprise, said the government had failed to overcome inflation through tight money policies. "Now the emphasis should be on increasing the supply situation and boosting production to counter inflation," he said.

He presented the following 13-point alternative measures:

- The value of the Turkish lira should be increased.
- Special concessions to exporters should be scrapped and funds worth 200 billion liras should be diverted to industries.
- A 10 percent decrease in all public spending (with the exception of investments) to narrow the budget deficit is needed.
- Special middle-term loans for industry with low interest rates.
- 500 factories where production has been stopped should be reactivated.
- Bank debts of companies should be rescheduled and unpaid loans should not face interest payments for a given period.
- The financial requirements of industry should be met through the activation of a dynamic stock market.
- Interest rates on deposits should be decreased.
- State Economic Enterprises should be overhauled and each public industry should be carefully scrutinized.
- Special consumer loans should be provided to create temporary demand.
- Housing credits should be determined according to costs.
- The incentive system for industry should be re-evaluated.

Another top businessman, who asked not to be named, said his recent meetings with Premier Turgut Ozal show that the government has no intention of changing its policies, and that "despite all our warnings they (the government) are set on following a dangerous course."

"The time is up. We have shown all the moderation and the patience. We have given the Ozal administration ample time to fulfill its economic promises, now we will start criticising government policies," he said.

Despite all complaining, the Turkish private sector as well as public sector have registered a very profitable year in 1983. According to data issued by the Industrial Chamber of Istanbul (ISO), the 500 biggest firms of Turkey increased their turnover as well as profits. While 52 out of these 500 firms belong to the public sector, the remaining 448 are private companies.

According to the daily *Cumhuriyet* of October 18, 1984, both the turnover and profits of these 500 biggest firms reached a mind-boggling peak in the past year. As the inflation rate was at 30 p.c. in 1983, the total turnover of the 500 biggest firms increased by 60 p.c. and their profits by 50 p.c..

Below we mention the figures relating to the 15 biggest firms of Turkey. Among them is also the OYAK (Mutual Assistance Fund of the Armed Forces) which has turned into a big financial holding.

	Annual turnover (tn.LT)	Annual profit (tn.LT)	Number of employees
TUPRAS (SS)	782.8	7.6	1,610
TPAO (SS)	350.2	67.5	7,277
State monopolies (SS)	346.7	-	64,706
TKI (SS)	120.0	32.4	65,654
Eregli Demir-Celik (SS)	120.7	6.0	7,909
Türkiye Demir-Celik (SS)	94.5	22.7	32,599
Türkiye Seker F (SS)	108,1	2.2	25,110
PETKIM (SS)	75.8	3.3	6,086
Cay Kurumu (SS)	65.0	5.6	17,722
Türk Traktör (PS)	36.7	0.8	1,324
Azot Sanayii	35.8	3.7	6,146
Et ve Balık Kurumu (SS)	36.9	1.8	7,255
AKSA (PS)	32.2	6.7	871
OYAK (Private/Army)	31.8	3.8	2,031

The Turkish enterprises owe thanks to Ozal's Government for their growth, because the fabulous profits of the recent years have been achieved thanks to the measures aimed at preventing wage rises.

The rapid growth of Turkish companies has also been confirmed by the international business circles.

According to the British review *South*, among the world's 500 biggest companies are also 15 Turkish enterprises.

Turkish firms	no. of order	annual turnover million \$
TPAO (SS)	17	4,756
TUPRAS (SS)	19	3,791
Koç Holding (PS)	31	2,533
Türk Petrol (SS)	32	2,531
Sabancı Holding (PS)	33	2,510
TKI (SS)	117	693
Türkiye Seker S (SS)	129	639
Türkiye Demir-Celik (SS)	134	605
Eregli Demir-Celik (SS)	148	555
SEKA	210	387
Cay Kurumu (SS)	237	353
Petkim (SS)	273	300
Et ve Balık Kurumu (SS)	388	196
Tekfen (PS)	485	153
Istanbul Gübre Sanayii (PS) 500		145

It should be underlined that the data issued by the ISO do not correspond to those of *South*. Beside the differences between the turnover figures of the same enterprises, some Turkish private firms seem more successful on the list of *South*. For example, Koç Holding, Sabancı and Tekfen are among the top 15, while they do not appear on the list of ISO. However,

one should taken into consideration that *South* groups together all the branches of these three firms under the same heading, whereas the ISO gives the names and turnover figures of each of their branches separately.

Furthermore, on the basis of a survey carried out in 63 countries, *Business Week* has reported that among 1,025 leading firms in the world are also 9 Turkish companies whose names and annual turnover are as follows:

Is Bankası	896 million \$
Eregli Demir-Celik	383 million \$
Akbank	327 million \$
Profile	317 million \$
Tekfen	146 million \$
Akın Tekstil	119 million \$
Alarko	88 million \$
Borusan	93 million \$
Edpa	70 million \$

In another survey, the US magazine *Fortune* places three Turkish firms among the 500 biggest companies of the world: TPAO comes 118th with an annual turnover of 3,837 million \$, Koç Holding 161st with 2,928 million \$ and Sabancı 203rd with 2,344 million \$. According to the same source, the net profits of these three firms and the number of their employees are as follows:

TPAO	299 million \$	15,417 employees
Koç Holding	58 million \$	28,448 employees
Sabancı Holding	44 million \$	26,000 employees

FOREIGN INVESTMENTS IN TURKEY (millions of \$)

	number of foreign companies	capital promised by companies	capital actually invested	profits brought back by investors
1980	48	97.00	53	51
1981	112	337.51	60	56
1982	103	167.00	55	43
1983	144	102.74	87	57
1984	163	376.52	44	23
	570	1,080.77	300	230

One of the pillars of the military regime's new economic policy has been the foreign capital incentives. And yet, despite a set of legal measures to boost foreign capital, there has been no "serious" inflow from either industry or tourism.

According to the ANKA News Agency, foreign companies investing their money in industrialized nations, have a presence in Turkey, a presence that has been strengthened over the past few years. Nevertheless, as stressed by the same agency, Turkey still ranks among the countries with the "worse foreign investment record", despite its economic potential.

It appears that the facilities introduced since 1980 have failed to neutralize the effects of the "anti-foreign capital" stance which had been influential in Turkish domestic politics.

However, the problem now is whether foreign investors will be prepared to focus their attention beyond Turkey's domestic market and to contribute to her export drive. Moreover, the tendency prevails to assess Turkey from the viewpoint of her economic and political risks.

Between January 24, 1980, the date of proclamation of the new economic policy imposed by the IMF, and September 1984, Turkey has licensed 570 companies to invest 1.08 billion US \$ worth of foreign ca-
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pital, bringing up the total to 1.30 billion \$ since foreign capital laws were implemented. The State Planning Organization figures show that 53.4 percent (US \$ 578,100,000) of the foreign capital is accounted for in new investments, with 160,500,000 \$ designed to finance extension projects and 206,600,000 \$ for capital expansions. The remaining 135,6 million \$ correspond to portfolio investments.

It is worth noting that 468,600,000 \$ of the capital issued, licensed during the period under review, were investments to be met via the liquidation of unguaranteed commercial arrears and convertible Turkish lira deposits.

Foreign capital data reveal a much less "encouraging" view when it comes to actual foreign capital entries. In fact in the four and a half years to mid-1984, the total amount of foreign capital eventually brought into Turkey has been a mere 300 million \$. The insignificance of this figure is still more obvious considering that over the same period profit transfers totalled US \$ 230 million.

In the first nine months of the year the State Planning Organization has approved foreign capital investments applications worth 376.5 million dollars submitted by 163 companies of various nationalities. In terms of number of applications, West Germany comes first with 29. However, the total investment envisaged by these companies is very low: only 6 million \$. In value, the Syrians rank first. A total of 14 Syrian ventures have been licensed to invest 201.9 million \$ combined. Yet, a 200 million \$ portion of this sum is accounted for a single investment planned by a Syrian businessman based in Saudi Arabia.

In addition to the Germans, a substantial number of Swiss companies (20) want to invest in Turkey, but the overall figure is a very modest 6.3 million \$. The US are represented by 18 firms that plan to invest a combined 108.5 million \$. Dutch, French and Italian firms are also planning to invest there.

New investments (approximately 308.8 million \$) represent a substantial part of the foreign capital ap-

plications licensed in January-September of this year. The amount to be financed via the settlement of unguaranteed commercial arrears and convertible Turkish lira deposits is 18 million \$.

Most of the new capital licensed in January-September is designed to finance investments in the service sector. A total of 88 firms want to invest 262.1 million \$ combined in this sector. The manufacturing industry is represented by 70 firms and a planned investment of 108.2 million \$. Interest in agriculture and mining is smaller. Three foreign companies are planning investments of 5.9 million \$ in agriculture and 250,000 \$ in mining.

According to information provided by the Foreign Capital Department of the State Planning Organization, Turkey needs at least 4 billion \$ to complete her basic public investment projects. The 73 projects in question have a total cost of 12.8 billion \$ and their foreign financing requirement is 6.2 billion \$. Of that amount, about 2 billion \$ has been secured so far.

Of the total requirement of 4 billion \$, 302.5 million \$ is needed for agriculture, 363.9 million for mining, 370.7 million for industry, 2,347 million for energy and 654.9 million for transport.

So, the foreign capital inflow at its present level is very far from satisfying Turkey's needs.

On the other hand, although the Ozal Government claims that the foreign trade deficit has been cut thanks to a set of measures aiming at boosting exports, Turkey still suffers from heavy foreign debts totalling 26.4 billion \$ of which 7 billion \$ are owed in interest.

In 1982 Turkey's medium and long-term debts totalled 15,547 million \$ and fell to 15,450 million \$ by June 1984. In the same period, short-term debts rose from 2,091 to 3,910 million \$.

On the other hand, the foreign trade deficit has begun to grow. As the foreign trade deficit was 90.3 million \$ in February, it rose to 443.1 million \$ by July 1984. The deficit amounted to 277.8 million \$ in the corresponding month of 1983.

TURKISH ARMY IN KURDISTAN: AT DEADLOCK

The combing operation launched by Turkish troops in retaliation for attacks by Kurdish guerrillas (See *Info-Türk*, September 1984 issue) has taken a new turn as an agreement was reached with Bagdad allowing Turkish troops to intervene into Iraqi territory.

Preparations for this combing operation into Iraqi territory -called "Operation Sun"- against the Kurdish "peshmerge", had already been completed prior to the conclusion of this agreement, and considerable Turkish troops had been massed along the Iraqi border.

This agreement has been reached following a sudden visit to the Iraqi capital, on October 14, by the Turkish minister of Foreign Affairs Mr. Vahit Halefoğlu, accompanied by Deputy Chief of Staff General Necdet Oztoran.

Already in May 1983, Turkish forces had carried out a "combing operation" into Iraqi territory against Kurdish "rebels" with the Iraqi authorities' approval. Despite the triumphal cries of the Turkish authorities and press, last year's operation apparently did not succeed in clearing the Iraqi border zone of Kurdish combatants.

This time, after reaching a new agreement with the Iraqis, the Turkish Armed Forces have entered Iraqi territory 15 km deep. According to Turkish press reports, "Operation Sun" is being carried out

along a border strip, 120 km long, throughout very mountainous regions.

According to the European press, several reasons have led the Iraqi President Saddam Hussein to allow Turkish troops to cross the border. As the war with Iran deprived him of several of his outlets, he is determined to stay on the best of terms with his northern neighbour who has offered him facilities for exporting his oil and conveying supplies. In domestic policies, the war with Iran and the army's mobilization along the border has also furthered a reawakening of the Kurdish opposition which suffered a fatal blow in March 1975, when the Shah of Iran and Saddam Hussein signed the Algiers agreement. But today only the Barzanist PDK continues to wage an armed struggle against the Iraqi regime. So, the regime of Saddam Hussein is now "in such a state of weakness and powerlessness that he is forced to use foreign troops in order to quell the Kurdish rebellion on his territory."

Contrary to what happened a year before, Iran now is opposed to the Iraqi-Turkish agreement aimed at fighting the Kurdish guerrillas. Talks between Tehran and Ankara on a possible penetration of Turkish troops into the border area with Iran have collapsed.

The Iranian Minister of Foreign Affairs condemned on October 19 the aforesaid agreement on "co-ordinated struggle" between Iraq and Turkey, consi-

dering that it "jeopardizes the security of the region as a whole".

"We warn that this kind of move is likely to aggravate the crisis in this sensitive part of the world," a communique of the Iranian Foreign Affairs Ministry said.

For, Tehran actively supports the Iraqi Kurdish Democratic Party (PDK) led by Massud Barzani. Contrary to the Kurdistan Patriotic Union (PUK) led by Jalal Talabani, which is more inclined to collaborating, the PDK is a staunch opponent of the Iraqi regime. Unlike the PDK, the PUK of Talabani has been negotiating for several months with the Iraqi government in an attempt to reach an agreement enabling its rallying, while President Saddam Hussein was making concessions as well. Therefore Saddam Hussein, angry with Iranian assistance to the PUK, gives his support to the Kurds of Iran rallied under the banners of the Iranian "Democratic Party" (PDK) headed by Mr. Ghassemhu, and of Komala (Kurdish Communists).

Faced with the Iranian Governments' opposition, the Turkish regime did not hesitate to disown the Turkish press-triumphal headlines reporting the Turkish Army's penetration into Iraqi territory, while at the same time "Operation Sun" was actually going on at both sides of the Turco-Iraqi border.

Indeed, the combing operation unleashed in Turkish Kurdistan in last August has already turned into a bloodbath. Since the regular Turkish Armed Forces stay powerless faced with the Kurdish combatants who have a thorough knowledge of the mountainous regions, the Turkish Generals themselves got mobilized and went to the operation area to incite the Kurdish population to inform against the "peshmerge".

During a 5 days' journey to Turkish Kurdistan, ending on October 5, General-President Kenan Evren tried hard to persuade the local population that the Turkish Government did not contemplate remaining passive in the face of increasing activities by "separatists", without however mentioning the word "Kurd". The Turkish Government did not intend to abandon "the population in the hands of armed adventurers", he said.

During the same journey, the General-President referred with satisfaction to the "loyalist attitude" of the local population and launched the idea of distributing weapons to "carefully selected" peasants in order to drive "separatist" militants out of the villages. The Army commanders, however, regarded as quite dangerous the idea which had suddenly occurred to Evren, because the distributed weapons could be transferred by the "selected persons" to the Kurdish militants. Thereupon the idea was dropped.

Instead of this, the following decisions were taken:

- intensifying raids in Kurdish villages,
- clearing Kurdish border villages of their inhabitants and deporting them to the western part of the country.
- gunning down without warning anybody looking like a "separatist",
- mining border zones to prevent people in Iraq or Iran from crossing the Turkish frontier.

These exceptional measures have immediately been carried out by Turkish commando troops.

On October 12, two armed militants were killed in an engagement with the security forces in Adiyaman province. The next day, two other militants were killed in Erzurum as they refused to surrender. On the same day, one out of two guerrillas was killed in an engagement with the security forces in Adana.

During the combing operation, the West-German daily *Tageszeitung* reported, the villages of Pervari, Genzag and Zorova in Hakkari province were bombed

and shelled, as the Kurdish tribe of the Jirki, living in this region, refused to collaborate with the military. According to the Turkish daily *Hürriyet*, the five chiefs of the tribe who fled into the mountains apparently followed by their tribesmen, are wanted by the security forces. Furthermore, as reported by the Kurdish organization "KOMKAR", a prisoner camp has been set up in the village of Esrik, near Hakkari province, where prisoners are flown over by helicopter.

And yet, despite this display of strength by the Turkish Army, the Kurdish Resistance continues. Kurdish guerrillas had already killed two soldiers on September 1st at Semdinli. On September 15, the army retaliated by shooting three militants at Pervari.

Thereupon the Kurdish Resistance killed a captain and a soldier on October 3 at Semdinli.

A week later, on October 11, the Turkish Army lost an officer and 8 soldiers. On October 27, three soldiers were killed at Sirmak.

According to a statement by Premier Ozal on October 12, up to then 1,415 "separatists" are said captured, but 696 of them are said to have been set free afterwards for lack of evidence. But considering that this was actually a large-scale operation, the real number of prisoners must be much higher.

Anyhow, already now it is rather obvious that, despite this considerable display of strength the Army has not managed to nip in the bud the Resistance movement in Turkish Kurdistan.

48 MORE PEACE ACTIVISTS ON TRIAL

As the 23 members of the Turkish Peace Committee, who were already condemned to heavy prison terms, are being tried again by a military court in Istanbul following a decision of the Military Court of Cassation, 48 other members of the same organization have been indicted by a military prosecutor on charges of attempting to stage a communist revolution in Turkey. It is reported that they also face prison terms ranging from five to fifteen years if convicted.

Among those who have been indicted are also Aziz Nesin, renowned Turkish humorist and chairman of the Turkish Writers' Union (TYS), movie actors Tarik Akan and Genco Erkal, former Members of Parliament Metin Tüzün and Ertugrul Günay, university professor Sadun Aren as well as several journalists, lawyers and doctors whose names are below:

Lawyers: Erol Saraçoğlu, Müsir Kaya Canpolat, Mehmet Ali Pestilci, Halit Celenk, Turgut Kazan, Ali Galip Yıldız, Turgan Arınır, Attila Coskun, Ayfer Coskun, Nezahat Gündoğmuş, Rasim Oz, Mustafa Ozkan, Ali Sen, Ozgül Erten;

Journalists: Süleyman Coskun, Jülide Gülizar, Erkan Oyal, Asım Bezirci, Vedat Türkali;

Physicians: Ataman Tangör, Mehmet Sükrü Güner, Dora Kalkan Küçükyağcı, Mehmet Okcuoğlu;

Trade-union leaders: Ali Rıza Güven, Celal Küçük, Nurettin Cavdargil;

Architects and engineers: Güner Eliçin, Yavuz Bayülken, Tezer Eraslan, Gündüz Gözen;

Artists: Gülşen Tuncer, Rutkay Aziz, Sadık Karamustafa, Yılmaz Onay.

Retired Army Officer: Ahmet Yıldız;

Others: Garip Aydınoglu, İhan Alkan, Mustafa Nirol Ozkay, Birol Bora, Esat Balım, Sadettin Ulfer, Ferruh Yavuz.

DISK TRIAL: 896 DEFENDANTS

After the release of the main DISK leaders, the military prosecutor of Istanbul Martial Law Command began to join all trade union cases to the trial of DISK.

Thus, the total number of defendants rose to 896. Among the new defendants are also two members of the Administrative Board of DISK (Confederation of Progressive Trade Unions of Turkey), Hüseyin Fuat Pınarbası and Mülayin Güdümlü, who face capital punishment. So, the number of DISK leaders facing the death sentence rose to 78.

NEW CONDEMNATIONS

14.9, in Ankara, a member of Dev-Sol to 33 years and 2 months.

15.9, in Istanbul, 20 members of the Path of Partizan (PY) to prison terms ranging from 6 months up to 30 years. Again in Istanbul, 3 officials of the Socialist Fatherland Party (SVP) up to 32 years.

22.9, in Gölcük, one member of Dev-Yol was sentenced to death and another to 20 years in prison.

28.9, in Istanbul, 22 members of the Marxist-Leninist Armed Propaganda Unit (MLSPB) sentenced to death, 45 to life imprisonment and 181 others up to 24 years.

29.9, in Istanbul, 4 members of the Sympathizers of Revolution (DSB/THKP-C) sentenced to death, 5 members to life imprisonment and 16 others to prison terms of up to 15 years.

30.9, in Diyarbakır, seven members of the DDKD (Progressive Cultural Association of the East) to one year each.

A SINGER INDICTED

In Istanbul, famous popular singer Erol Büyükburç was indicted on September 19 by the military prosecutor on the charge of slandering the Armed Forces. He faces one year in jail.

A JOURNALIST CONDEMNED

In Zonguldak, on September 22, Mrs. Ayşe Uzunurukan, columnist of the newspaper *Inanıs*, was condemned to 3 months and 18 days' imprisonment for insulting a public prosecutor in her article.

A NEWSPAPER SUSPENDED

The Martial Law Command of Istanbul suspended the publication of the daily *Tercüman* from September 6 up to September 16 for an article criticizing the government's policy.

EUROPEAN PARLIAMENT DECISION

In view of continued human rights violations in Turkey, The European Parliament, at its 11 October sitting, has taken a now "reserved" position as regards the reconstitution of the EEC-Turkey Parliamentary Committee.

As shortly before the November 1983 general election in Turkey, the European Parliament had overtly disputed their democratic nature, the chairmen of the parliamentary Groups, who had been convened separately before the opening of the debate on the "inter-parliamentary delegations for relations with third countries", signed an agreement stipulating that the motion for resolution relating to the future EEC-Turkey joint delegation was to be accompanied with a restriction clause: "The European Parliament decides that the delegation of the European Parliament / Grand National Assembly of Turkey Joint Committee will not be set up until the Association Treaty is implemented once again and until the European Parliament has reconsidered the situation in Turkey."

Despite the previous agreement signed by all political group chairmen, this restrictive clause was endorsed—and in the end adopted—by only 140 Euro-MP's, while 66 voted against and 21 abstained. When the result of the vote was announced, amid the shouts of indignation bursting forth from the left benches, Socialist Group Chairmen Arndt accused EPP Group Head Klepsch of breaking his word—and disowning his signature—by inciting the rest of the Assembly to oppose the restrictive clause's adoption. The spokesperson of the Rainbow Group, Graefe zu Baringdorf also accused Mr. Klepsch of playing a "dishonest game". At this very moment, EP Speaker Pflimlin cut off his microphone. Graefe zu Baringdorf got angry and rushed amid the hubbub at Klepsch's bench, then at the Speaker's desk. To the boos of the Right shouting "Out... Out...", Speaker Pflimlin then announced an adjournment. On the other hand, the EP adopted two motions for a resolution, one protesting against the death sentences passed on political prisoners in Turkey, the other denouncing the imprisonment of Mahmut Dikerdem, chairman of the Turkish Peace Committee.

As far as the Council of Europe is concerned, the situation in Turkey will be reconsidered in January 1985 at the session of its Parliamentary Assembly. For this meeting, Mr. Stoffelen, Rapporteur of the Legal Affairs Committee has already drawn up a report on the continuing violation of human rights.