Violence Mars Development Negotiations In Turkey

Anti-government riots broke out in southeastern Turkey April 18 following the letter-bomb assassination of Hamit Fendoglu, the mayor of the city of Malatya, and three of his relatives. Thousands of Kurdish clansmen, backed up by the fascist commando units of Nationalist Action Party leader Alparslan Türkes, poured into Malatya from outlying districts to protest the murder of Fendoglu, also a Kurd. Blowing up scores of buildings, the Kurds blamed "leftist extremists" for Fendoglu's death and accused the Turkish government of Prime Minister Bülent Ecevit of "leftist sympathies."

For decades, political, sectarian, and tribal rivalries between Kurds and Turks, rightists and leftists, and Sunni and Shiite Moslems have been cultivated and manipulated by British intelligence, not only in Turkey but also in neighboring Iran and Iraq.

Special army troops were sent in to quell the rioting in Malatya, and martial law was imposed. Ecevit denounced the murder of Fendoglu as "an assassination directed against democracy and the free will of the people," and warned the Kurdish population not to overreact. In addition, Turkey's Nuclear Energy Research Center was shut down following reports that its employees, many of whom are linked to Turkes, are manufacturing bombs for the terrorists.

The Malatya incident marks the worst in a spiraling series of violent clashes throughout Turkey that have left more than 200 dead and thousands wounded since the beginning of the year. The unprecedented violence, which has kept the country on the brink of a military takeover, is aimed at keeping Turkey off balance and incapable of moving toward lasting solutions of its economic troubles and the long-festering Cyprus problem. Although Ecevit has attempted to undermine both the Nationalist Action Party's commando operations and Türkes' control over much of Turkey's security apparatus, his moves have been limited and have done little to dismantle the vast capability of the Turkish neo-Nazi right-wing to carry out its terrorist activities. Ecevit's restraint in mopping up once and for all the British-run Türkes network could eventually lead to Ecevit's own political demise.

Nelson Rockefeller in Turkey

The destabilization of Turkey coincides with intensified efforts on the part of development-oriented forces in the U.S., Europe, the Arab world, and the Soviet Union to resolve Turkey's massive economic problems by investing in industrial and agricultural development projects.

Last month, after approximately one year of negotiations with the International Monetary Fund,

Turkey agreed to implement a stringent austerity program to enable repayment of its whopping \$15 billion foreign debt. In 1977, Turkey defaulted on almost \$400 million in short-term convertible Turkish lira deposits and failed to pay for more than \$1 billion in imports due to the foreign currency crisis.

Following the agreement with the IMF, Turkey's creditors are once again negotiating to restructure the debt and issue new credit. Heading up the negotiations is a coordinating group of eight banks whose combined loans comprise 25 percent of Turkey's convertible lira deposits: Barclays, Citibank, Chase Manhattan, Morgan Guaranty, Deutsche Bank, Union Bank of Switzerland, Dresdner and the Swiss Banking Corporation. These banks, along with the rest of Turkey's creditors, cut off all lines of credit to Turkey last year, restoring them only on the condition that Turkey reach a satisfactory agreement on austerity with the IMF.

The Regional Development Imperative

Several banking and U.S. Department officials have admitted, however, that the IMF measures are only a stop-gap and in the long run will undercut the very basis of Turkey's productive capabilities. It is becoming increasingly clear that what is needed is a long-term development perspective to ensure Turkey's economic viability and internal stability.

While the Carter Administration has yet to push the notion of economic development and cooperation in its policy formulations for Turkey and the eastern Mediterranean, a leading analyst of Aegean affairs affirmed that "certain people in the State Department" as well as "unofficial circles, such as Nelson Rockefeller" are interested in development of the region. What has yet to be made explicit is the role of regional development as an integral part of an overall approach to drying out Greek-Turkish animosity and underwriting a Cyprus settlement. Such an approach is also key to destroying Great Britain's ability to use the region, and Cyprus in particular, as a trigger for showdown in the eastern Mediterranean.

On April 15, Nelson Rockefeller arrived for an eight day visit to Turkey, where he is expected to discuss large-scale investment, possibly with Arab cooperation, in Turkish development projects. Last month, Rockefeller announced his intentions to set up a Saudi-financed nuclear energy and high technology investment corporation to realize projects in the developing sector and to put the faltering U.S. economy back onto a firm export-oriented footing.

According to the Turkish daily Dumhuriyet, talks between Turkish and Kuwaiti officials will begin soon to



negotiate badly needed credit for the Turks. In addition, an agreement with Iraq over oil deliveries to Turkey via the Iraqi-Turkish pipeline is in the process of being worked out. Since January, Iraq has withheld deliveries to Turkey due to Ankara's unpaid \$330 million oil debt.

Strategic Location

Situated strategically along the Soviet Union's southern border, Turkey provides the perfect staging ground for East-West economic cooperation. In February, the Soviets signed a \$1 billion trade agreement with the Turks. In June, Ecevit is slated to visit Moscow. Turkey's growing relations with the Soviets are also in evidence in the military sphere. On April 24, a high-ranking Soviet military delegation led by Chief of Staff Ogarkov arrived in Anakra for a four-day visit.

In addition, there are hopeful signs of increased Balkan cooperation. Ecevit has just completed a trip to Yugoslavia to discuss economic, trade, and cultural cooperation, while a Turkish delegation visited Romania, where talks with President Nicolae Ceausescu were held dealing with Balkan, as well as European, peace and cooperation and the need to establish a new world economic order.

West Germany is also looking to contibute to stabilizing the region. According to the Greek daily Eleftherotypia. the West German government is prepared to initiate "a mini-Marshall plan" of economic assistance to the Greek and Turkish Cypriot communities for the "reconstruction and economic development" of the island.

Cyprus the Key

To break the Cyprus deadlock, the Carter Administration submitted a proposal on April 6 to Congress requesting the lifting of the arms embargo against Turkey, which was imposed following Turkey's invasion of Cyprus in 1974. The proposal was submitted following private assurances by Ecevit to the State Department that significant concessions on the Cyprus issue would be forthcoming from Turkey to facilitate Congressional lifting of the embargo and the granting of U.S. arms aid to Turkey. By lifting the arms embargo, the Carter Administration hopes to stabilize the Ecevit government and give it badly needed leverage in its fight against terrorism. Should the arms embargo continue, Ecevit's position will continue to deteriorate, and civil war, leading to a military takeover, is likely. Ecevit has threatened to redefine Turkey's defense needs if the U.S. doesn't lift the embargo.

Last week, Turkey submitted its Cyprus proposal to Cypriot President Spyros Kyprianou. The proposal called for "an independent, sovereign, nonaligned, bicommunal and federated Cyprus Republic," a formula not unac-

ceptable to the Greek Cypriots. However, because the Turks failed to offer significant territorial concessions, Kyprianou rejected the proposal.

The French daily *Le Figaro* worried that "in the event of a Greek refusal to negotiate, Turkish Cypriot leader Rauf Denktash will declare an independent Turkish state on Cyprus," a move portending dire repercussions for regional stability. However, a Turkish spokesman at the United Nations was more sanguine and predicted that both sides to the conflict would, in time, soften their positions and reach an accord.

Kyprianou Cracks Down on Terrorists

Kyprianou, meanwhile, is waging a bitter struggle to maintain himself in power in the face of a British-run operation, parallel to the destablization operation in Turkey, to assassinate or overthrow him. Kyprianou is considered an obstacle to continued British manipulation of the region, due to his anti-British sentiments, his close ties with France, and his close working relationship with the powerful Cypriot Communist Party, AKEL.

In a sharp blow to the British, Kyprianou has cracked down on terrorist networks operating through the two British sovereign military bases in Cyprus at Dhekelia and Akrotiri. The Greek Communist Party newspaper Rizospastis revealed April 13 that the Cypriot government has obtained evidence showing that "Israeli Zionist diplomats and West German neo-Nazi groups connected with Franz Josef Strauss of the West German Christian Socialist Union have been financing and supplying the Cypriot terrorists with arms."

A total of 23 people, including two members and a captain of the agent-infiltrated Cypriot National Guard, along with a policeman, were arrested and imprisoned on charges of plotting to overthrow the government. All suspects belong to an underground organization led by Vassos Pavlides, known as "The Doctor," who masterminded and executed the kidnapping of Kyprianou's son Achilleas last December. Pavlides was among the first to be arrested in Limassol, while four others were rounded up "near the British base of Dhekelia," the London Financial Times reported.

The Cypriot police stated that all will be tried on charges of planning sabotage of government buildings and attacks on foreign embassies, as well as assassinations and kidnappings of political figures in a broader "conspiracy against the state" of Cyprus.

In a statement of April II, Kyprianou charged that "third parties" were behind the plot. Government spokesmen have also stated that extremist groups, such as EOKA-B and the newly formed "Hellenic Liberation Army—Suicide Brigades," have been encouraged and financed from abroad.

-Nancy Parsons