

Middle East Report by Robert Dreyfuss

A new shakeup in Turkey

The IMF partisans have strengthened control; if they ebb, a coup within a coup is planned.

Internal strife over economic policy continues in Turkey. *EIR* has learned that the Turkish generals who took power in Ankara last September may be having second thoughts about following through on demands by the International Monetary Fund and related agencies for the complete dismantling of Turkey's large state-sector industrial enterprises.

The generals, wrote the London *Guardian* last month, "hanker after a return to protection, intervention, and the state sponsorship of ailing industries." For, although the junta is "pushing ahead with the monetarist, free-market IMF reforms associated with the Demirel administration," deep down the generals realize that the IMF "cure may yet prove worse than the disease," and that nothing may soon be left of the industry-based dirigist economy that Kemal Ataturk, Turkey's founder, built.

The *Guardian* editorial noted that the "ruling junta is badly divided," and warned that if the generals don't cooperate, there "could yet erupt another coup within a coup," within the next year, removing the moderate head of state, General Evren, and his deputy General Saltik.

The likely coup-makers would be a clique of right-wing officers who are pressuring Evren to release their mentor, the self-professed neo-Nazi Col. Alparslan Türkes, who has been held in an army pris-

on since the military takeover because of his role in fomenting terrorism.

Earlier this month, the generals capitulated to this pressure by releasing not Türkes but six former parliamentary members belonging to his Nationalist Action Party. The NAP hold over the junta is underscored by the fact that there have been no personnel shake-ups in the several ministries—most notably Agriculture—that are controlled by the NAP.

The British threat of a coup within a coup is hardly surprising. In the past, any Turkish government that dragged its feet in implementing the IMF's policies has suddenly found itself out of power. A case in point is former Prime Minister Süleyman Demirel; although Demirel was more than willing to cooperate with the IMF, as a civilian leader he risked a great public backlash were he to have gone all the way with the IMF's unpopular austerity measures, whose central feature is the deindustrialization of the Turkish economy.

Because of this stalemate, Demirel was replaced on Sept. 12 by a military junta, which, at the behest of the IMF, proceeded to implement the standby agreements worked out between Demirel and the fund in 1980.

The IMF's key operative in the entire affair was and is Turgot Ozal, described by insiders as the "man who really runs Turkey." The eco-

nomic czar under Demirel, Ozal was elevated to his current post of deputy prime minister within hours of the coup and was granted extraordinary powers "to do whatever was necessary to impose the IMF's austerity demands," according to one source.

Despite the fact that all cabinet ministers appointed by the junta had to agree to the condition that they not interfere with Ozal's running of the economy, Ozal's pernicious adherence to the IMF's Friedmanite economics has not gone unchallenged.

In January, Ismail Hakkı Aydinoglu was suddenly kicked out as governor of the central bank because of his opposition to Ozal's monetarist policies. Aydinoglu had stirred the IMF's ire by writing a hard-hitting attack on Ozal's policies in the Izmir daily *Yeni Asya*. In particular, Aydinoglu criticized Ozal's standby arrangement with the IMF and his efforts to jack up interest rates Volcker-style.

Picking up the line, a number of other papers issued attacks on the handling of the economy, and were quickly shut down.

The dismissal of Aydinoglu is doubly scandalous, given the fact that central bank governors by law cannot be dismissed. The official line is that Aydinoglu "resigned."

The ouster of the central bank governor has given Ozal dictatorial control over the Turkish economy. He states categorically: "If there is an alternative model, I will not be the one to implement it."

Aydinoglu's replacement is Osman Siklar, a career central bank official who is known to be very close to and in agreement with both Demirel and Ozal, and who has no intention of bucking the IMF.