



PRIME MINISTER
BÜLENT ECEVİT
FOREIGN POLICY

2004
SA
2852



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**STATEMENT AND ANSWERS
AT THE PARLIAMENTARY ASSEMBLY
OF THE COUNCIL OF EUROPE**

(THIRTY FIRST ORDINARY SESSION)

MAY 10, 1979

The PRESIDENT. — I now have the great pleasure of welcoming the Prime Minister of Turkey, Mr Bülent Ecevit, who will address the Assembly. I am sure that Mr Ecevit's speech will be highly gratifying, because he is very well known not only for his political vitality but for his literary capacity.

He became a member of parliament in 1957. Also, apart from having been Prime Minister three times, he has been Minister of Labour. He has written a variety of books which are widely appreciated. For some of us it may be even more important to know that Mr Ecevit was a member of our Parliamentary Assembly.

It is, of course, a special privilege that we can greet the Prime Minister during our present debate concerning our role in the intensification of co-operation between the countries of Northern and Southern Europe. I also welcome, therefore, the Chairman of the Committee of Ministers and the Ministers who have adjourned their meeting of the Committee of Ministers to be present here for this dialogue, and also the Ambassadors.

In the North-South dialogue Turkey is well placed for making an important contribution. Turkey also represents for Europe a voice of vital importance in the relations between the countries of Western and Eastern Europe. This is particularly true because the centre of the Council of Euro-

pe has moved closer to Turkey, considering the return of Greece and the entry of Portugal and Spain to our organisation.

In this context I should like to say that we have a mission to assist Turkey in its relationship with our member countries, especially since some of those countries became candidates for the Community. Turkey will continue to find the Council of Europe a useful means of communication with Community members for expressing hopes and problems.

Your presence here, Mr Prime Minister, is important in another way. The great interest that you can see the mass media take in your presence is also an interest taken in the Council of Europe.

Mr Prime Minister, may I now invite you to come to the rostrum.

SPEECH OF MR. BULENT ECEVIT

Mr President, Mr Chairman of the Committee of Ministers, distinguished members of the Assembly and the Committee of Ministers I should like to start by thanking you, Mr President, for your very kind words of introduction and for the constructive and objective evaluation that you have made with regard to Turkey's position in the world and the possible contributions that Turkey may make to world peace and to the dialogue between the East and West and the North and South.

It is an honour for me to be given the opportunity of addressing the Parliamentary Assembly of the Council of Europe. It is a great pleasure and an added honour for me that this opportunity coincides with the thirtieth anniversary of this important organisation. It is the first international parliament of account and its moral authority has increasingly asserted itself during those 30 years.

Allow me, Mr President, to congratulate you and the distinguished members of the Parliamentary Assembly and the Ministers on this occasion, as well as all those democratic nations which have contributed to the success and influence of the Council of Europe. I regard the Council of Europe as a living monument of the member countries' attachment to democracy and as a pioneer institution constantly gaining and consolidating new grounds in the way of enriching the contents of democracy and enlarging freedoms and human rights.

Turkey, where democracy is practically of the same age as the Council of Europe, has been proud to be a member of this institution since its year of inception. She is the only country at the stage of development in which democracy has continuously survived during these three decades. It is no matter to make democracy live and to live by democracy for a country grappling with the tremendous difficulties and handicaps of being at the stage of development. The temptation may often be aroused, in the face of such difficulties, to look for deceptive short cuts that unwittingly may cause the

society to drift away from the course of democracy - a course that requires patience, perseverance and tolerance.

Therefore, the democratic process and progress has had its ups and downs in Turkey, and during the periods of «downs» when the ebb of economic and social forces tried to pull us away from the course of democracy, our membership in the Council of Europe has at times served as a compass helping us to keep to that course. The main democracy in Turkey — as in any other democratic country — is, inevitably, the people's attachment to democracy and freedom, but there have been times when our membership in the Council has served as a compass that helped to prevent us from losing our bearings.

In view of these considerations, I would like to concentrate my address to the Parliamentary Assembly on certain problems that Turkey has been facing in recent years and on the trials that democracy has been subjected to in the course of these problems. By concentrating on such problems I shall be referring to certain issues and difficulties that any democratic country determined to achieve its development objectives within the democratic framework may have to face. In this sense, healthy solutions to Turkey's problems at this stage may provide a source of encouragement to others who may wish to follow a similar path.

Turkey has been one of the most rapidly changing societies of this age. Problems and conflicts arising out of change and transition have therefore been rather acute in Turkey. Change in Turkey did not start at the infrastructural level alone. Infrastructural and superstructural change have been taking place simultaneously. In some cases superstructural change has even preceded infrastructural change. The shocks and tremors of such a process of comprehensive and accelerated change were to some extent alleviated by the democratic regime which gave vent to the frustration caused by difficulties of adaptation, while at the same time increasing the difficulties of preserving democracy.

Particularly during the last three decades, Turkey has been passing through a period of rapid but at the same time rather disorderly and unbalanced economic development. More recently, the constraints that came with the world economic crisis of the seventies has had certain shock effects on the economy and the society.

Turkey has a rather high rate of population increase, which is another factor that has aggravated our social problems during this period of change. There have been great waves of migration to big urban centres. The first generation of migrants were quite content with their lot, because they were able to compare their new opportunities in urban centres with the difficulties and limitations of the way of life that they had left behind in the neglected rural parts. The second and third generations, however,

could not be expected to console themselves with such a comparison. They felt in their minds and hearts the frustrations of the contrasts in urban centres, particularly as unemployment reached critical levels. In the meantime there has been an accelerating increase in the demands for higher education, coupled with a decrease in satisfactory job opportunities for the educated.

Then, of course, there has been this great migration of the unemployed and the underemployed, particularly from rural areas and from the neglected parts of Turkey, to the highly developed countries of the West. People were transplanted overnight from the distant villages of Anatolia — from villages cut off from the rest of the world — to the highly industrialized and sophisticated centres of the western world. While they did not lose much time in adapting themselves to these new and completely different surroundings and ways of life and cultures, they maintained close ties with their villages and towns in Turkey.

They have become opinion leaders, or mentors of new values and of a new way of life with rather costly aspirations, in their old surroundings back at home, which they visited regularly or with which they faithfully corresponded through letterst or mailed tape. They have become agents of even more accelerated and dramatic change in Turkey. This has had a collision effect in some cases, particularly in the underdeveloped parts of the country, not only between utterly different levels of development and different cultural milieux but also between different ages. It was as if they annually commuted or regularly communicated through a time tunnel.

As a result or all these factors, there emerged, during the last ten or twelve years, the frustration of the impatient who search for too radical or even miraculous solutions to all the intricate and accumulated problems of a pluralistic society in rapid transition. On the other hand, there has been the even greater frustration and reaction of those circles which wanted to reap the material benefits of rapid economic development and change while struggling in vain to prevent or evade the unavoidable social, cultural and political consequences of such rapid economic development and change.

These conflicting groups at the opposite fringes of the political spectrum could not hope to achieve their loosely defined and untenable objectives within the rules of the existing democratic regime or by peacefully trying to change that regime. Therefore they both resorted to force, and escalating terrorism ensued. They could not hope to be able to change the existing political framework peacefully, because the great majority of the people remain firmly attached to democracy and because democracy in Turkey has well-entrenched constitutional and institutional guarantees and sanctions.

Among such guarantees and sanctions, I can mention the completely independent judiciary with an autonomous appointment and promotion system, independently elected high courts that can abrogate laws and annul administrative decisions, autonomous universities, a free press and independent radio and television, and a free and strong labour union movement.

As a result of the people's attachment to democracy and thanks to these constitutional and institutional safeguards, the Turkish democracy has withstood the extreme trials of years of terrorism as well as of the grave economic and social problems that we have been facing.

More recently, the turmoil in the Middle East which has reached new dimensions and the vacuum of authority that has emerged in Iran have added fuel to the unrest in Turkey, as some of the impatient and radicals of either the Right or the Left have been encouraged to think that they could exploit this new atmosphere prevailing in our part of the world to expedite the attainment of their objectives.

Although it is too early yet to predict the future consequences, the developments in Iran are of historic significance, basically reflecting the Iranian people's desire for a free, democratic and more self-reliant society. But what happened in Iran obviously cannot be duplicated or imitated in Turkey, because wide differences exist between the neighbouring countries' social and political structures. For instance, the mass opposition in Iran was aimed at replacing an authoritarian regime with a democratic one, whereas in Turkey democracy already existed and the fringe groups that opposed the regime sought authoritarian regimes of sorts against the will of the masses. In Turkey economic development had proceeded simultaneously with the social, political and institutional changes that should go with development, whereas in Iran such changes had been prevented from accompanying economic development. Again, in Turkey secularism had been deeply rooted and the people's attachment to religion had been comfortably reconciled with the rules of a secular state, whereas in Iran this had not been the case.

All the same, geographical proximity provided inspiration for several groups to try their hands in similar ventures in Turkey. They could not succeed but they could increase unrest and terrorism just by trying. This was an added factor that made the precautionary measure of declaring martial law inevitable in some provinces.

In spite of the differences between the social and political conditions of Turkey and Iran in some respects, there are deeply rooted historic and cultural ties between them and I believe that a fruitful and extensive co-operation that could and should flourish between the two neighbouring countries would be an important factor for stability and progress in the Middle East as a whole.

I am convinced that, with their long history of statehood, the people of Iran will overcome their present difficulties and ensure a bright future for their country. It is essential, in the meantime, that Iran should preserve its unity and integrity. This is of great importance not only for Iran but for the peace and security of all the region. I therefore strongly hope that any attempt to disrupt that country's unity will be doomed to failure.

The unity of the Turkish nation is based on the fact that ethnic differentiation is alien to the traditional attitudes and social relations of the people of Turkey. Throughout history, ethnic or religious conflicts emerged in Turkey only when there were provocations from outside. In recent years, particularly in recent months, such provocations have been coming again from several quarters abroad — provocations that are directed not only to Turkey but to several countries of the region. Sometimes opposing forces vie with each other in provoking, and in trying to control, the same ethnic or religious groups, with the obvious objective of keeping divided or further dividing, thus weakening and dominating, the region and some of the regional countries.

The Middle East certainly does not provide a comfortable milieu for democracy, with several governments or political forces and interest groups of account in the world constantly trying to involve themselves in the internal affairs, as well as the external relations, of the regional countries. The strategic importance and the oil riches of the region are at least as much of a burden as a boon for these countries, and Turkey is one of the very few among them that have to put up with and resist such trends from outside without having the advantage and leverage of rich oil resources.

Under the circumstances, it needs constant diligence and vigilance to prevent the open doors and windows of a democratic open society such as the one existing in Turkey from being used as channels of conflicting extra-national and international currents gusting their way in and further confusing the country's innately unsettled and complicated political and social problems at the strenuous stage of rapid transition and development.

However, democracy has survived and will survive in Turkey because the Turkish society is already well beyond the point of return and because the people would not put up with any alternative regime. I am also hopeful that shortly we may be in a position to end, or to reduce the scope of, martial law.

Efficiency of the internal security forces has been gradually but steadily improving and an increasing number of terrorists are being caught and sentenced. Such developments should sooner or later exert their deterrent effects. Peace has already returned to schools and universities after years of fighting and interrupted education in many of them. Mass clashes have not

recurred since the tragic events that took place towards the end of last year.

We do not delude ourselves by thinking, however, that terrorism can be eradicated by the increased efficiency of security forces and measures alone, and we are also aware that no country can or should indefinitely and exclusively rely on the people's attachment to democracy or on the efficacy of constitutional and institutional guarantees.

The degree of economic difficulty that Turkey has been encountering in recent years would cause social unrest and create fertile ground for terrorism in any country. I suppose one can even say that in few countries could democracy stand the trials of about 50 per cent inflation and 20 per cent unemployment for as long as Turkish democracy has done. We therefore have to find a way out of the economic crisis - the worst that we have faced during our republican history.

Although certain mistakes were made in the past in the structuring and handling of the Turkish economy, it would be unfair to put all the blame for the present difficulties on those mistakes. The world economic crisis has been a more important factor, for Turkey is one of those non-oil-rich developing countries that are increasingly squeezed between dramatically increasing oil prices on the one hand, and the industrial intermediate and investment goods prices on the other hand - the kind of goods that we have to import in substantial quantities in order to run many of our existing industries and maintain the momentum of growth.

By restructuring the economy and by better exploiting our natural resources, we can considerably increase our foreign exchange earnings, not only through exports of goods but also through exporting engineering and construction services to some of the regional countries and through tourism for which Turkey is one of the best endowed countries.

In fact last year, although we could use only about half of our industrial capacity because of electricity cuts and shortage of imported inputs, we were able to increase our export earnings by over 30 per cent, and during the first three months of the current year the rate of increase has reached the level of 38 per cent. Recently we were also able to end years of daily electricity cuts by better exploiting our own natural resources for energy production.

Turkey obviously has considerable potential for increasing her economic self-reliance, and her geopolitical position also affords great possibilities for tripartite co-operation that should fruitfully bring together Turkey's industrial basis and manpower with the under-utilised technological capacity of some developed countries and the under-utilised capital being generated in several countries of the region.



Turkey provides ample opportunities for foreign investment, particularly in view of the promising markets in some of the regional countries, and we are willing to promote with an open mind such investment to the extent that it contributes to our economic and technological development and balance of payments, as well as to our regional co-operation. But we need a breathing space and some fuel to put our economy on a sounder basis and to recover from the immediate crisis.

Thus far, our partners and friends in the West, with few exceptions, have remained passive, even if sympathetic, spectators. It was declared by some of our friends after Guadeloupe at the beginning of this year that Turkey needed credit aid in substantial amounts very urgently. More than four months have passed and «urgent» aid has not been forthcoming yet, although recently there have been some encouraging signs that may yield results soon.

Turkey has had to spend almost all her export earnings of those four months on oil imports alone. On top of that, she had to pay the equivalent of all her annual export earnings from tobacco and cotton - her two main export items - as foreign debt instalments during those four months. Some observers in the West express their wonder that the Turkish economy and democracy can still survive, but we cannot help thinking that something more substantial than expressions of wonder and sympathy could and should be expected from our friends if partnerships or alliances are supposed to cater for solidarity in times of difficulty.

Last year and especially this year we have taken such measures of economic stabilisation as would entail great political risks for any democratic government. We have taken those political risks willingly. But we cannot afford to take social risks to a degree that would critically aggravate the already existing unrest in Turkey.

In a democratic country at our stage of development, the social feasibility of stabilisation measures is at least as important as their economic feasibility. In such a country a static stability does not work or, even when it seems to work, it backfires at one stage. It has to be a dynamic stability, ensuring a certain momentum in growth and development.

Turkey in particular, has to maintain a rather high rate of growth, and she has to follow a balanced and healthy development strategy, for the following reasons :

- She has to preserve her democracy while putting the economy on its feet, and for this purpose, she has to be able to meet the basic requirements of an increasing population in an open and free society.
- She has to attack social unrest and terrorism at the roots by lowering the high rate of unemployment and reducing social injustice.

— She eventually has to narrow down to a tolerable degree the gap between herself and her partners with highly developed economies in order to be able to continue with this partnership on a viable basis.

— She has to increase rapidly her foreign exchange earnings in order to be able to pay her accumulated debts and to finance essential imports.

— She has to widen and strengthen the infrastructure of her economy, which is hardly able to carry the burden of her industry any more.

— And she has to maintain a viable degree of defence capability in a region beset with disputes, turmoil and uncertainties.

As I said earlier, Turkey's economic potentials are large enough to give her a chance of achieving a dynamic stability on these lines, and, inevitably, the future of our relationship with the West will be influenced, in spite of our will, by the extent to which Turkey can depend on her allies' and partners' support in her efforts to overcome her present economic difficulties while carrying on such a stabilisation and development programme.

I use the word «inevitably» in the sense that Turkey does not intend to weaken her ties with her partners out of political choice but that economic factors in themselves could weaken those ties. In fact, as a result of the difficulties caused by the shortage of hard currency that Turkey has been facing in recent years in maintaining her volume of trade with the West, the composition of her external trade relations has already started changing considerably, indicating a drift away from her Western partners.

Such a drift would, of course, hamper our efforts to proceed with the successive stages of our partnership with the European Economic Community, particularly in view of the tendency among some member countries to render it difficult to reach a fair and viable association arrangement with Turkey.

Among some — certainly not all, but some — of our allies and partners in the West; the temptation to take advantage of Turkey's economic difficulties seems to be greater than their willingness to help her out of her immediate and critical economic difficulties. Some seem to try to take advantage of these difficulties in order to suggest either certain policies or restrictive development strategies on Turkey.

One of the reasons, perhaps the basic reason, for such a temptation seems to be the concern felt by some of our Western allies and partners about the re-evaluation that the Turkish nation has been making of her international and particularly regional relationships in order to better accommodate herself to changing world conditions, as well as to the requirements of geography and history.

As you have indicated, Mr President, Turkey is both in Europe and in Asia, with historic roots in parts of Africa, also. Turkey is a secular state with a largely Moslem population. Turkey is at the crossroads of the East and the West in both the geographical and cultural senses of the term. Turkey is also at the crossroads of the North and the South, in the geographical and socio-economic senses of the term.

In an age when the world is becoming increasingly closer-knit, and the distances between the East and the West becoming narrower in every sense and the declared objectives to narrow down the gap between the North and the South more vocal, Turkey is destined to perform certain functions of universal relevance.

A country bordering the Soviet Union and in geographical proximity with the East European socialist countries — with several of which she was part of the same state until quite recently — a country so placed could not be expected to remain aloof to or to ignore increasing rapprochement between East and West and the transition from cold war to détente. She could not be expected to continue for ever to lag far behind her allies and partners in the West in normalising her relations and expanding her economic co-operation with these regional countries. On the contrary, it should be considered as her primary function to contribute to the process of détente and rapprochement — a process which is the only hope for mankind's future in this nuclear age.

It is, therefore, unfair to raise questions about Turkey's intentions as she takes steps in this direction, particularly when one considers the steps already taken in large measures over the years by many of her Western allies and partners.

Turkey is, at the same time, a country with a largely Moslem population and with close historic ties with Islamic and Arab countries. She was part of the same state with many of these countries until the beginning of the century - a State in which we lived as equal partners and in which ethnic differences hardly counted.

It is, therefore, at least equally unfair to ask whether it is Turkey's intention to drift away from its partnership with the West when she wants to revitalise her ties and extend her cooperation with Islamic and Arab countries. It is particularly unfair if one considers the fact that many countries of the West have been vying with each other in establishing close ties and co-operation with them.

Instead of expressing or nourishing such unfair and anachronistic doubts and concerns, our allies and partners in the West should consider in what ways Turkey, with her unique geopolitical position and historic heritages, could make her own contributions to détente, to the East-West

rapprochement in general, to the North - South dialogue and to a healthier relationship with the Middle East as a whole.

I believe that the problems of the Middle East, which are obviously of great concern for the world, have been rendered unnecessarily complicated and explosive, basically for the reason that the regional countries have not had chance of trying to settle them peacefully among themselves. When problems in such an internationally important region are suspended for too long and allowed to deteriorate, several non - regional countries tend to be involved and every such involvement further complicates the problems, for the simple reason that the involved party's own problems and aspirations are added on an already complex situation.

It was because of this observation, as well as our desire to live peacefully with all our neighbours, that my government lost no time in taking steps to ameliorate the strained relations between Turkey and Greece and to ease the way for a solution to Cyprus.

In connection with the basic problems of the Middle East - namely, the Israeli - Arab issue and the plight of the Palestinian people - I would suggest that it might have considerably eased the way for peaceful and satisfactory solutions and for a comprehensive agreement if the regional countries themselves were in a position to take the initiative and if the legitimate rights and aspirations of the Palestinian people were to be given priority.

It would, of course, be essential, in using such initiatives in general, that the solutions to be sought should not only be in the interests of all the regional countries but should also reflect a sense of responsibility for the rest of the world, because any irresponsible or inadvertent step in a strategically important region could conceivably lead to a highly dangerous confrontation between the major powers, in spite of these powers' commendable care to prevent such a confrontation.

This care on the part of the United States of America and the Soviet Union is of vital importance for mankind, and I am hopeful that the perseverance of both these major powers in trying to make a success of the SALT II talks may mark an important new stage in the way of preventing a nuclear catastrophe.

I realise, of course, that the SALT agreements and arrangements cannot stand on their feet unless supported by a reduction of tension and of armaments in all the strategically important parts of the world. European security is of great importance from this angle, and it is my hope that a geographically more comprehensive arrangement than the one envisaged in the mutual and balanced force reduction talks may follow suit in due course.

In this rapidly changing world and in this age of détente, the nature, values and possibilities of Turkey's partnership with the democratic countries of the West should not be measured in terms of her willingness to continue performing the role of a solitary frontier guard still bearing the banner of the cold war period of the past and still carrying to a large extent the outdated armaments of the Korean war or even the Second World War years.

Such an expectation would be a contradiction in terms, a contradiction with the changing times and an overlooking of the function that Turkey could and should play regionally and internationally for world peace and for a fairer and healthier world economic order, as well as for the spreading of the principles and values of democracy and freedom.

I would like to end my words, Mr President and distinguished members, by reminding you that Turkey, in a sense, has a more enduring bond with the democratic countries of the West than any alliance or formal partnership can provide. This bond is the Turkish people's proven determination to make democracy live and to live by democracy against all odds. If Turkey can prove that such a determination is viable, if she can prove that such a determination is viable, if she can prove that it is politically, socially and economically viable for a developing country, much could change in the world.

It is on account of this enduring and basic bond that Turkey attaches great importance to her membership in the Council of Europe - an institution which, in her eyes, represents the collective determination of the member countries to preserve and continuously update democracy and to spread further the virtues and values of the democratic way of life.

The PRESIDENT. — Thank you, Mr Prime Minister, for your most interesting and, in many ways, most stimulating address.

Mr Ecevit will now answer the 31 questions tabled in Doc. 4334. The Prime Minister has kindly agreed to stay until at least 12.45 pm. I ask all members of the Assembly to ensure that this valuable time is used to maximum advantage and to exercise the greatest possible self-discipline in keeping their supplementary questions very brief indeed.

If Representatives are not correctly signed on the register, an answer can be given by the Prime Minister but no supplementary question will be allowed. I refer to Substitutes who could not sign the register because the full members had already signed the register.

I now call the Prime Minister to reply to Question No. 1 from Mr Coutsocheras. This is a general question on Cyprus.

Mr ECEVIT. — Thank you, Mr President. As you are aware, many of the questions were received only this morning and, therefore, I may not

be able to provide extensive answers to them. Many of the questions on Cyprus could have been more authoritatively answered by the Representative from the Turkish - Cypriot community, had such a presence not been prevented by the Greek - Cypriot attitude. Parliamentarians from Greece seem to be closely and actively concerned with the Cyprus issue, and I am glad of that. I wish that the Government of Greece also exerted efforts in this direction, together with the Turkish Government. Both Turkey and Greece have to give their encouragement to the respective communities on the island in order to speed up a solution.

If you will allow me, I will answer Question No. 1 and some other questions also because they seem to be repetitive in some ways. If you will allow me, I would like first to answer the questions put forward by different distinguished members. Mr Coutsocheras, as you have indicated, then Mrs Tsirimokou and then Mr Papaefstratiou and Mr Frangos.

The questions are about the withdrawal of Turkish forces from Northern Cyprus. It has been stated on several occasions by my government and by myself that the Turkish forces in Cyprus will be withdrawn within the framework of a final solution. These forces are on the island for the sole purpose of ensuring the security of the Turkish - Cypriot community. As soon as security is assured and conditions preventing the oppression of one party by the other are created within the framework of a final solution — a just, workable and lasting solution — there will be no more need to station forces on the island, except those to be mutually agreed upon by the parties concerned.

Since 1974, as a gesture of goodwill, Turkey has gradually and steadily withdrawn a major part of its troops stationed on the island. With the most recent withdrawal of 1,500 troops, our withdrawals amounted to almost 19,000.

There is no direct or indirect relationship between the presence of the Turkish forces in Cyprus and the economic difficulties which Turkey is presently encountering. We would have been encountering them in any case, because, as I have already explained, the major part of the Turkish troops on the island have already been withdrawn, and the remaining number is not great enough to cause any strain on our economy.

Furthermore, the presence of the Turkish troops on the island for reasons that I have already put forward cannot have a negative effect on Turkey's NATO force contribution.

Mr Coutsocheras has also posed a question about settlers from Turkey in the northern part of Cyprus. The Turkish Federated State of Cyprus, for the implementation of its programme of reconstruction and rehabilitation,

needs some manpower for certain economic activities, at least for some time. As I understand it, the situation is due to the fact that prior to 1974, due to the known conditions then prevailing on the island, the Turkish Cypriots could not gain necessary skills, or some of the necessary skills, in various fields.

Consequently, a certain number of Turkish workers are employed in northern Cyprus to fill the gaps in certain areas. Moreover, a large number of Turkish Cypriots who were forced to leave the island before 1974 have returned to their homes. These two influxes, when taken together, would not amount to 40,000 as indicated in the question. Altogether, the workers from abroad are far fewer in number than the Cypriot Turks who had to leave the island because of years of oppression, and many of them still remain dispersed all over the world.

I should like now to try answer Mrs Tsirimokou's question relating to the re-establishment of the status quo ante on the island. I do not think anyone can claim that the status quo ante in Cyprus was a happy one for either of the communities. For years before the summer of 1974 there had been constant strife and conflict, not only between the Turks and the Greeks but among the Greeks themselves. Therefore, a return to the status quo ante in Cyprus would mean the creation or re-creation of conditions which would lead to a recurrence of past tragic events, which consisted of constant conflicts and oppression, particularly of the Turkish community - and one must not forget that it was largely because the Greek Cypriots tried by force and by military aid from mainland Greece to change the status quo ante that the tragic recent events in Cyprus occurred.

It was again, one must remember, the Greek Cypriot side which, during the period between 1963 and 1974, did everything systematically to violate and, in the end, to demolish the 1960 constitutional order. In fact, long before February 1974 the existing constitution had ceased to function, at least as far as the rights of the Turks were concerned.

As a result of the Turkish action in Cyprus, which was undertaken by Turkey as a guarantor power, two autonomous administrations were formed. This fact is embodied in the Geneva Declaration of 30 July 1974, which was signed by the Foreign Ministers of both Greece and Turkey. I would like to point out that in 1976, when a Select Committee of the House of Commons suggested to Mr James Callaghan that Britain could or should have averted the tragedy in 1974, he replied that if Britain had intervened under the relevant article of the Treaty of Guarantee she

«Would have been obliged to restore the 1960 constitution... The restoration of the "status quo ante" would not have been possible... it would have recoiled on our heads and we would have found ourselves back in the situation of the 1950s».

I now pass to the second part of Mrs Tsirimokou's question - namely, the reasons for the second military operation during the summer of 1974. With permission, I will deal with this matter somewhat extensively because I hope that I may be able to shed light on a relatively unknown episode of the unfortunate events and lost opportunities of the summer of 1974.

After the first Turkish military action at the end of July 1974, in response to the coup d'état backed by the junta regime in Athens, there was a meeting in Geneva between Turkish and Greek representatives. We discussed the conditions for ensuring a ceasefire and peace and stability on the island. I was Prime Minister of Turkey at the time and, with my colleagues, I insisted that a reasonable security belt should be established, under United Nations supervision, around the small pocket controlled by the Turkish forces between Kyrenia and Nicosia. We said that unless such a security belt of sufficient length was established, and at the same time unless the security of the Turks left in enclaves in those regions controlled by the Greeks was ensured, it would be rather difficult to maintain the terms of the ceasefire and make progress towards a peaceful solution.

Unfortunately, our requests were not heeded and it became a problem to maintain the ceasefire. Later, in August, a second Geneva conference was convened between representatives of Turkey and Greece, attended also by representatives of the Turkish and Greek communities in Cyprus. During the course of those discussions we put forward several constructive proposals. One of them was a multicantonal formula. Unfortunately, it proved very difficult to reach an agreement or an atmosphere conducive to an agreement because, obviously, after Greece's fortunate return to democracy, our Greek friends had come to think that now that they had regained the confidence of their friends in the democratic countries they could take a more intransigent stand.

When, towards the end of the conference, they wanted some time to go back to their respective countries and consult their governments regarding the new Turkish proposals, we suggested that we could wait not for days or weeks but for months, provided that the security of the Turkish forces encircled in a very small area between Kyrenia and Nicosia was ensured, and provided that the encircled Turkish villages in the region between the Kyrenia - Nicosia pocket and Famagusta could be ensured, because we had heard rumours and news that those Turkish - Cypriots thus encircled were facing grave danger of massacre - and that, unfortunately, later proved to be true.

In order to ensure the security of our forces and the security of the Turks encircled in the so-called «Chatos» area between the Kyrenia - Nicosia pocket and Famagusta, we suggested in the discussions that the area between the Kyrenia - Nicosia pocket and Famagusta should be demilitarised under United Nations supervision. The demilitarized zone that

we suggested did not include Karpas. Some of our friends and some observers regarded this interim proposal as very reasonable, and we were asked what guarantee Turkey could give that Turkish units would not proceed to that demilitarized area. I personally replied that we would be willing to give any guarantee asked of us and that the United Nations would in any case supervise the zone.

The zone that we suggested should be demilitarized and the area which was controlled by the Turkish units between Kyrenia and Nicosia constituted only 17 per cent of the island. Unfortunately, this goodwill proposal was rejected outright, and in the circumstances we had no option but to proceed with the second military action to ensure the security of our units encircled in a very small area and to ensure the security of the Turkish villages encircled between that area and Famagusta. However, during the course of the second military action we discovered that we were, unfortunately, too late to ensure the security of many of the villages in that area because their populations had been massacred.

I still regard this as a relatively unknown phase of the events of 1974 and as a lost opportunity, so I would like to thank the distinguished member from Greece for having given me the opportunity to tell of this phase of recent history.

Mrs Tsirimokou says in her question that the Turkish action of 1974 could not be defined as a peaceful mission. Whether one likes it or not, I suppose one has realistically to admit that the years that have ensued have been the only peaceful five years on the island in our age, although, of course, I wish that better ways of ensuring such peace could have been found.

MISSING PERSONS IN CYPRUS

Mr ECEVIT. — Mr President, I would like to answer Papaefstratiou, about the so-called missing persons in Cyprus. Both communities in Cyprus have claims concerning missing persons. President Denktas of the Turkish-Cypriot community in a recent letter on this matter to the Secretary General of the United Nations has stated that after the Greek coup d'état on 15 July 1974 the number of Turkish-Cypriot missing persons rose to about 800. The great majority of these people were civilians who included breast-fed babies and 90-year-olds. The Greek-Cypriot administration has to this day declined to account for the fate of these people. About 300 bodies belonging to the missing Turkish-Cypriots were exhumed from mass graves at Aloa, Maratha, Sandallaria and other places on the island. The Turkish community also has a long list of missing persons as a result of the intercommunal strife of 1963 and 1967.

These are all problems caused by the conditions of the status quo ante. Although the Greek-Cypriot side has tried to exploit this humanitarian issue for propaganda purposes, perhaps, to my knowledge the Turkish-Cypriot side has never tried to do so. In fact, in 1977 a joint work on this issue was undertaken by the two communities and a United Nations General Assembly resolution pertaining to this question was adopted, with the agreement of the two communities, to set up a committee to trace missing persons. However, this committee could not be set up to carry out its work because of problems which were not created by the Turkish side. The Turkish-Cypriot side is still ready to co-operate in the creation of the committee foreseen in that General Assembly resolution and fully supports the work of that committee.

I would like, Mr President, to answer jointly again certain questions put by Mr Rendis, Karvelas, Mr Papaefstratiou and Mrs Tsirimokou. These questions concern the conditions of the Greek Cypriots living in the Karpas peninsula. After the Turkish action in Cyprus, a number of Greek Cypriots living in the Karpas peninsula emigrated to the south, of their own free will, in accordance with the agreement reached between President Denktas and Mr Clerides in Vienna in 1975. Those Greek Cypriots who are presently living in the Karpas area have chosen to opt out themselves from the 1975 agreement. They number about 1,600. They are not subject to any oppression and their living conditions are similar to those of the Turkish Cypriots living in the same area. The United Nations Secretary General's report of 1 December 1978 stands witness to this fact.

I would like to answer Mr Venizelos' question which contains claims about the unilateral change in the balance of the respective minorities in Turkey and Greece. It would be erroneous to approach the two minorities in our respective countries in terms of sheer numerical balance. Rather, this matter should be taken up in terms of their internationally guaranteed rights and the actual practices both in Turkey and in Greece in this respect.

In Turkey, a Greek Orthodox Turkish citizen enjoys the same rights before the law as any other Turkish citizen. There are no administrative or any other discriminatory measures taken by the Turkish authorities, and my government are wholly prepared to contribute to the creation of conditions so that the Greek Orthodox minority in Turkey constitutes a bridge of friendship between the two countries. In fact, since taking over, my government have been in regular contact with the leaders of the Greek community to learn of their grievances, if any, and to try to solve all their problems promptly. We have, I am glad to say, been able to establish a very good and constructive dialogue with them.

It is true that the Greek Orthodox minority in Turkey has been reduced to a much smaller number than that of our minority in Western Thrace. Unfortunately, this fact seems to have come about as a consequence

of the deterioration of relations between the two countries over the years. One might add that economic and employment factors are also involved. A large number of the Greek Orthodox minority who emigrated from Turkey are now living in Greece, but whether they live in Greece or any other part of the world they are, as long as they so wish, Turkish citizens. They are entitled to use this privilege fully and as they desire. In other words, there are no legal or political obstacles in their way, should they choose to return and live in Turkey. In fact, since I became Prime Minister at the beginning of last year I have suggested to the Greek authorities several times that any person of Greek origin who is a Turkish citizen would be welcome if he wished to return to Turkey.

On the other hand, one can also note the fact that, given the normal birth rate, the Turkish minority in Greece would have already reached the level of 250,000 if similar emigration had not taken place from Greece to Turkey.

Apart from the administrative difficulties which the Turkish minority has been encountering in Greece, I regret to note that, for example, Turks have not been allowed to buy real estate since 1965 in Western Thrace. This is a deprivation which contradicts basic human rights. On the other hand, due to administrative pressures, discriminatory practices and nationalisation of their property under a variety of pretexts, the Turks in Greece are restless and are uncertain of their future.

My government are in constant contact with the leaders of the Greek minority in Turkey, as I said earlier. Apart from that, we have been contacting the Greek Government on this issue and we have been suggesting that the problems of the respective minorities should be treated as humanitarian rather than political issues and that the solutions to these humanitarian problems should not and need not be postponed until after solutions have been found to our political problems. But we are given to understand that, unfortunately, the Greek administration does not intend to adopt the same attitude vis-à-vis the Turkish minority in Greece that is, they do not want to bring solutions to the problems of the Turkish minority in Greece before all our bilateral problems are settled. However, in spite of the lack of response from the Greek side to our suggestion that we should dissociate humanitarian issues from political issues, we have been acting in line with this principle without waiting for the Greek Government to act likewise.

MIDDLE EAST :

Mr Roper has asked a question about the situation in the Middle-East in the light of recent events. As I have already dwelt on this topic rather extensively in my opening speech, I do not intend to take more of your time except to add perhaps a few remarks.

As I indicated earlier in my opening address, it is difficult, in my view, to ease the way out for viable solutions to the Middle East problems as long as opposing and clashing outside interventions continue in that region and as long as the legitimate rights of the Palestinians are not granted. It would also be difficult to find peaceful and viable solutions to the Middle - Eastern question as long as attempts to disrupt the unity of some of the regional countries continue. It is essential, in order to be able to find lasting, universally satisfactory and acceptable solutions to the problems of the Middle East, to ensure better and reliable futures for the peoples of the region, particularly in the period when the oil riches of the region may expire.

ASSYRIANS OR SYRIACS (SURYANI) :

There is a question by Mr Aano about Turkish citizens of Assyrian origin. I do not want to go into pedantic discussions on a subject on which I am not sufficiently well informed in any case, but there are people in Turkey who react when they are referred to as Assyrians in some of the Scandinavian or West European countries. They say that there are several groups. One of them is referred to in Turkish as Süryani, which possibly may correspond to Syriacs, and then there are supposed to be the Assyrians.

When I was in the Nordic countries a few months ago, some Süryani or Syriacs came to me complaining that the so-called Assyrians were claiming to represent them as well, in order to present their numbers as being larger than they actually were.

Having said this, I would add that approximately 45,000 Turkish citizens of either Assyrian or Syriac origin and of the Christian religion lived mostly in the south - eastern area. I say «mostly» because some of them have settled in Istanbul or other big urban centres and have become quite successful, particularly in business and in some professions. They have about 72 churches, monasteries and foundations, and their management boards are elected by themselves from their own communities. To this day nobody in Turkey has heard of an Assyrian or Syriac problem. Until such a problem was raised in some Nordic or West European countries, we simply did not know that such a problem could exist and we never thought of differentiating between the people of Turkish origin and those of Assyrian or Syriac origin. To this day no formal complaint in Turkey has ever been recorded from this community, although I have been personally in constant contact with their community leaders, not only when I have been in government but during the years of opposition of my party.

I am confident that this so - called problem has arisen in some countries of Europe for the following reason. After the world economic crisis which started as a result of the dramatic increases in oil prices in the

early 1970s, many European countries stopped bringing labourers from other countries. Some people in the countries where there was unemployment began to search for pretexts that might be acceptable in the industrialised countries, and some used the pretext of political oppression whether or not such oppression existed in their home countries. I believe that this explanation of mine is true, because I am sure that Representatives from the Nordic countries or the Netherlands would agree that they themselves possibly had not heard of such a problem before the world economic crisis, because before that these people were able to obtain employment in those countries without claiming that they were suffering from political oppression.

I have personally invited several politicians from these countries or groups of journalists and television people from these countries to come to Turkey and see for themselves, roaming about freely in the country and talking freely with members or leaders of the so-called Assyrians or Syriac communities. Mr Aano was one of the distinguished representatives who came to Turkey and saw things for themselves, and I am hopeful that Mr Aano will not contradict me when I say that he returned with rather favourable impressions.

The Swedish Government accepted about 2,500 Assyrians or Syriacs not as political refugees, because they did not accept that such political oppression existed, but on purely humanitarian grounds. Sweden decided that no more Assyrians or Syriacs would be accepted unless they were directly related to those who were already in Sweden.

A representative of the Swedish Ministry of Foreign Affairs visited Turkey in 1978 and indicated that none of the Turkish Assyrians that he met claimed to be persecuted. He also said that he found no signs that Assyrians or Syriacs returning to Turkey from Sweden were punished or met any difficulties.

During a panel discussion on Swedish television in May 1978, the Minister of Labour said that the Assyrians or Syriacs in Turkey were not persecuted on religious grounds or any other grounds. At a political party congress a motion to grant political refugee status to Assyrians was not carried because of these reasons. A Swedish newspaper, on 19 February 1979 carried an article based on data from the Swedish Ministry of Foreign Affairs which indicated that no political or religious pressure was brought to bear upon the Assyrian or Syriac Turkish minority.

In 1977 the Netherlands granted residence permits to about 400 Assyrians or Syriacs from Turkey and announced that this was purely on humanitarian grounds and that it was clear that no pressure was exerted upon them in Turkey. In 1978, according to my knowledge, in the Netherlands it was decided not to grant permission to those asking for political asylum.

The Norwegian authorities also did not accept applications by Turkish Assyrians or Syrians for political asylum and considered their case within the scope of the law stopping the entry of migrant workers. An official of one of the interested governments has informed the Turkish authorities that, following their experience on this matter, they have definitely concluded that no pressure of any sort was exerted on the Assyrians in Turkey, because if this were the case they would have neither left their families behind in Turkey nor have gone to Turkey to spend their vacations with their families. He also observed that if allegations of official harassment were true, the Assyrians or Syrians could not easily have obtained passports from the Turkish authorities and travelled abroad so freely. In short, they are free to return to Turkey.

The main reason for their grievances in Turkey is common to all the people of the region —namely, south-east Turkey. It happens to be the most underdeveloped area where the majority of the people of any ethnic group are poor and have few, if any, employment opportunities. For this reason, since my government took over early last year have concentrated substantial State efforts on development in that part of the country.

I would add that those Assyrians or Syrians who remain in Turkey regret very much that some of their friends and relatives make use of such an unfounded pretext in order to be able to find employment in some of the West European and Nordic countries.

Mr Carvalhas put several questions. He asked whether the Turkish Government or the martial law authorities have not been suppressing the press or discriminating amongst them. It is true that action has been taken against some small newspapers, but it has been against only some illegally published periodicals or those publications provoking the people to militant or terrorist action. There are in Turkey extensive juridical sanctions against the misuse of administrative or even court decisions against newspapers, even when such decisions may have been taken under martial law.

The periodical mentioned in Mr Carvalhas question was prosecuted not because it undertook communist propaganda but because it published the statutes of an illegal party. Mr Carvalhas has indicated that Turkey is the only democratic country in Europe where a communist party is illegal and asks me whether I can justify this. To be frank, I cannot justify the illegal status of a communist party in any democratic country. I cannot justify it either personally or as a member of my party, the Republican Peoples Party. I believe that in a democratic country ideologies or associations cannot be banned or limited, nor can ideas or expressions of ideas be banned or limited. Only certain actions can be restricted or prevented.

I admit that the point to which Mr Carvalhas has referred constitutes the only remaining shortcoming of our democracy. In fact, however, even

this limitation does not exist because there are several parties in Turkey which would normally be categorised as communist parties. Both I and my party believe that it would be much healthier if everyone were given a chance to call himself what he is and to call his party what it really is rather than disguising the real name or purpose. This legal limitation is one of the last remnants of our past, and when my party attains a majority in parliament we shall put this right.

The PRESIDENT — The Prime Minister has been kind enough to interrupt his statement because I think it would be most useful if we could now have supplementary questions. There were six main groups of questions and they have nearly all been answered. We are grateful to the Prime Minister for having taken them together. We now have at least half an hour for supplementary questions. I hope that members will be very brief in order that most of those who put questions have an opportunity to ask a supplementary question. I shall take them in the order in which they were tabled, and I call first Mr Coutsocheras. I am doing this because I would like to give the Prime Minister a rest in between and also give members the chance to ask supplementary questions.

Mr. COUTSOCHERAS (Greece) said that he found Mr Ecevit's replies unsatisfactory. He thought that the Turkish occupation of Cyprus was in reality intended to be permanent.

The PRESIDENT asked Mr Coutsocheras to keep to the point.

Mr. COUTSOCHERAS (Greece) called for United Nations resolutions to be complied with.

Mr ECEVIT — I do not intend to challenge the views expressed by the distinguished member Mr Coutsocheras. I shall merely try to answer his question.

One of the basic elements in the various United Nations resolutions is that a negotiated settlement should be sought. If the Greek-Cypriot side co-operates in seeking a negotiated settlement, it may be possible to reach one and to fulfil other conditions.

Mr COUTSOCHERAS (Greece) attempted to put another question.

The PRESIDENT overruled him.

Mrs TSIRIMOKOU (Greece). — The Prime Minister's answers only confirm once more how much talent there is in Turkish propaganda. My arguments are confirmed by the fact that the United Nations resolutions have been totally ignored by the Prime Minister's democratic country, which has shown a complete disregard for justice and morality.

Mr ECEVIT. — There is a propaganda element in that statement, and I do not know how to answer it.

The PRESIDENT. — I call Lady Fleming.

Lady FLEMING (Greece).—The Prime Minister said that he was ready to co-operate in finding the missing Greek Cypriots who were transferred to Turkey. I would be able to help him. We have photographs and names which we could give the Prime Minister. The photographs appeared in Turkish newspapers, and among them were people who were young and healthy and who have not returned. What has happened to them? Turkish reporters took the photographs, and the people in those photographs have been recognized by their relatives. It is taking such a long time to find out the fate of these people that it would be better for their relatives had they died. Did they try to escape, and were they shot? If so, what happened to their bodies? The Prime Minister forgot to mention any figures. There were 200,000 Greeks in Turkey in 1933; now there are 10,000 to 15,000. Equally, there were 100,000 Turks in Greece and now there are 120,000.

Mr ECEVIT.—Thank you, Lady Fleming. I am afraid that your claims about missing persons in Turkey are completely unfounded. Such a thing could not be kept a secret in such an open society as Turkey. Such allegations have been proved incorrect by the reports of representative organisations. In any case, the problem of missing persons has been dealt with in a United Nations resolution, which has been agreed upon, and the Turkish administration has already said that it is ready to adhere to that.

The PRESIDENT.—I call Mr Rendis.

Mr RENDIS (Greece).—I had hoped that Mr Ecevit would have given more constructive answers. His answers do not make me optimistic. I wish to put a supplementary question about persons living on the Turkish island of Imros. In 1965 Imros was declared an open prison and long-sentence prisoners were transferred there from inner Turkey. They were left free on the island and as a result many of the island people fled in fear. Today there are fewer than 100 people living on the island. I had hoped that the Prime Minister would say that he would try to transfer those heavy sentence prisoners from Imros and thus enable the island people to live there peacefully.

Mr ECEVIT.—Imros island is not an open prison, although there may be a prison there. I dwelt on this matter extensively at an earlier stage and I do not intend to take up any more time of the Assembly. I have tried to be constructive in repeating what I have said to the Greek authorities. We would welcome any Turkish citizens of Greek origin who wished to return to Turkey.

The PRESIDENT— I now call Mr Venizelos.

Mr VENIZELOS (Greece).—Mr President, I must first put on record that I do not agree with the procedure. Prime Minister Ecevit has delivered a monologue for one and a half hours.

The PRESIDENT. — This is normal procedure. The questions can be answered in groups or one at a time. Had the Prime Minister taken up all the time this morning and had there been no time for supplementary questions, your complaint would have been justified. But that is not the case.

Mr VENIZELOS. — The Prime Minister has raised enormous issues which need answering, and it is not possible to answer them in these few minutes.

The PRESIDENT. — The purpose of this meeting is not for you to answer the Prime Minister. He is here to answer your questions.

Mr VENIZELOS. — The Prime Minister has raised questions and made statements which do not coincide with reality. He has said that democracy exists in Turkey. I believe that it is doubtful whether Turkey has a democracy as we in Europe define that term. It is not possible to say that democracy exists under martial law. The Prime Minister said that martial law existed in only a few provinces, but, two of those provinces contain the greater part of the population. They are those provinces which contain cities of Constantinople and Ankara.

The PRESIDENT. — That is not a supplementary question. Will you ask a supplementary question on Question No. 5 which you tabled?

Mr VENIZELOS. — It is obvious that the Assembly is trying to evade the issue. The Prime Minister said that he took steps to solve the Greco-Turkish problem as soon as he took office. What are those steps? The main difficulty between Greece and Turkey at present is Cyprus, which has been discussed. Other differences include the continental shelf, airspace over the Aegean, and the minorities.

The PRESIDENT. — We are not evading issues. We are following the procedure and do not intend to change it. This is not a debate. You have asked your supplementary question, and I ask the Prime Minister to answer it.

Mr ECEVIT. — The distinguished member said that a country could not be considered democratic if there was martial law there. However, if he will allow me to remind him, martial law is included in Article 15 of the European Human Rights Convention, and member countries are requested to register the fact with the Council of Europe when they declare martial law — as we, in fact, did.

I should like briefly to answer the distinguished member's question about what steps Turkey has taken in the way of easing solutions to our problems with Greece. He mentioned four areas of problems as the main issues between Turkey and Greece; first, the problem of Cyprus; secondly, the continental shelf; thirdly, the question of airspace; and fourthly, minorities.

I wish that this was the view of the Greek Government as well. Thus far, we have not been able to make the Greek Government agree that the question of Cyprus should be taken up between Turkey and Greece. The Greek Government in Athens seems to be interested only in what they refer to the «bilateral» questions between Turkey and Greece, and they do not include Cyprus among those bilateral questions.

I also wish that we were able to take up in our discussions with the Greek Government the fourth item that the distinguished member mentioned, namely, minorities. When we tried to do so the response of the Greek authorities was that they would not take up this issue until after the settlement of other disputes between the two countries.

I wonder, too, whether it would be exactly correct to call a country completely democratic when in its northern part, in Northern Thrace, a minority group is not even allowed to move freely.

The PRESIDENT. — Thank you, Mr Ecevit. I call Mr Roper.

Mr ROPER (United Kingdom). — I thank the Prime Minister for his full discussion of the problems of the Middle East in his initial remarks and for his answer to my question. May I ask him to say specifically what he feels the next step should be in the resolution of the remaining problems in the Middle East, following the signature of the Israeli - Egyptian treaty?

Mr ECEVIT. — Thank you, Mr Roper. I think that the next step should be what should have been the first one, namely, meeting the legitimate rights of the Palestinian people.

The PRESIDENT. — I call Mr Carvalhas.

Mr CARVALHAS (Portugal) said that he had not understood Mr Ecevit's answer to his question. Mr Ecevit had said he was in favour of legalisation of the communist party in Turkey. He asked whether this meant that the other parties in Turkey were opposed to legalisation or whether it meant that the government had insufficient strength to bring about legalisation.

Mr ECEVIT. — Thank you, Mr Carvalhas. This is a very pertinent question. The other parties in the parliament at the moment are all opposed to a communist party. The government party does not have an absolute majority. We have been able to obtain an absolute majority only with the support of some Independents, many of whom do not agree with such a move. That is the only reason.

The PRESIDENT asked Mr PÉRIDIER whether he wished to put a supplementary question.

Mr PÉRIDIER (France) said he did not want to ask a supplementary as Mr Ecevit had not yet answered his original question.

The PRESIDENT. — Then it would be better to ask the Prime Minister to be short and to answer together all the remaining questions, as printed in Doc. 4334, that he has not yet answered. I should like to give members of the Assembly time to ask supplementary questions, for the sake of equilibrium.

Mr ECEVIT. — I had not yet come to Mr Périquier's question. I shall be glad to answer it.

The PRESIDENT. — Prime Minister, will you now answer briefly the questions that you have not yet answered? I emphasize «briefly» because I want members of the Assembly to have the opportunity to ask supplementary questions in the time that is still left.

Mr ECEVIT. — I was trying to finish answering various questions that Mr Carvalho asked. I shall answer another one briefly. He asked whether ex-United States intelligence equipment in Iran is to be transferred to Turkey and whether facilities were granted to Germany for military training in Turkey. My answer to both questions is «No». The questions are obviously based upon reports which are not founded. The AWACS system to which Turkey has become a party is an exclusively defensive NATO arrangement and has nothing to do with Iran as was indicated in Mr Carvalho's question.

Mr Carvalho also asked about the arrests on 1 May. I should like to say, to clarify the situation, that the 1 May demonstrations were not banned in Turkey. However, all public open air meetings and rallies were banned when martial law was declared in the provinces where martial law was in effect. Obviously, an exception could not be made for 1 May demonstrations. Those who challenged the martial law authority's decision on that occasion knew that legal action would have to be taken against them. Forty-three 1 May rallies, large ones, were held in various parts of Turkey outside the martial law provinces. Some of those who were put under arrest for violating the martial law ban have been released already, and it is possible that soon many, or all, of the others will be released because their case has already been taken up by the martial law court of Istanbul. Neither the government nor the martial law commanders can intervene once court proceedings have started.

Another question by Mr Carvalho was about whether a clearing agreement existed between Turkey and Libya. The answer is «No». We have mutual trade accounts with several countries, but not on a clearing basis.

About his question on our discussions with the IMF, we believe, as I have already indicated, that international financial organisations should take into account the social conditions and problems of countries, which cannot be completely dissociated from economic problems. They should

take consideration also of the differences in the levels of development. Our discussions with the IMF are still continuing, as I have indicated.

CYPRUS

Mr Périquier asked what interest Turkey has in occupying part of an island which is devoid of petroleum, uranium or any mineral resources. It is true that vast mineral resources do not exist in Cyprus, but sufficient human suffering did exist, which compelled us to take action as a guarantor power. The Turkish troops are not stationed on the island for the purpose either of capturing territory or of exploiting the island's resources.

I have answered the questions put by Mr Jessel, Mrs Frangos and Mr Papaefstratiou. I have also answered some parts of Mrs Mercouri's question. I turn now to the other parts of her question. She said that the coup d'état of 15 July 1974 was short-lived, and that is true. But I wonder whether it would have been short-lived had it not been for the Turkish action. I believe that had it not been for the Turkish action, even the junta regime in Greece would not have been short-lived. It might have become entrenched both in Greece and in Cyprus.

Mrs Mercouri also asks whether the Turkish action in Cyprus befitted the morals of a socialist. I wonder whether the socialists of Greece or of the Greek community in Cyprus ever thought of treating the Turkish Cypriots equitably and with social justice before 1974.

It is general knowledge that army units from mainland Greece had been stationed in Cyprus for a long time before July 1974, contrary to all international agreements and to the constitution then in force. I understand that Mrs Mercouri does not like the idea of the continuing presence of Turkish troops on the island. We would be very willing to help to create the conditions whereby they could all return to Turkey—indeed, we have been reducing their number constantly. I hope she will agree that, after all that has happened on the island over the last 2 or 3 decades and earlier, we simply cannot leave the security of the Turks there to chance again.

I turn briefly now to questions by Mr Stoffelen. In order to help create an atmosphere of mutual trust and confidence between Turkey and Greece, we have made several attempts towards that end. Soon after my colleagues and I came to office in Turkey last year, I took the liberty of inviting Mr Karamanlis, the Greek Prime Minister, to discuss with me the problems of mutual concern to our two countries. He kindly accepted and we had a rather helpful meeting in March 1979 in Montreux. That meeting has been followed up at various levels.

There has, I believe, been slow but promising progress in the right direction in the course of all those discussions. I am glad to say that both that distinguished statesman Mr Karamanlis and I have been showing every care to refrain from straining the psychological atmosphere in our two countries. I believe that the atmosphere between Turkey and Greece is perceiv-

ably better than it was at the end of 1977. More recently, we have both given encouragement to our journalists to come together and exchange visits and ideas, with the help of the International Press Institute, with a view further to improving the psychological climate between the two countries. Both Mr Karamanlis and I agree that it is essential to establish a psychological atmosphere that is conducive to fruitful negotiations.

I believe that there are no basic conflicts of interest between Turkey and Greece. On the contrary, I am convinced that both countries have every interest in friendly relations and co-operation, so we should exert every effort to clear the psychological atmosphere and clear the way to a negotiated settlement of our problems. I think that it is fair to say that difficulties and delays in the way of a solution have not been coming from Turkey, particularly since my government took office.

I have been asked about the refugee problem in Cyprus by Mr Stofelen, Mr Coutsocheras and Mr Venizelos. It is well known that many Greek Cypriots moved to the south under an agreement reached between Mr Denktas and Mr Clerides during their third Vienna talks between July and August 1975. Also in compliance with that agreement, 65,000 Turkish Cypriots came north, all of their own free will, leaving their homesteads in the south.

The refugee problem is related to the solution of the Cyprus problem as a whole. Meanwhile, it should not be forgotten that, in addition to the 65,000 Turkish Cypriots I have mentioned, tens of thousands of Turkish Cypriots were forced to become refugees or to migrate during the years between 1963 and 1974. In this matter, any just solution that will enable both communities not to suffer again the tragedies that they lived through before summer 1974, and the relevant provisions of the Denktas - Makarios agreement of 12 April 1977 should constitute an added basis for a solution of this aspect of the problem.

More recently, in a statement made on 20 July last year, Mr Denktas went further and expressed his administration's willingness to consider a resettlement of the Varosha district of Famagusta by Cypriots of Greek origin soon after inter-communal negotiations start. That would ensure a solution to the resettlement problem of large numbers of Greek refugees because of the extensive economic possibilities of that district.

I should like to end the questions on this topic and others relating to Cyprus by saying that the questions and answers have shown how essential it is to resume intercommunal negotiations between the Turkish and Greek communities in Cyprus in trying to find answers and solutions to the questions and problems raised at this meeting.

I think that these problems should be taken up primarily at the proper place - namely, the intercommunal negotiations which have, unfortunately,

been delayed for years because of Greek Cypriot intransigence.

Mr Stoffelen has kindly asked constructive questions about our expectations from the European Economic Community and the OECD. I thank him for his concern, but because I dwelt upon these points in my opening talk I shall not take more time of the Assembly on them now.

Mr van Waterschoot has kindly expressed concern about conditions in Turkey and the prospects that Turkish democracy would face if the expected external aid were not to be forthcoming. He asks what would be my expectations. I have already expressed my expectations in a rather understated approach, so I shall not take up your time any more, but I thank him all the same for his concern about the fate of democracy in Turkey.

Mr van Waterschoot also asks whether we might expect to enlarge the basis of our government in parliament. One never knows, but I would like to remind him that nearly all governments in the democratic countries of Europe are based on small or shaky majorities these days and that some do not even enjoy a majority at all. At present we have no government problems in Turkey, although we have difficulties in passing legislation in parliament because as a party we do not have an absolute majority, although as a government we enjoy the support of the majority.

Mr Lewis has asked some questions about the Orthodox Patriarchate in Istanbul. I have already referred to this question in my talk and in my answer to certain questions. I am sure that his concern on this matter has been aroused by the negative propaganda that has been made on this issue in certain quarters. In Turkey, there is complete equality of religious rights, and the practice as regards the Orthodox Patriarchate fully conforms to the provisions of our constitution and laws. Furthermore, since my government took over, as stated, we have established a permanent dialogue not only with the representatives of the Greek community but with the Orthodox Patriarchate as well, and we have been trying to find immediate solutions to any problem that they may happen to bring before the government. I am sure that the claims referred to originate not from the Greek minority in Turkey but largely from certain circles in the United States, where they always have to provide fuel to keep the Greek lobby against Turkey lively.

I have already answered the question by Mr Venizelos while answering other questions.

I think that I have already answered Mr Barden's very constructive questions about the prospects for better relations between Turkey and Greece. He kindly referred to a poem that I wrote in my younger days expressing my hopes for the time when we could recreate an Aegean civilization between the Turkish and Greek peoples. I was reprimanded in parliament in early 1974, before the Cyprus action, for having written that poem in my younger years, in the years before I became involved in politics. I went to the

rostrum in parliament and said; «That was a poem I wrote when I was a young man not in politics, but I would sign it even now».

Whenever a Turk and a Greek meet, they cannot help warming to each other. I think that we should all try to do our best to attain that kind of atmosphere when they meet nation to nation.

Mr Gessner asked a practical and relevant question about the difficulties that Turkey has been facing over the payment of certain foreign debts which Turkish firms have incurred. It is a real problem, and we have already taken it up. There have been some rescheduling efforts for our debts, and recently we have convinced our friends to take up the problem of rescheduling the so-called non-state guaranteed commercial debts. We are hopeful that an agreement will be reached on this problem.

Mr Schulte asked about Greece's reintegration into the military structure of NATO. Let me state emphatically that we do not oppose Greece's return to the military structure of NATO at all. On the contrary, we think that it would be nonsense to talk of a continued south-eastern wing of NATO if either one of the wing countries - Turkey or Greece was not incorporated in the military structure of NATO. We believe that it is in the interests not only of the two countries but of NATO that Greece should return. The problem stems from the fact that Greece should return. The problem stems from the fact that Greece while returning to the military structure of NATO, wanted the organisation to approve its claims regarding certain military command and control arrangements in the Aegean, although such an arrangement had never been formalized by NATO and had never been recognized in Turkey. This is primarily a NATO issue.

It is against that background that we approach the issue, and we have shown great flexibility. Talks between General Haig, the Supreme Allied Commander of NATO forces in Europe, and the parties concerned are going on, and it is my sincere belief that we may soon be able to reach a solution. I should like to take this opportunity to say that Turkey has done all that it can, particularly during recent weeks, to ease a way for Greece's return to the military structure of NATO.

Mrs Gradin's questions have already been answered while I was answering other questions.

Sir Frederic Bennett asked certain pertinent questions about whether I have any new proposals to improve national or regional security and stability in our part of the world. As I have already dwelt extensively on this matter in my opening talk, I shall not take up much of your time. I summarize the matter by saying that, in order to improve the situation in the Middle East, outside involvement should be reduced, the integrity of the regional countries should not be disrupted through outside influences, and these countries should seek solutions to their own national or regional

problems with due regard to world problems in general and with a sense of responsibility towards the whole world. I believe that the development problems of many of the regional countries are rather intermixed with the motives behind some of their external policies. This is a matter of real concern.

Most of the oil-producing countries are concerned about the time when their natural oil resources will run out, and they recognise the necessity to speed up their development efforts in order to ensure a stable and better future for their peoples.

On the other hand, some of them face certain problems during the process of development because in some countries steps in the way of economic development may create immense social and political problems. Some countries, such as Turkey, may be in a position to face them, but for some it may not be so easy.

I am afraid that there are no short-cut solutions to as complicated a situation as exists in the Middle East, and, as I said earlier, I believe that the Palestinian question should be given priority to ease the solution of all the other problems in the area.

I thank Mr Valleix for his concern for Turkey's problems from a democratic angle. In my opening statement I dwelt upon these problems from the angle of our common concern for democracy. We all need greater solidarity to preserve our democracies, not only by expressing our attachment to democracy but by helping each other when there is need in order to help make democracy viable in some member countries in spite of the grave economic difficulties.

I should like to add on this occasion that the role, functions and importance of the Council of Europe should not diminish as the importance of the European Economic Community increases, particularly with the transition to an elected European Parliament because I believe that the various European organisations do not contradict or duplicate each other. They have different orientations and functions. For instance, one can say that NATO is a security-oriented organisation and that the European Economic Community is an economy-oriented institution, whereas the Council of Europe is a value-oriented organisation. If we want to preserve the democratic values that we so much cherish, we should give added importance and added weight to the Council of Europe after the transition to an elected European Parliament within the framework of the Community.

I think that I have answered most of the questions by Mr Delehedde. He asks whether I am satisfied with the system of our association with the European Economic Community. Frankly, my answer would be «No». Our relationship with the Community, particularly in recent years, and in particular in recent months, has been rather discouraging, although there are some small signs — I always try to be optimistic — that there may be some improvement in the future.

I think that Turkey has been very unfairly treated, for instance in the area of agricultural concessions. In fact, some of the concessions given to some non-associate countries of the Middle East are far greater than the concessions granted to Turkey. Theoretically, there ought to be no obstacles to exports of industrial items from Turkey to the other European Economic Community countries, but whenever we happen to find an opportunity to export some industrial products in sizeable amounts to a member country, one or other obstacle is immediately set before us.

Although it is our written right to benefit from the possibility of freedom of movement for our workers, this right is not in effect granted to Turkey, and I am afraid that some of the important social rights of our workers in European countries, such as their right to transfer their old-age premiums to Turkey in case, because of unemployment, they may want to return to Turkey before the age of retirement prevalent in the countries where they work, have been prevented. The reduction in children's allowances for children left in the home country resulted in the emigration of almost all the children to the industrialized countries, creating immense cultural, educational and social problems, and these also have not thus far found any solutions during our discussions with the member countries of the Community.

Mr Page asks what is the present unemployment position in Turkey and whether the reduction of those employed in agriculture is balanced by those engaged in new industrial projects. No. I am afraid that agriculture in Turkey was unduly neglected for many years so that people, as I said in my opening talk, had to migrate in great number to certain urban centres, and yet sufficient industries were not built in those urban centres to absorb all the migrating workers, and so we face this huge unemployment problem.

In order to remedy the situation, my government have been concentrating on rural and agricultural development. We believe that a country at the stage of development need not and should not make a choice between more modernized agriculture and greater pace of industrialization. On the contrary, a more productive agricultural sector could, I believe, be a greater spur for industrialization, and for that purpose last year we started establishing rural growth centres in village groups, which we hope will not only give the peasants the possibility of joining their resources and forces for more productive agriculture but will enable them to proceed to the stage of agri-industries or other industries.

Mr Warren asks what my assessment is of the Soviet block threat to Turkey following the termination of the CENTO defence alliance. I must say in reply that CENTO did not really have any military or defensive effectiveness, and so its disappearance did not change the situation considerably.

Threats to Turkey cannot be dissociated from the world situation in general because of Turkey's critically important geopolitical position. Therefore, we attach great importance to détente and rapprochement between the East and the West and we have been doing our best to help create a better atmosphere of mutual confidence between the East and the West.

Are there more questions, Mr President ?

The PRESIDENT.—No. Thank you, Mr Prime Minister, for answering these questions very well. We have little time left, because of social reasons. We have to be careful of the interpreters, who have been working very hard and very long.

Anyhow, I have Mr Périquier and Mrs Mercouri on my list. Mr Périquier, would you like to ask a supplementary question ?

Mr PÉRIDIER (France) said that the Prime Minister had not answered either of his questions. What he had said might just have answered the questions of the reason for the invasion by Turkey at the time but was not a suitable answer five years later. Mr Ecevit should have told the Assembly the cost of the occupation of Cyprus because, although the EEC should help Turkey financially so that the position of Turkish workers could be improved, none of this money should have gone towards the cost of the invasion of Cyprus.

He repeated his second question. Did Turkey envisage, as a result of the meeting between Mr Kyprianou and Mr Denktas, a result in accordance with the recent UN resolution ?

Mr ECEVIT.—The Turkish forces in Cyprus do not constitute any visible burden on our economy. They would have been maintained in any case, in view of the fact that Turkey has to maintain a large army in such a geopolitically critical part of the world and there is no great distance between Turkey and Cyprus. Mr Périquier should not, therefore, worry too much about this angle. I agree with him that there would have been no need to go on keeping those Turkish forces in Cyprus, even in greatly reduced numbers, if it had been possible for any agreement between the two communities to be reached during the course of the last five years. Unfortunately, in this respect the Greek-Cypriot administration has been very co-operative, to say the least, and they seem to think that as long as they can rely on outside support against Turkey they can take it easy and not rush into a negotiated solution which would conflict with their often declared long-term objective. As an optimist, I hope that the forthcoming talks between Mr Kyprianou and Mr Denktas will yield positive results.

The PRESIDENT.—I am extremely sorry that I now have to come to the last supplementary question due to the time limit we have set for ourselves. Committee meetings start at two o'clock and the interpreters must have a rest period, which is already too short.

I now call Mrs Mercouri.

Mrs MERCOURI (Greece) called Mr Ecevit's answers devious. How could he reconcile his democratic professions with Turkey's actual practices ?

Mr ECEVIT. — I agree with Mrs Mercouri that martial law should not be declared either permanently or for long periods in any country, and I expressed the hope in my opening remarks that we may soon reach a position where we shall feel inclined and able, without any risks, to end the martial law which was declared at the end of last year.

The PRESIDENT. — Mrs Mercouri said she was speaking about the occupation of Cyprus.

Mrs MERCOURI (Greece) pressed Mr Ecevit on the Cypriot question.

Mr ECEVIT. — I was intending to come to that part of your question. If there had been a chance of taking up all the questions and problems that you and your distinguished friends from Greece have put forward during the course of this meeting on their proper platform — that is, intercommunal talks in Cyprus — we might long ago have reached the stage where we would willingly withdraw all our troops from the island. If it were our intention to occupy or to invade Cyprus, we have had plenty of opportunities to act differently from the way in which we have acted since the summer of 1974.

The PRESIDENT. — Mr Prime Minister may I express my gratitude to you.

Mr COUTSOCHERAS (Greece) rose to speak.

The PRESIDENT. — No I have already referred to the fact that it is getting very late and that the interpreters need a rest before the committee meetings start. I am very sorry that not all those who asked questions of the Prime Minister were able to put a supplementary question, but I think that those who put the most critical questions have had this opportunity. They have had it only once, but it is not the purpose of this meeting that we have a full debate with the Prime Minister, only that they could ask questions.

I want to express my gratitude to the Prime Minister and I know that I speak on behalf of all of you when I thank him for having answered at such great length all the questions put to him. Not everyone will be quite happy with your answers, Mr Prime Minister — I must say that to be fair — but we are very happy that you answered them in such an extensive way. I must thank you also for your excellent statement and for your presence here. I hope that the rest of your stay in Strasbourg will be a successful one.

**SPEECH CONCERNING
THE PROGRAMME FOR STRENGTHENING
ECONOMY**

**ANKARA
MARCH 23, 1979**

«We have prepared a programme named 'Strengthening Economy' to break the economic bottleneck facing Turkey and to accomplish a national élan in 1979 by primarily depending on our national power. As you know, the studies for this programme have been continuing for a long time. The importance of the details concerning its implementation retarded its announcement. As a matter of fact, as you will see, the content of this programme is very broad. The consistency of all aspects of the implementation of this programme was quite important. In addition, another important thing was the immediate implementation of the programme after its announcement.

Besides, it was also important to receive the views of certain effective sectors of the society which may primarily contribute to the realization of such a programme.

For these reasons, the preparations on the programme were prolonged for a short time and today it is appropriate to be disclosed to the public. With your permission, I will announce it before our group and the valued members of the press and the Turkish Radio and Television Corporation.

The announcement I shall make today will mainly reveal the general outlines of the Programme for Strengthening Economy. However, in forthcoming days, both my fellow ministers concerned and I will also make further and more detailed announcements concerning the different aspects of this programme and its implementations. In the meantime, directives



and decisions concerning the implementation of the programme will soon be disclosed one after another.

During the preparations of this programme, we had talks with our General Executive Council and had meetings with our economist friends who are the members of our Group as well as the representatives of Türk-İş, DİSK, the Confederation of Turkish Employers' Associations and the Union of the Turkish Chambers of Industry. As is known, apart from our separate talks with the representatives of these institutions, the joint meeting held a few days ago in which all of us participated, was a meeting which took place for the first time in the history of Turkey. This meeting has yielded positive results and showed us that we may expect the widespread support of the worker, employer, and industrialist circles in case such programme would be successful in practice and gives them what they hope.

In fact, it was necessary to initiate a national élan years ago to strengthen our economy and to eliminate the bottlenecks facing it. Because, as I have always pointed out, following the great increases in crude oil prices in 1973, nearly all countries of the world, the most wealthy and even the oil producing countries at the same time, felt the necessity of putting their economies into and even introducing radical structural changes to their economies.

But in spite of this, until our Government took office, those who governed the country did not feel such a necessity in Turkey and did not take steps in that direction at all.

And for this reason, while many countries were tidying up their economies in this direction before the world crisis, Turkey had continuously delayed her problems in previous years. Therefore, it gradually became difficult to solve these problems and beginning from the middle of 1977 the gravity of these problems reached such dimensions that they could not be hidden from the society.

Actually, in my opinion, the main reason, the Justice Party proposed early elections in 1977 was that, beginning from the second half of 1977, in other words, before the normal schedule of general elections, the economic bottlenecks reached such dimensions that they could not be hidden from the public even with irresponsible delays. With an understanding in line with our loyalty to democracy and patriotism that a long election campaign would endanger the Turkish economy under the conditions of those days, we have accepted the early elections.

However, the reason the Justice Party wanted early elections was solely to hide to an extent the results of economic problems which were being delayed and which were gaining gravity as being delayed, until the elections. But as is known, beginning from September 1977, this bottleneck and grave problems, reached such dimensions that they could not be

hidden from the society and their tragic results began to appear one by one and all of a sudden.

Believing in the great power of our Nation, this year, we are starting this élan which was delayed and which became more difficult because of this. Actually, we started to take steps and obtained certain results last year and these steps and results demonstrated that our economic possibilities should not be underestimated with regard to initiating such an élan and reaching success in the end. In summary, when we formed the Government at the beginning of 1978 we had inherited the Turkish economy in such a bad shape that the industrial production decreased to a great extent, our exports declined to a level insufficient to meet even our crude oil imports, the investments slowed down, the rate of development decreased to 44 % and the rate of inflation reached extraordinary dimensions. The balance of supply and demand, which was distorted because of low production and difficulties in importation, was gradually making difficult the prevention and slowing down of inflation. Turkey was under the most difficult burden of debt in her republic history. The amount of accumulated debts was more than 12 billion dollars.

About half of this sum was matured, short term debts extremely short term debts with heavy conditions which were due to be paid long before. On the other hand, unemployment had reached such dimensions that would cause serious social and political problems for the society.

Although we have taken over economy under these conditions and difficulties and although when we formed the Government all our hard currency reserves had been totally used up, we prevented as is known, any shortage of fundamental commodities in 1978. There happened certain scarcities concerning certain inputs from abroad. For this reason, low production continued in certain sectors. However, apart from a few exceptional days of shortages concerning certain fundamental commodities such as gas and oil, fertilizers, sugar and margarine, there was not any shortage.

On the other hand, despite the low production in industry continued, there was an important increase in our export revenues. At the end of the year, the increase in export revenues, as you know, reached more than 30 % in comparison to 1977. Last year, the wheels of the Turkish State and economy began to roll for exportation for the first time. The following habit had been adopted in Turkey for long years, when members of the government or government delegations went to foreign countries, they were generally searching for loans and credits. However, we have gone to foreign countries to look for markets rather than loans and credits. We have opened abroad to explore new exportation possibilities. As the Government members concerned, we stepped towards all bureaucratic and regulatory obstructions and tried to eliminate them. We have accomplished

eliminating these to a great extent. In addition to this, this positive result obtained last year concerning fundamental commodities and exports, we have also provided production increases which cannot be underestimated, in industrial sectors which are not dependent on imports of inputs.

The stagnation and slowing down continued in industrial production on branches which are dependent abroad concerning the inputs but the production decrease stopped or production increased in industrial branches which are based on domestic resources. On the other hand, despite great financial and economic difficulties, last year, important increases have been obtained in the incomes of workers, civil servants, peasants and the retired. As I pointed out in my yesterday's statement, through the latest increases in incomes, we have provided an average increase of 70 % in the salaries of civil servants, and 60 % pensions. In addition, the pensions of retired workers were increased and through the Law of Amendments in the BAĞ - KUR Law which we have passed through the Parliament, we have provided possibilities of important increases in the pensions of retired craftsmen and small businessmen. In addition, we have provided an average increase of 37,5 % in the incomes of our peasants and farmers by means of support purchases. Despite all these, the expected foreign aid actualized quite below the necessary amount. To put it more correctly, although the expected foreign aid actualized quite below the necessary amount, we had the possibility of accomplishing the successes I have mentioned for the Turkish economy in 1978.

For the first time in the beginning of this year, there are shortages of certain fundamental commodities for a period. As is known, one of them was in the field of petroleum, particularly in gas and oil. As I have previously pointed out, the reasons for this are the following:

First of all, a great crude oil shortage and the great increase of oil prices were due to the halting of production in Iran. Moreover, we had to immediately pay certain big State debts which were matured in the new year. This was greatly making difficult and sometimes making impossible to purchase the needed oil and making delivery contracts under those difficult conditions of the world. As you know, in the meantime, the İpraş Refinery was taken into maintenance. However, we managed to eliminate all those bottlenecks in a short time and to supply the market with sufficient gas and oil.

Besides that, the shortage of cigarette, of course affected all of us. The basic reason of this shortage was the delay of construction of the Cigarette Factories for years. For this reason, from 1976 on Turkey had to ask other countries to produce cigarettes for the situation which was hard to accept. On the other hand the consumption was continuously increasing. As a result of the increase in the consumption, the previous delivery contracts became insufficient and the need to establish new ones had

arisen. In the meantime, there appeared certain serious defectives in the domestic production of cigarette.

In recent weeks, when we dwelled on this issue with the fellow ministers concerned, we have observed certain serious bottlenecks which were also based on certain obstructions. Therefore, we have taken certain measures concerning these obstructions and imports and we guaranteed the abundance of cigarettes by the end of this month.

On the other hand, as an inevitable result of the expectations of price increases and adjustments at such periods, certain commodities which are actually plentiful, were being stocked.

For example, although we had more than enough sugar, a shortage of sugar was observed in certain regions due to this stockpiling. Although we had enough margarine, we experienced local shortages of margarine this year because of this storage and the low prices and smuggling.

However, after the announcement of the prices such artificial shortages will totally disappear.

Despite the low production, we gladly observe that the increase in our exports, in the first two months of this year continues in a promising way with regard to the future.

Through the new price adjustments we recently announced, we provided the possibility of accomplishing new élans, speeding up and continuing the investments and the utilization of production capacity at a higher level by depending on healthy resources to the public sector which has an important role both in our social life and in the Turkish economy.

At the same time we had the opportunity to eliminate the double price phenomenon concerning certain fundamental commodities. Because as you know, the double price system was giving the opportunity of unjust earnings and tax evasion to a small number of people.

After these new price adjustments, our duty is to use this healthy source, the power provided for the public and State sector. In the best manner, being the Government, we shall do all we can to accomplish this. A part of the «Programme for Strengthening Economy» which we prepared is orient to this target.

Yesterday, I gave some examples in my press conference concerning the extent and the way the world economic crisis and the economic developments in the world affected our economy. I would like to repeat these here, in your presence. Although we increased our export revenues more than 30 % last year nearly all of this will be dissipated by petroleum imports because of the new increases in the world petroleum prices. Last year, we earned 2 billion 228 million dollars from exports. But this year if we would not restrict our gas and oil consumption and if the world petroleum prices will remain in today's level, we would have to pay 2 billion 200 million dollars for crude oil imports. In other words, after we meet our crude oil

imports, we will have only 88 million dollars in our hands from last year's export revenues. For this reason, we should accomplish bigger élan in our exportation this year in comparison to last year and, through new endeavour, we should increase our power in fields other than exports to earn hard currency. This is one of the basic reasons and targets of our «Programme for Strengthening Economy».

In certain areas and branches of the public sector, the new price increases only relieve the deficit of public enterprises and would not provide them any possibility of making investments. However, with social reasons being the State and the Treasury, we felt the necessity of continuing to shouldering the deficits and loss in some of these.

For instance, as I disclosed yesterday, although the sugar prices are increased, the losses of sugar industry for the State will decrease to 8 million TL from 15 billion TL. Consequently, our citizens will pay an extra 4 TL to buy a kilogramme of sugar, but the State will have to pay 8 liras for the same amount as a subsidy. Moreover, although the fertilizer industry is expected to face a loss of 15 billion Turkish Liras, we did not increase fertilizer price this year as in last year. This, actually, means a State support of 15 billion Turkish Liras for our peasants and farmers, excluding the floor prices.

I have told that the foreign aid expectations which were promised to us last year and were made an issue of hope did not actualize at the necessary amount. Actually, we have taken certain positive steps concerning the deferment of our certain debts and provided about 700 million dollars in programme credits throughout the year. In other words, we provided credits that can be used to meet our input demands. Including the project credits, the total credits we received last year, that is fresh loans with suitable conditions summed up to 2 billion dollars, but our real need was to find credits for the import of fundamental inputs. But the amount of such credits remained below 700 million dollars during the whole year and did not give us the opportunity to give impetus to our economy which should have given in the beginning of last year. Our friends are in new endeavours to extend foreign aid to Turkey in credits. But we did not know how these endeavours will result and we do not approve of depending on such hopes. For this reason, we think that the only way to rescue is to adopt and implement the programme for strengthening economy which priorly depends on our own national power and which would activate this national power with all its potential.

Naturally, no country can be self sufficient from the economic standpoint in our age but we are of the opinion that we should mobilize the entire national power in order to increase the rate of our self-sufficiency.

One of the necessities of our economy is stability and the other is liveliness and the power of accomplishing élan.

During economic crisis, rapid inflation and periods of great shortage, stability is usually understood as a kind of stagnation. For this reason, the necessity for stability and the necessity for liveliness, dynamism and élan, in a way, seem to be contradictory. We have to shoulder and overcome this contradiction as much as possible. Certain effective international institutions such as the IMF expect stability which corresponds to stagnation from countries facing economic bottlenecks, crisis and shortages. However, we are trying to explain to the world and institutions like the IMF that Turkey cannot stand a stagnant stability within her characteristic conditions. This is impossible even if it is adopted as a political preference. Turkey has such certain characteristics that the Turkish economy will collapse if it stagnates. Because, first of all, the rate at our annual population increase is nearly 3 %. Therefore we have to actualize at least 3 % growth rate per year to stand on our feet. According to the criteria of developed and wealthy countries a 33 % annual growth rate may be considered as a very great growth rate but this is the minimum growth rate for Turkey in order to stand on her feet without collapsing.

On the other hand, Turkey should raise certain infrastructure of hers to a sufficient level without any delays in order to maintain her growth rate at a necessary level from both the economic and the social viewpoints.

For example, we should increase the energy production and widen the irrigated land for the best use of the production capacity. We should increase our storage, transportation and harbour capacities in order to provide a bigger increase in our export revenues than that of last year. For these reasons, Turkey is in such a position that she cannot dare to enter into a stagnation period concerning the construction of her infrastructure. On the other hand, Turkey's protecting her independence, respectability and credibility in the world and making her economy stand on her feet depends on payments of her foreign debts in reasonable periods. Shouldering the burden of 12.5 billion dollars of foreign debts and actualizing the payments in time, depend on at least rapidly increasing our productions and investments in fields oriented to exportation.

The ones who give us proposals said. «You should pay your debts in time and should not take measures which would result in production and investment increases.» They are at the same time, in contradiction with themselves. We have no intention to face such a contradiction. On the contrary, we should eliminate the contradiction between stability and dynamism, achieve stability in economy with increasing dynamism and liveliness, and provide a 'dynamic stability' as I said in an international

meeting last year. We must provide not a stagnant or a static stability but a dynamic and orderly one.

We prepared our programme for strengthening economy with a systematic approach in accordance with that of the plan strategy which was prepared last year. First of all, we indicated our targets and determined six points as our targets:

1. Breaking the bottleneck of foreign payments
2. Restriction of price increases
3. Increasing the utilization of capacity and efficiency in production.
4. Restriction of the speed of consumption, and orientation of savings to the areas of priority from the economic and social points of view.
5. As for the semi-finished and new investments, giving priority to the fields which would speed up and facilitate the breaking of the economic bottleneck. As a requirement of this, our fundamental aim will be to concentrate our investment power in those areas of priority necessitating the strengthening of new investments or investments which have already begun, and not to follow a status-seeking or arrogant investment policy.
6. While taking steps to reach these targets, our aim will be to balance the incomes and decrease the unemployment. While taking steps towards these six targets, we will take pains not to deviate from the six basic rules.

The first of these is not to deviate from the general direction of the Development Plan Strategy while solving emergent problems. Since this general direction is in line with the Programme of the Party and the Government, while solving the emergent problems and implementing a Programme for Strengthening Economy, our main rule will be to comply with the Government and Party Programmes as well as the development plan strategy. Second rule will be to follow policies which would not contradict the characteristic dynamism of the national economy but which would utilize and orient it. What we mean by that is the following: The Turkish Economy has a characteristic dynamism. This characteristic dynamism can make the economy stand on its feet even under the most difficult circumstances then it is thought that all possibilities were exhausted. We will not be against this dynamism just because it goes out of State control but we will identify what this dynamism is and orient it - if I may say so - catching and with galloping force and riding it to a certain direction. For example, we are saying that our hard currency reserves are exhausted and, in fact it has been exhausted since 1977.

For this reason, we say that the Turkish industry cannot realize sufficient input imports, but there is an input in flow depending on the Turkish hard currencies, such as our migrant workers' remittances. That

means, Turkish economy finds a way out by its characteristic dynamism. Being the State, we try to evaluate and find solutions to this way out. When we take a look at the official records we see that our foreign trade relations with Syria, Iraq and Iran are at a very low level. But, in reality, perhaps we actualize the greatest amounts of exports and also import considerable quantity of goods from these countries.

That is a phenomenon which emerges and continues within the characteristic dynamism of the Turkish economy but out of the State control and legislation. Therefore, we want to identify this dynamism and the rules of it and utilize it, under the State control, for the benefits of the State and the people. For example, as I have said before, we want to increase this dynamism through a border trade which depends on laws and regulations. We have to establish such an order that the interests of our people living in border areas, who will assume the main duties of the border trade with bordering countries in case we reach an agreement with such countries, will contradict with the interests of smugglers and so the people living in border areas will become by itself more effective than the State against smuggling.

On the other hand, it is a well known fact that our people has a tendency to invest their money on houses and land as a reliable investment due to the traditional importance they attach to their homes. This is an evident characteristic of the Turkish society. However, the land, house and rent are the subject of great speculations since the State did not or could not make the necessary attempt on this issue. In Turkey, the people have a characteristic dynamism on this issue. The villagers who migrate to towns build excellent houses by themselves without receiving any help from engineers or architects. Our uneducated citizens from certain provinces build big and reliable houses which can only be built by big foreign firms in the Middle Eastern countries for they formed this technology. There is a dynamism in this society. Then, let us not leave this dynamism outside of State supervision and protection. Let us utilize this with the State supervision and protection in a way which would be beneficial for the society and would eliminate speculation.

So, with such examples, I have disclosed the rule of following policies which would not contradict with the dynamism of the national economy, and which would utilize it. Certainly, many other examples like this can be observed in the society. Another rule is the strengthening of our economy. The fourth rule is to establish a balance between resources and expenditures and the most productive utilisation of resources within balance.

In connection with this, the fifth rule is the prevention of extravagance and the sixth rule is the protection of social justice while steps are being taken towards all these targets and while being loyal to these rules.

Now, I will disclose to you and to the public the means and policies we think in line with the six rules I have just mentioned. Since the details would be too long, we will disclose them in forthcoming days one by one.

As you know the first target is to break the bottleneck of foreign payments. While advancing towards this target, there were nine means which we could use and utilize. The first of these means is to increase exports, the second one is to increase the engineering and contractor services to foreign countries in a fashion that would provide foreign exchange for the country, the third one is to increase and regulate the migrant workers' remittances, the fourth means is the more efficient use of foreign credit possibilities, the fifth means is to make better use of foreign capital. The sixth means is tourism, the seventh means is the organisation of imports, the eighth one is the exchange rate arrangements, and the last means is the hard currency savings.

Since this field, that is, the policies to be followed in order to break the bottleneck of foreign payments, is of vital importance, I think it would be proper to go into the details of this issue although it will take some of your time.

I said that, while advancing towards this target, one of the means is to increase exports. We think of the following policies and measures to accomplish it. There are of course, many measures, but not to go into the details, I will disclose them when it is appropriate.

First of all, the domestic consumption of consumable goods which may be exported and which are not vitally important for our society and economy, and industrial products which cannot be regarded as inputs for our industry, will be discouraged. This discouragement in certain goods will be up to a point of orienting certain goods and products totally for exportation, unless they are badly needed for our industry and people.

On the other hand, priority for foreign exchange allocations will be given for the needs of undertakings which provide important foreign exchange savings and whose productions are export oriented.

In other words, priority will be given to the imported inputs of certain industrial branches like the sort of branches I mentioned above, for if these industrial branches cannot actualize sufficient production, we would have to pay hard currency for products manufactured by such industrial branches.

A typical example of this is the fertilizer industry. If we cannot provide adequate hard currency in time for the fertilizer industry's imported inputs, we would have to pay a greater amount of hard currency for the imports of processed fertilizers a few months later.

Another measure is the introduction of the condition that industries producing exportable products should realize a certain amount of exports to make use of management and investment credits as well as hard currency allocations for their imported inputs.

With this measure, we are moving one step further from the phase of incentive measures to the phase of forcing measures. Another advantage of this is that it has actually an equilibrating aspect within itself. Because of certain characteristic reasons of Turkey domestic market is extremely attractive for a great majority of our domestic market industries. Domestic market provides extraordinary possibilities for profit according to the criteria of capitalistic countries. In certain industries this possibility for profit increases as the ratio of economic crisis increases. This is a major injustice. At the same time, it greatly diminishes the possibility for our industry to direct itself to exproation. It is unjust, precisely unrealistic to approve the acceptance of reasonable profits in line with the world standards. When there is a possibility of so much profit in the domestic market, in such a situation, the increase in industrial exports by means of incentive measures solely, becomes a very uneconomical approach for Turkey.

So what? We shall tell the industrialists producing export goods «You should realize at least that amount of exports to get the hard currency for your inputs and investment or management credits from the bank.» That means, we are not going to say, as said in the erroneous implementations till 1978, «find your own foreign currency or find your own foreign exchange from wherever you like», but we shall say «earn your own foreign exchange». Therefore there will be a natural balance between the excessive profit received from domestic markets and reasonable profits from the foreign markets.

There may be certain occasions when the industrialist is obliged to export his products for a loss because of the decrease in foreign prices. But, if he can profit over a certain ratio in the domestic market, we can say that these two will balance each other. If such a balance does not exist, we will certainly go on to add incentive and encouraging measures to the ones that I have mentioned.

As you recall, during the meeting with the Chambers of Industry and Trade and the Stock Exchange in İzmir last year, the representatives of the Trade and Industrial Circle sincerely proposed this to us. And they stated that it is not enough only to encourage the industry for exports, but you should also force it. We evaluated this, as a very patronic attitude and approach and when we disclosed our views to the representatives of the Chambers of Industry, they did not raise any objections at all... Another measure of increasing our export revenues through export is that if there is a possibility of exporting a high quality Turkish product

under favourable conditions, we will export it even though it is a fundamental consumer merchandise, and we will import cheaper and high quality products instead. What was going on up till now? We were finding suitable markets abroad for an industrial product. However, when an industrial establishment wanted to orient itself towards that market the officials used to state «you cannot export this product because it is needed in the domestic market.» the establishment was insisting, «I can import very cheaply low quality product, identical to what I export.»

Then, the other official departments were saying :

«As a principle, any commodity sufficiently produced inside cannot be imported.» Thus this opportunity which was made use of by certain countries at difficult times could not be utilized in Turkey. We shall also utilize such opportunities.

On the other, we will assign definite export targets to our public institutions. These will be arrogant targets based on realistic calculations and by making use of every possibility, we will force our public enterprises to reach these targets. Therefore, we will introduce effective sanctions and awards within certain degrees for all members, workers and administrators of the undertaking which surpasses its targets. We have already determined the degrees of such awards.

That is the extent of export targets to be assigned and the amount of awarding to be given to undertakings have already been prepared. If the export target limits are surpassed what will be the conditions of rewarding?

We will emphasize the exports of the handicraft products while discouraging their domestic consumption. For this reason, we shall introduce an institutional arrangement plan to establish certain export and import establishment in which public and private sectors will jointly participate. We have observed the most successful example of this in Finland. There are three different establishments for different production branches in Finland. Nearly, all public and private undertakings are carrying out their exports through the medium of this establishment without any forcing. Because these establishments possess the greatest accumulation of know-how, experience, knowledge of marketing and the means of communication. Furthermore, the fraud in foreign trade and unjust competition, are also being restricted.

With pleasure and proper pride we have observed that, when we disclosed our views, the representatives of private sector and industrialists accepted them and said they will support this under the conditions that bureaucratic obstructions would be eliminated and State pressure would not be severe, which were completely in line with what we were thinking.

On the other hand, the other measure that exists is that there are poor countries where there is a possibility for Turkey to have a market, but

We cannot export to these countries because they don't have the power for payment in advance. We will open export credits to these countries, They will be able to purchase goods from us against credits, provided that they make the payment later. This is the method implemented on us by the countries, who are more prosperous than us. We shall implement this to those which are less wealthy than us. We shall establish abroad export centres of Turkish goods with the participation of private and public sectors. If necessary with the participation of the private sectors of those countries... Apart from this, there are Turkish Tourism Centres and Offices in crowded avenues of certain capital cities rented for astronomical amounts. In these offices cannot provide even their rents. For this I do not blame those officials working there because we have not given them a good direction until now. Turkish Tourism Centres will be diverted into the sale and trade centers of Turkish goods, the goods of private and state sectors.

The other measure, as I mentioned before, is to encourage and support the border trade under certain rules. Our studies concerning this measure have reached the stage of conclusion. Once again, on the issue of exports, one of the basic criteria in the merit evaluation of our Ambassadors, Trade and Finance Attachés and even governors will be their contribution to the increase in exports. Their success or failure will be registered in their records concerning this issue in particular. As regards the governors what is the contribution that we ask I may state that once again before you. From time to time our agricultural products were decaying in certain provinces, but if we were informed in time we could have found markets for them. We asked the following from the governors «If you observe products in your province which you have difficulty in marketing or which are left for decaying because of the price speculations in metropolitan areas, do inform us immediately. We immediately will present those to either domestic or foreign markets. We want to impose this habit to our governors. The representatives of certain capitalist countries search for foreign markets for their countries with a bag in their hand like representatives of a firm. In our country this is regarded improper and one escapes from the responsibility of such acts. While working with such an approach one should certainly follow certain rules but one cannot escape from such an understanding of work, and we are determined to direct our representatives abroad towards this expectation.

Certainly, we will continue to the implementation of encouraging measures and supports to increase exports in reasonable scales. We are taking every measure to simplify and decrease the complications concerning exports. We will accomplish this at the greatest extent possible. We are determined to eliminate the excessive bureaucratic traditions of Turkey

on this matter and our aim is to provide an exporting firm to realize its exports by a single document which it would get from a single department.

In parallel with the objective of breaking the bottleneck of foreign payments, a second means is to increase, support, and speed up services to foreign countries in a fashion that Turkey can earn more hard currency by means of such services. What I mean by that is the Turkish contractor and engineering services in foreign countries. Despite the hindrances by the State and bank the characteristic of the Turkish society functioned well up to now and although they did not receive any support, not even valid letters of guarantee from banks, some of our private firms have expanded to foreign countries such as Iraq, Saudi Arabia and Libya. These firms managed to stand on their feet even when they competed with other firms supported by powerful states. However, the hard currency inflow to Turkey by means of these firms and the number of firms expanded abroad compared with those which can actualize this, are quite limited. In other words, the responsibility we assumed and what we accomplished are quite limited in comparison to the responsibility we can assume and what we can accomplish.

Starting from last year, especially during last year and at the beginning of this year, for the first time we started to provide state support to the Turkish engineering and architectural firms in an increasing manner, and we start to encourage them. While taking measures in this direction, we also try to take measures for the receipt of the amount of foreign currency they are supposed to send to Turkey without any loss. Moreover we are not satisfied with it, we have decided to establish a new joint partnership, we formed the status of it, and now the discussions are going on with the concerned establishments of the private and public sectors. With this joint partnership the public sector and the private sector, while supporting each other will open to the outside. The effectiveness will be provided in the external world as the bank guarantees are brought together. In addition to this, more efficient controlling systems will be provided.

The strict rule for these partnership which are opening to the outside in this way will be to get the materials and equipment for their formation, from Turkey as long as they provide them in Turkey. Of course, the State will support them within reasonable limits since they will buy the goods from Turkey at slightly higher prices than in other countries.

The migrant Turkish workers, who work in these partnerships or in the firms of the other countries in those countries, will send their savings on their earnings, to Turkey as soon as possible through the official channels. In order to reach this aim, new measures are being taken and results are being obtained. Moreover, we are thinking over some new me-

asures. In fact, great possibilities exist in this field. Because, our workers who go to these countries work at the construction sites which are away from the residence places. Their food, clothes, and accomodation are provided. They do not have any chance for spending their money, so they save almost all their earnings and want to send these savings to Turkey, to their families who are in Turkey, but could not achieve this up to a point because of the bureaucratic procedures. We brought practical solutions to this. From now on we will continue to bring the solutions such as the workers who will go abroad to work, will send certain amount of exchange to Turkey as a rule. We introduce this into their contracts.

Furthermore, we shall set forth an obligation for engineering companies and contractors that export workers from Turkey, that they deposit a certain amount of workers savings, a reasonable amount, with the Central Bank of Turkey in foreign currency and that the amount in question is promptly transferred to wherever the worker may choose.

Particularly, those state agencies which are related with infrastructure possess a significant potential of rendering services to foreign countries. Because of certain procedural difficulties, however, or since they are not well acquainted with the system, they have so far failed to orient themselves in foreign countries. We shall do and we have been doing as a matter of fact, all that is necessary to orient these state agencies too, in foreign countries.

Meanwhile a draft bill, prepared by supreme Military Court and discussed by the Council of Ministers yesterday, is ready to be presented to the Parliament. The bill concerns short-term military service by Turkish migrant workers, the rest of the regular service period to be paid for in foreign currency. In other words, the bill envisages fulfilment of this duty by providing foreign currency, which the Turkish economy and defence is in dire need of. The bill was prepared with utmost care. It also constitutes an obligation for our workers as well. Because particularly the Western countries have recently entered an era of increasing unemployment. Those Turkish nationals who came home for their two - year military service could not find their jobs waiting for them on return, and thus would have to stay here. Whereas, under the proposed legislation, coming to Turkey on a three - month leave will be possible. We shall suffice with the basic training we can offer in those three months and provide the possibility of contribution to national defence and economy by paying for the remaining term in foreign currency. We also envisage concessional payment terms. The practice, therefore, will not only solve an outstanding problem of our workers and their kids who come of age, but will also contribute highly to Turkey's foreign currency revenues.

Moreover, we decided upon certain measures to increasingly attract workers' savings to investments. In compliance with the Republican

People's Party programme, too, we shall release the State shares in joint enterprises. As you already know, the State owns insignificant shares in some private companies. The State, in such cases, dissolves in a company that it cannot dominate. This also contradicts our Party programme. State shares in said companies (some of which enjoy a regular profit) will be offered to our migrant workers against foreign currency payments. The same applies to certain major industrial corporations, some major and significant investments, profitability of which are incorporated in their existence. So that foreign financing requirements can be met by our workers earning their lives abroad, and local requirements by our locally employed workers. The State will give a hand, when and wherever necessary. We shall also encourage and support expansion of investments realized by locally employed workers, investments which interest our migrant workers. In this context, we shall spare no effort to make use of certain minerals, that are utmost importance as regards our foreign currency revenues and inputs, through workers' and people's investments.

On the other hand, there is this new settlement area plan which I only briefly speak about, since it is such a comprehensive topic. For this settlement programme, too, we believe our migrant workers will be sending in a considerable amount of foreign currency.

Besides these, we are planning to restrict imports with waiver. For one thing, we shall definitely prohibit imports of those goods, consumption of which will be discouraged. Permission will only be granted to workers on their permanent return home. Apart from this, we shall encourage imports with waiver for industrial requirements, for increasing production. The fourth instrument is rational utilization of foreign credits. Here are the guidelines of the policy we shall pursue in this connection:

We shall take care to prevent lavish utilization of credits received to finance purchase of given goods from given countries. Machinery, equipment and factories procured as such have to contribute to technology in Turkey. We shall also seek ways of using these credits to bridge financing gaps of major projects. We shall prevent utilization of such credits for goods manufactured in Turkey in adequate quantity and quality. Some public and private agencies choose credit procurement, because they find either the quality or the price here unsuitable, or lack local financing. This, we shall definitely ban.

We shall accelerate implementation of those projects for which credits are already secured. But, Turkey's real bottleneck for the past few years has been the failure in using credits, rather than securing credits. That, is generally so because of our failure to fulfill our part of the work due to local financing difficulties. Many a project has not been implemented although the credits have been secured, because local resources have been most lavishly exhausted in particularly the past couple of years. We have

received the credit, but kept it unused. We are, therefore, determined to accelerate these in order of priority.

Fifth instrument is foreign investments. As I have pointed out on numerous occasions, we have no complex in this respect. Even the most orthodox Socialist countries do everything possible to attract foreign investments and quit successfully too. We shall not be reluctant in this relation. We shall, however, be very sensitive as regards Turkey's national interests. We have set the rules to encourage and accelerate foreign investment inflow to Turkey on certain conditions. These we shall reveal in a matter of few days and then let the whole world know.

On the other hand, incentives will be used to channel suspended transfers and rolled-over debts into certain fields of investment. As you know, suspended transfers will let out a huge amount of foreign currency in due course. To firms we are indebted to we shall say «why don't you convert this payment into an investment in Turkey». Not in terms of forcing them to that end, of course, but by encouraging them.

We attach great hope to tourism. Naturally it is nothing to be done overnight, since it involves personnel, facilities, infrastructure. But we are nevertheless determined to maximize our revenues starting right away. I shall not go into details, but let me cite a few examples: there are travel agencies which bring in tourist groups. They are so authorized against a neglectable amount of foreign currency revenue. Whereas, the foreign currency revenue they report does not correspond to one tenth or even one hundredth of their actual revenues. We shall now oblige them to transfer their entire foreign currency revenues to Central Bank. We shall also require tourists to exchange a certain amount of foreign currency upon their entry into the country: not as much to discourage tourists, of course. We have prepared a series of measures to encourage tourists to exchange their currency at official rates. We shall also open gift shops at customs to serve both tourists and migrant workers, who will find everything they would like to bring home in these stores. These shops will start functioning at main entrances right away.

The seventh instrument is imports. Here we have foreign currency problems compared to our imported input requirements. We shall, therefore, draw up a list of priorities. Import Goods Price and Registry Committee will be rendered more effective. Imported goods have been piling up at the customs. We have cleared a part of these and the rest we shall as soon as the legislative barriers are eliminated. This formula will meet a part of Turkey's input requirements for a while. Because certain inputs that our industry needs badly are kept at store-houses, customs, even in the open-air.

Eighth instrument is exchange arrangements. On top of the list was authorization of private banks to build up foreign currency positions,

which we have already limited to a certain extent. We shall also see to it that all foreign currency reserves, including those of the said banks, are oriented by the Central Bank. One more thing, more radical measures will be adopted against blackmarketeering of foreign currency. Ninth instrument is foreign currency savings. First of all we shall set up a foreign currency budget. We shall also cut down State posts and accomodation expenses abroad by half. The lists have already been prepared. We believe that, without any sacrifice on our performance abroad, we can save foreign currency expenditures by some 50%.

Having expressed our views on overcoming the foreign payments bottleneck, I would now like to refer to a most irresponsible statement of the main opposition leader yesterday. As you well know, I don't have the slightest intention of getting involved in a polemic with himself. But it is, since I find it most important as regards national interests, and believe it was deliberately said to cause damage to the country that I feel the need to refer to this statement. The Justice Party Chairman said in his statement yesterday that there would be a devaluation in Turkey. He so said on the day when papers reported an increase in the value of TL. This is a most irresponsible, totally untrue statement. It is not up to former Prime Ministers or former governments, but to present Prime Ministers and governments to decide whether a devaluation will be made.

I am rejecting this statement as a very irresponsible one which was made on the very first date when the measures were taken to help increase and keep the value of the Turkish Lira. There will be no devaluation. There is no devaluation in the package of measures.

I am coming to the guidelines of the means which are related to the curbing of the price increases. One of these means is the healthy financing of the enterprises in the public sector. As you know, State sector carries a great weight in the Turkish economy. If this state sector which carries this weight, is forced to apply to the Central Bank or to other unhealthy ways for financing, not only the State Sector but also the whole of the economy will suffer from this. For this reason, to provide means of healthy financing, we have raised the prices of certain basic goods produced by the State Sector. Some of these incomes may be considered excessive to a certain extent, but Government is not responsible for these. As I said yesterday, if the tax bills prepared by us were not hindered at the Parliament for nearly a year, we would have provided the healthy financing of the State Sector through highly just taxes. Hindrance of the tax bills has intensified the need to raise the prices of certain goods produced by the Public sector.

But while making these prices increased, we also kept in view certain social and, furthermore, certain economic exceptions, we did not make any

increases in the price of fertilizers; we kept the increases limited on sugar, oil, lignite, and we did not increase the price of coal because it is a very important input. We also made something important: By these price increases, the revenues of public sector enterprise is affected. Let's assume that an additional annual revenue of 10 billion Turkish liras is obtained by a public sector enterprise due to these new prices. Whole of this increase will not be left to that enterprise. 25 % of this additional revenue will be accumulated in a fund at the treasury. And that enterprise will be expected to make up for that amount by decreasing the costs, and increasing both the productivity and the production, that will be made a condition, the progress will be monitored every month and questions will be asked. Funds accumulated through these means will be used with priority to compensate the public sector enterprises which did not get any price increases for their products because of social and economic arguments despite their deficits, or will be used to encourage other public sector enterprises to make still greater investments which have already been successful and at a point exceeding productivity targets. As far as I know this practice will be the first of its kind in Turkey. We have decided to apply this same procedure not only to State Enterprises but also to other state sector enterprises as well. We have prepared Decrees and Circulars to this effect.

Thus we are trying to reduce the State Enterprises from a habitual, from a traditional irresponsibility. And that is, to increase, the prices of the goods and services they produce in order to compensate for their deficit and to raise their revenues. Of course, when this is necessary it is done, and we did it, but an economic establishment, a productive establishment cannot consider to raise its revenues by only price increases or cannot use the increases in the wages as an argument to raise its prices every time. Economic management necessitates always to take measures to decrease the costs, to increase the productivity and the production. We are intent upon to force our public sector towards this goal starting from this year. To bring about this, we have established separate productivity targets for the public sector enterprises which produce basic and important goods. We have also established productivity targets for other establishments as well. We are going to check whether they have reached these targets in few months. We are going to check them as the Prime Ministry, with the contributions of various Ministries, the State Planning Organization and the Supreme Comptroller Council at the Prime Minister's Office. If they fall behind the targets set we are going to ask them questions if they exceed the targets give then we are going to reward the whole of the managers and workers of these establishments within the set efficient measures. This system will be put into practice in Turkey for the first time

again this year. We have concluded all these preparations and the details of this system and brought it to the state of putting into effect.

We are going to make certain cuts in public spending. This will be an important factor in limiting the rate of price increases. We are planning to get rid of the excessive personnel among the establishments within a certain programme. Since all these are going to bring about a decrease of costs in the State Economic Enterprises and an increase of productivity we are expecting that these will have positive effects on the price movements in the economy.

Furthermore, to limit the price increases again we are intent upon increasing the services provided by the local administrations. In the meantime, as I have stated yesterday we are going to encourage and support public transportation in general. For instance, we are going to provide fuel with low prices to the railways, maritime lines and municipal bus services. As a result of this we have reached agreement with the mayors of the large cities to have no increases in the bus fees during this year. Thus, the difference of costs will be met by the State.

Furthermore, in order to increase the numbers of buses belonging to the Municipalities if necessary by way of importing, we are going to provide our low-income citizens with increased opportunities to benefit from public transportation. Apart from this, we are going to create the opportunity to decrease the pulling up on the buses in certain big cities, firstly in the Capital, by changing the starting and finishing hours of the establishments and State departments.

Apart from this we are going to give the buses belonging to the State departments—with some exceptions—to the municipalities. To compensate for this, by giving passes to the people working at those departments we will make sure that their previously earned rights will not be harmed. It is only natural that this will have certain exceptions according to its functional state. On the other hand, in order to keep the reflections of price increases on the prices of other goods in reasonable and just measures, by keeping in mind the experiences we had last year, we have started setting up a more effective control mechanism. We are intent upon setting up and operating the TANSA's in a way to serve largely the tradesmen and to let them take their service to the public at large through the tradesmen. This means that TANSA's will not be against the tradesmen. They will shoulder the function of the middlemen to a large extent and thus will contribute to providing the tradesmen and through tradesmen the public with cheaper and more abundant necessary items. While doing this, at the same time the most effective mechanism to control the prices will come into being by itself, because if there is a tradesman who is selling a certain product good at a high price which he bought from

TANSA at a lower price, this will immediately become evident and he will be barred from this opportunity or a different kind of sanction will be put into force.

Also with the Strengthening of Economy Programme, certain measures relating to the price and tax controls have been established. In the meantime, if the bill we have presented to the Parliament to raise the price control possibilities and the State authority relating to this matter is passed as soon as possible (it is in the Commission now) then the State's effect on the price controls will be much more increased.

We have drawn up a support buying policy which will take into consideration both limiting the price increases and upkeeping social justice. Speciality of this policy is the establishment of certain measures in the support policy but at the same time shifting of the weight to the priority areas.

As I said yesterday, while we are making the price increases which have become necessary because of the reasons I have mentioned, we also brought increases in the incomes, especially in the incomes of workers, pensioners, villagers and farmers. As a matter of fact, again as I have said yesterday we are going to call the Lowest Income Commission to meeting, while on the one hand we are creating a prices-incomes equilibrium on a higher and more realistic level, on the other hand we will show the greatest care to limit the rate of price increases by measures which will have direct or indirect effect.

As you know another aim of ours is to increase the use of capacity and productivity in production. If we can raise the use of capacity to a certain level, Turkey will pass through the economic bottleneck with the already existing industrial establishments. Of course new investments will be made and even speeded up, but even if we assume that no investments will be made the full exploitation of the existing production capacity in Turkey will provide us with a great economic strength and export strength or a strength to limit imports. Whereas, especially in the areas relying on imports as far as the inputs are concerned there are great decreases in production in Turkey since 1977. As I said before this decrease is continuing. While we are meeting the input and foreign currency needs of the establishments according to a list of priority, at the same time we will give priority to the full exploitation of the existing production capacity especially in the critical areas. On the other hand, as I said before, we are going to force production as to increase the usage of capacity in the State Sector. We are going to bring about the usage of machine park of the State sector with full capacity. As a matter of fact in various areas there are greater than necessary machine parks, but because every establishment is functioning separately, and is in the habit of keeping their own facilities from the other, or if this is not the

case, because there is no co-ordination between them there is a machine park waste in Turkey. On the one hand this waste in Turkey goes on, and which belong to other establishments— from other countries by paying foreign currency. We are preventing additions to the existing machine parks at least for this year. In cases of absolute necessity, a special permission of the Government will be required. If a public sector establishment may come and say «what am I going to do? The machines I have got are not enough for this job?» then the State will search the machine parks of the other establishments and will get the machines which are working with low efficiency loaned to the public sector establishment where it is needed.

The exploitation of infrastructure establishments and capacities thereof will be further enhanced. During the last years, Turkey is passing through a bottleneck not only from the standpoint of external financing, but also from the standpoint of internal financing. And, because of this internal financing bottleneck, our certain public-sector establishments which deal with infrastructure, are unable to use their capacities, machine parks and their personnel fully; and since they are working with high costs and low productivity, we are going to use the capacities of our infrastructure establishments in such projects, which will contribute directly to the production or to the increases of foreign currency revenues or in those projects which are essential from the standpoint of social requirements.

While referring to them as fundamental projects, in terms of social aspects, we are now, for example, being oriented toward the mass settlement areas which I shall clarify in detail, within the next few days. This is a programme, oriented to bring a basic solution to the housing, land and rental problems within a new and sound urbanization approach. In order to expedite the earliest implementation of this programme, the entirety of idle capacity being held at the machinery parks of any or all public establishments, such as Highway Department, State Hydraulic Works, Road-Water and Electric, or Forestry Administration, etc., such excessive capacities shall, for example, be directed to this work as necessary.

On the other hand for example, if the earliest completion of any harbour construction bears a major importance, on the grounds of its contribution to increasing the exportation and foreign-exchange incomes of Turkey, rather than the construction of certain roads, we shall then say to the respective public establishment: «You better hold your such a such project for the time being, and do help the harbour construction organization, and render assistance with the entirety of your feasibilities!» or, contrarily, if any road construction at any given locality may present vital

importance, then in view of export requirements, we shall direct the feasibilities of another establishment to that particular area.

Furthermore, as I have already stated, by directing and orienting such establishments to supply services abroad, their capacities and serviceability shall be fully utilized and evaluated. In order to increase the production, we shall assign priority to the elimination of bottlenecks in the substructures that present the nature of a kind of bouncing plank. Power supply, irrigation, harbour, loading and storage facilities and similar other areas are doubtlessly to be counted primarily from among the rest. Moreover, in order to fully evaluate also, the production potential of Turkey, we shall broaden the revolving capital assets of such establishments making sure that the production capacities and feasibilities of the entirety of Ministries are evaluated in terms of economic concept. Certain undertakings of Turkey, although not oriented for production, in view of their contribution to the production, possess substantial technological potential, as well as the potentiality for production. The most striking example is the Turkish Armed Forces. If the technological potential and the production potentiality of the Turkish Armed Forces are fully evaluated in the economic field, this in itself shall solely suffice to contribute an unimaginably substantial power to the Turkish economy.

Moreover, the science equipment production facilities of the Ministry of Education —although lack a production-oriented functioning— once evaluated and production-oriented in its economic sense, we are of the opinion that many of the precision tools and instruments, sensitive apparatuses and equipment, including even technologies, which Turkey imports by making astronomic amounts of foreign exchange payments, can entirely be produced in Turkey. We shall provide the entirety of State establishments with such broadened, revolving capital feasibilities.

On the other hand, we are having prepared the capacitive inventory of our industry. While the Ministry of Industry and Technology is widening and deepening its studies in this direction on the one hand; our industry sector and our chambers of industry that responded to our request most conscientiously, are on the other hand engaged in making out an inventory of the industrial capacity of private sector. A considerable progress has already been achieved in this respect. Many operations, whether classified within the private sector or public sector of this country, are neither aware of the particular commodities and goods being manufactured by an adjacent industrial outfit, or an industrial outfit located in another province, or by any other workshop being located at the same town where they operate. Nobody has ever thought of the necessity to introduce himself to others in this respect. Such public establishments which have had printed catalogues of their own activity areas are very limited in number. Whereas, firms without catalogues can hardly be found throughout the

world. A firm which produces commodities, and yet, does not possess any catalogue, indicative of its production and prices thereof— such a thing is incomprehensible !

Our decision is such that our entire public corporations and private sector establishments shall be directed to a communication which must be based upon their capability to introduce more precisely, their production lines and methods, as well as respective prices of their products. We are convinced that in such a case, doubtlessly not the entirety, but quite a lot of the assorted inputs being imported against foreign exchange payments on the assumption that they are not being manufactured in Turkey, or by ignoring the fact that they are actually being produced locally; can be fabricated in Turkey to the extent of meeting our domestic requirements, and even offering them for marketing abroad. This is the actual, major potentiality and power of Turkey, and this potentiality overruns the existing capacity. In certain areas, Turkey is in possession of a substantial potentiality of technology by reason of trained-manpower and experimental background, and yet, this potentiality has not been transformed into capacity at all. We shall make attempts to transform this into productive capacity rapidly. Consequently, an establishment in Istanbul, whether located within the private sector or public sector, shall be in a position to know, for example, which one of our defence facilities in Tuzla or Gölçük, or the Science Equipment Production Center of the Ministry of Education in Ankara, or a private factory in Kayseri, or a craftsman of any workshop in Bursa or Gaziantep do or can manufacture the particular commodities. Or else, the ones that fail to know shall be made to know and told : «You better make use of the feasibilities of your own country, before applying for any foreign exchange allocation, or demanding cost free importation, or importation against goods». Our private sector industry has recently demonstrated a promising intent, and even achievements far ahead of the expression of an intent. Our decision is such that this must be propagated through the entire Turkish economy. On the other hand, we have certain established capacities, and a very small addition to such capacities which stimulate the production. Rather than making a very expensive, new investment in achieving the same rate of stimulation in the production; the existing capacity, wherever located, shall be reinforced with a small addition, and the necessary stimulation in production shall thus be exerted. Consequently, our feasibility on the one hand, would thus be used for another investment in another area.

Considerable care shall be taken in incorporating and implementing particular rules for Collective Contracts which would result in increased production and efficiency, as well as in the rational utilisation of labour force. Likewise, still for increasing the productivity, the natural resources and in the meantime, the minerals of Turkey, in particular, shall be

evaluated rapidly and in a much larger scale. The existing situation in this area presents an extremely saddening picture. In order to consume certain minerals for her own industry, Turkey purchases them from abroad by making substantial foreign exchange payments. Whereas, there are such plentiful minerals in Turkey that they can meet the entirety of our domestic requirements. Besides, they may provide extensive income to Turkey, same as the income of oil in value. In fact, some of these minerals can be exploited quite rapidly and with very small investments. Our decision is such that the total force of the society must be activated, to make sure that such minerals are inserted in the circuit, processed and exploited within and outside of the country, most rapidly, and not solely through the instrumentality of State, but also through the participation of people.

In order to spare your time, I shall not enumerate the respective details, but we have already prepared a scopeful series of remedies that aim at expediting the increase of income and production, both in agriculture and animal husbandry. As from this year, we have already commenced also with the implementation of agricultural production planning, up to a certain scale. In line with this planning, we shall have to cut down the production of part of our crops, in excess of our domestic requirements or of consumption requirements which would offer only limited export feasibilities, while on the contrary, we shall rapidly increase the production of crops that would create extensive marketing feasibilities abroad.

Another objective, as you already know or as I have previously commented, is to cut down the speed of increase in consumption, and to direct the increased savings to specific areas which have been assigned priorities for economic and social aspects. Our main considerations in these areas, can be summarized as follows : First of all, arrangements of interests shall be made in such forms and proportions which will vary, consistent with particular areas where the investment and production are to be encouraged. In the case of areas intended for encouragement, interests at lower rates shall be implemented; and for areas to be discouraged higher rates of interest shall be applied. The arrangement for interests shall rather be made in terms of a concept encouraging the savings, i. e., encouraging savings by making use of money, instead of avoiding the use of it.

We shall also see to it that an implementation, which has commenced this month in the Prime Ministry, as well as in the Ministry of Finance I presume, is generalized through the entirety of public sector, with effect from May. The salaries of all government servants and employees being engaged in the public sector, shall be paid with cheques, and they will naturally and primarily be required to have opened individual accounts with a public bank. In order to encourage, as far as feasible, the savings

in the amounts to be deposited under that account, an implementation of interests, subject to step increments for the amounts to be deposited under a current account, shall soon be introduced. So that a government servant or worker, while drawing his salary or wage from the respective bank, shall be made to think: «Would it be better if I keep part of the money in the bank a little longer for further accumulation of interest?» This, in fact, shall be an efficient preventive measure against the robberies which aim at the accountants. (As a matter of fact, it must be known to you that, the reason for transition into the use of cheque system is, to a great extent, for the prevention of thefts.) Besides, those who are paid salaries and wages shall thus be encouraged to save their moneys. Representatives of private sector have always agreed to it, and so did Türk-İş and DİSK. I hope therefore, that the wages in our private sector industry shall be paid through the same procedure, with effect from May.

Naturally, in connection with cutting down the speed of increase in consumables, and directing the savings to specific areas which are assigned with priorities, as far as economic and social aspects are concerned, we shall follow a policy which will further encourage and orient the people to make investments. We shall, on the other hand, take necessary steps to make sure that reliable arrangements are made in connection with the investments of people, as well as with companies which are open for the participation of people, in line with our concept of people's sector. On the other hand, through the project of new urban communication areas which I will soon clarify, we shall encourage our people to make savings, in line with their customary consumption or investment tendencies.

Furthermore, we have been rightfully reminded by Türk-İş, of a point which I must incidentally convey to my Group member, administration colleagues. İYAK Law must be made to pass the Assemblies rapidly. So that this may enable our workers to participate in people's investments, part of their increased incomes are obtained through Collective Labour Agreements.

On the other hand, we have decided to take a series of measures which would result in savings for the use of materials and equipment regarding the new structures and construction works. These will provide savings in view of both the construction materials and finally, heating expenses and inputs, subsequent to the completion of buildings.

We have also prepared certain measures which aim at discouraging the extravagancy of consumption in all areas. In the meantime, we have determined certain measures for savings in connection with the wiser use of electric energy in particular. Respective circulars of which have already been prepared.



According to these measures, electric tariff rates shall be determined in a manner to encourage savings in the power consumption and materialize a rapid transition from fuel - oil to lignite. First of all, such a programme shall definitely and rapidly be implemented throughout the public undertakings. As for the industrial outfits, including those of the private sector, they will be encouraged and even forced to give up the use of fuel oil and go ahead with the lignite consumption where and when possible. In the case of new structures, use of fuel-oil boilers shall not be allowed, and the prerequisite for the use of coal in heating shall be imposed. Necessary steps shall also be taken for increasing the production of oil throughout this year. Also, the use of official transportation vehicles by the public sector, inclusive of the State Departments shall be extensively restricted, and certain limitative measures shall be taken to govern the use of private cars for some time. The fifth objective was aiming at facilitating and consequently expediting the relief of economy from the bottlenecks, as far as the investments—which had been already commenced or which are to be commenced newly—are concerned. The means for achieving this objective can be summarized as follows: It is known that foundations for most of the investments were cast during the last few years, either for the sake of show-off or for election propoganda. And these were then left untouched for reasons of inadequacy of domestic sources. In the case of such investments, as well as new investments that we shall think over and then go ahead with; we have determined a sequence of precedence in order to facilitate and expedite the clearance of economy through existing bottlenecks. Investments shall be made in accordance with this sequence of precedence, and in case of the new investments, social facilities shall not be constructed unless the problems of facilities are duly solved. This is doubtlessly a reasonable approach to the extent that it is self explanatory, as far as economic aspects are concerned. And yet, in our case, this has developed in an entirely reversed order, as is already known to you all. Primarily social facilities are constructed; then the production follows.

Finally, one of our objectives which bears an important feature is to balance the incomes and cut down the unemployment. We have provided certain direct and indirect measures in this respect. Meanwhile, we shall not over-emphasize the prices of certain goods that constitute the groups of top-level consumables which do not take place among the vital requirements of people. We shall be flexible on such subjects, and the extent of our flexibility shall even be dependent upon the requirement for the prevention of implementing double prices. This will, at least, ensure that the taxation on such luxurious consumables, and the taxation of profits obtained through said supplies are fully paid to the State. However, availability for exportation of such goods whose prices are left to float, and which must at times, be mandatorily pushed for export where required,

so that the excessive profits expected on their domestic sales, and the low profit to be obtained, or loss to be suffered by reason of their exportation can thus be balanced up in the end.

Our undertakings which produce such commodities or any or all kinds of goods shall, in general, be made to orient themselves to the principles of making profit out of the accelerated sales rather than on individual sales! In cases where the feasibility for accelerated domestic sales of products are restricted, action shall be taken to see that their marketing abroad for accelerated sales is materialized. Consequently, even though we may agree to higher prices for certain goods for the sake of preventing double prices; in the case of goods which do not constitute the basic requirements, a balance shall be achieved against low profits or lack of profit which would be confronted as far as their exportation is concerned.

On the other hand, a much more efficient quality and price control system shall be developed in connection with consumables and fundamental requirements intended for masses of people. We had, in fact, taken certain steps in this direction.

However, due to the disturbed balance of supply and demand, and resultant of certain complications which should normally be encountered at the beginning, we could only arrive at limited outcomes, and as for this year, we hope that better results may be obtained.

Furthermore, we are willing to see that the consumer is directed to develop a protective organization, and a more efficient distribution system is established. As a matter of fact, it is known to you that we have already taken considerable steps for improving the feasibilities of Sümerbank and GIMA, and introducing TANSA into the circuit, or through the instrumentality of TARKO, our intent is to evaluate them through a better and further expanded way of inter-connection.

Likewise, another subject of major importance is involved with the high rental rates. We believe that this can be brought to a definitive solution through the project that envisages new settlement areas, as I have briefly referred to for the time being. However, our contemplation for a provisional solution in the meantime, was previously explained. I hope that it will soon be materialized through a legislative approach.

In connection with the employments, as well as with the reduction of unemployment, we shall encourage or take mandatory measures to develop labour-concentrated technologies at places as may economically be deemed proper. Certain projects which we had started last year, shall be generalized this year in other areas. As a matter of fact, we have already proceeded with it in forests. On the other hand, the number of shifts within the industry already established, shall be increased, and the capacities of new employments developed within such industries expanded.

Our industrialist have set forth certain most practicable and positive recommendations in this respect; and representatives of the confederations of trade unions have also supported them. Before the forthcoming joint meeting, we shall be in a position to have determined its respective details. Consequently, it appears that new employment possibilities shall be provided for several hundred thousands of people, within the existing undertakings, without necessarily requiring any new investments whatsoever.

This year, we shall try to implement more actively, the Social Contract which we have reciprocally agreed with Türk - İş last year. Since the habitual disposition of certain undertakings as was demonstrated last year, in terms of a carefree behaviour could not be remedied, full results could not be achieved. This year, however, we shall try to see that this is duly and efficiently implemented, and we shall also try to make sure that the collective contracts are carried out with integrity, balance, and with a constructive approach, as far as the public sector is concerned.

Also, in connection with the justice of taxation, the Council intended for determining the minimum wage, as I have previously pointed out, shall immediately be called on for a meeting. Consequently, the implementation of Programme for Strengthening the Economy, the main features and certain important details of which have already been personally brought to your attention; shall be continuously checked and followed up by a board of the Prime Ministry, in which I shall be directly interested; and the achievement in production targets and cost reduction target, as well as in the export targets our public sector in particular shall be efficiently followed up and controlled through the meetings which will be held frequently. Dependent upon the extent of consistency of the implementation of this Programme for Strengthening the Economy, in itself, I am convinced that the Turkish economy can be relieved from the prevalent bottlenecks. Therefore and primarily, I am relying upon the power of the Turkish nation.

On the other hand, it is suggested that the feasibility to handle such topics through respective Committees of both the National Assembly and Senate with further competence, and to call me or our Foreign Minister, or the Minister of National Defence, as well as any other Ministers concerned, at any time as and when may be required for handling and debating the subjects jointly. Doubtlessly, there are certain duties which must also be vested with us on this subject.

It is a fact that every subject is being debated in our Group, or our other Party Assemblies, with a clarity and democratic concept that rejoices the RPP and the Turkish Democracy. Discussions of yesterday present a new evidence to that effect. I would like to quote, with your permission,

Our industrialists have been for certain most practical and positive
representations in this respect, and representatives of the confederations
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which we have reciprocally agreed with the last year. Since the
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for determining the minimum wage as I have previously pointed out
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tation of programs for strengthening the economy, the main features
and certain important details of which have already been personally
brought to your attention, shall be continuously checked and followed up
by a board of the Finance Ministry, in which I shall be directly interested.

As regards the achievement in production targets and cost reduction targets,
especially in the export sector, our public sector in particular, we shall
parallelly follow up and control through the investigation which will
be carried out in the dependent undertakings, consistently in the
implementation of the programs for strengthening the economy.
Itself, I am convinced that the Turkish economy can be relieved from the
present bottlenecks. Therefore and primarily, I am relying upon the
power of the Turkish nation.

We believe that this is the right way. We shall later
as I said previously was convinced that the right way is
being followed. However, our contemplation
for a provisional solution in the industrial sector is
not a permanent approach.

In addition to the employment, as well as with the reduction
of unemployment, we shall take measures to ensure
that economically we are able to absorb the labour force
which we have already absorbed in this year. We shall be
able to do this by increasing the number of shifts in the
existing plants, and by expanding the capacity of the
existing plants within the industrial sector.



**A SPEECH BY PREMIER BULENT ECEVIT
ON FOREIGN POLICY
AT THE RPP PARLIAMENTARY GROUP**

JUNE 14th 1979

**THE GOVERNMENT WHICH FOLLOWS
THE CLEAREST FOREIGN POLICY**

Our Esteemed Group Members had, and still have — according to our Bylaw — the feasibilities for demanding a general debate on any given subject matter and, doubtlessly, on the topic of our foreign correlations inter alia, at any time so required, as Esteemed Altan Öymen has likewise briefed. Furthermore, questions on such topics can always be directed to me, as well as to our Foreign Minister. In fact, I have assumed it a duty to yield information, in detail, on every stage of importance in so far as it had generally concerned our foreign relations. Even during my presentation of such information; a debate could have been opened, and the subject matter studied with further detail, by way of directing questions or putting forward view points, as per applicable provisions of the Bylaw.

On the other hand, it is known to you that there is, also, the feasibility to handle such topics through respective Committees of both the National Assembly and Senate with further continuity, and to call me or our Foreign Minister, or the Minister of National Defense, as well as any other Ministers concerned, at any time as and when may be required for handling and debating the subjects jointly. Doubtlessly, there are certain duties which must also be vested with us on this subject.

It is a fact that every subject is being debated in our Group, or our other Party Assemblies, with a clarity and democratic concept that rejoice the RPP and the Turkish democracy. Discussions of yesterday present a new evidence to that effect. I would like to quote, with your permission,



the statement made yesterday by one of my eminent colleagues in the Party: «No topic whatsoever, including the matter of the foreign relations, is a taboo in our Party!» However, the outlines of International correlations and foreign policy, as well as the extent of the sensitivity naturally called for, were pointed out yesterday by Mr. Hasan Esat Işık, my Esteemed colleague who has extensive experience on such topics. The attentiveness which must be practiced both in determining and adhering to the foreign policy on this subject, should doubtlessly be also demonstrated while handling them for debate within the Party. This is due to the fact that the whole World is following with full attentiveness—during this period in particular—the manner how such topics, and even the topics of domestic affairs, are being handled within the organic structure of RPP; and is conducting certain evaluations at its own discretion. I am sure that my colleagues will demonstrate the necessary attention to this requirement, at all times, while proceeding with such debates.

THE GOVERNMENT WHICH FOLLOWS THE CLEAREST FOREIGN POLICY :

Meanwhile, we had a lengthy meeting held at the assembly of General Administration the night before last. It was a meeting in which, Members of the General Administration Assembly, and the Ministers of RPP were participating and, yet, it was not open for the press, nor the press was subsequently released with any information in this respect. Although we had deemed that the release of any announcement or information to the press, in regard to that meeting, would be unnecessary; today I saw a deploring and wrong news item in a paper where I was, reportedly, the source of the statement: «Let the in-Party criticisms be discontinued!» Such a statement has, positively, not been made, nor can ever be made by myself. I have doubtlessly, dwelt on the in-Party integrity, and this is what I always do. I made a remark as to the inappropriateness of impressing others, in a way as though the entirety of our attentions were concentrated on our internal problems; and of giving the impression that we were apparently engaged with our own problems, with far more concern and emphasis than for the depressive problems, foreign problems, and National problems we are being confronted with at present. Otherwise, under no circumstances whatsoever, have or could I made such a statement that the in-Party criticisms must, after all, be discontinued; nor could I even contemplate and wish it for foreign policy topics!

Any party in any given democratic country, where the in-Party democracy and criticism may exceed the dimensions far ahead of those being demonstrated by RPP, can in my opinion be hardly located or thought of. I still think that a foreign policy, far more clearer than the one

being adhered to by this Government, can hardly be followed. Therefore, I am convinced that the rules I have set forth in my writings originated years ago—as my Esteemed colleague Halük Ülman has also reminded here yesterday—and the rule of clarity in our Programme, as well as the rule of clarity in the foreign policy, both of which are far more delicate, have been personally treated with maximum attentiveness to the extent, any individual being responsible for the Government could endeavour; and further, I have assumed that briefing to be punctually released to the Turkish public opinion in most scopeful dimensions was my duty, and I am convinced that such requirements have been duly complied with on my part. In case of any omission, however, I would be grateful to hear the reminding comments of my colleagues at all times. A foreign policy to be conducted with such a clarity, is naturally and inevitably bound to be far more consistent. For, any cases of inconsistency and contradiction that may take place in international relations, as part of the foreign policy being conducted under secrecy, can probably be eluded from the sight of the World public opinion, or of the national public opinion or for some time; but, since the contradictions and inconsistencies involved with such international relations that are handled with considerable clarity, cannot be eluded from the sight of our own public opinion, as well as of the World public opinion, as they would readily be noticed, the obvious and inevitable result of explicitness in the foreign policy, proves to be the consistency. And, this Government attaches maximum importance to this matter, i.e., to the question of consistency, as far as the foreign relations are concerned.

DISPOSITION ENABLING TURKEY TO GAIN RELIANCE:

As a matter fact, we have evidenced during the last year with certain concrete examples, of which the whole World is a witness, that this Government—whatever statement it may make in Ankara regarding the International relations—talks in the same way in Washington, same in Moscow, and same in Bonn too! The manner how our Government talks in the International organizations: it makes fully identical talks, as and when the time comes up, with the countries that fall beyond such organizations.

According to my own observation and belief, it is this disposition which has enabled Turkey to create a reliance—within 1,5 years' period of this Government—to the extent that it can hardly be underestimated. This reliance, in accordance with my personal belief and impression, has been created not solely because of the consistency of our comments made within various Capitals or platforms, but also through the consistency between our statements and disposition which we have demonstrated to the extent of giving confidence to the World.

Likewise, I am of the opinion that our comments made and disposition presented while holding the Government, are definitely in line with the

Programme of our Party, as well as with the Government Programme and, in fact, we have already obtained certain results in the International relations, to which I shall soon refer in sequence, with respective examples. These results, I believe, are verifying the consistency, authenticity and correctness of the principles, rules and directions being incorporated with our Programme in connection with the foreign relations, as well as with the Programme of our Party, and of our Government Programme.

As it is already known; one of the important and basic rules, being incorporated within that Section of our Party Programme which applies to the International relations, is the attentiveness paid and importance attached to the close relations, terms of integrity and solidarity, with the countries located in the region, as well as with the developing countries. This Government has primarily rendered attentiveness in complying with this rule throughout its International relations. In fact, this rule which is explicitly and precisely incorporated in the new Programme of our Party, is a basic rule to which Atatürk, founder of our State and Party, had adhered. That basic rule has been reanimated and reinstated within the term of this Government. As a consequential outcome of this approach; I am glad to be in a position to state that our correlations with the regional countries had never been expanded and reinforced to the extent they have been materialized within this period of 1,5 years.

From among the countries within the region, the only country with which certain unsolved grievances and a noticeable tension still prevail, is Greece. But, even in this particular case, the tension has been reduced to an extent which can hardly be minimized and, in my opinion, a «milieu» has already been extensively built up; whereby steps can be taken in terms of bringing solution to our grievances. Our certain complications with Greece are, naturally, presenting such complexities that, even though not deeply rooted; they have become a psychological problem as far as certain sectors of the Public opinion in Greece are concerned, and immediate solution to these problems can hardly be anticipated with a view to certain sectors of the public opinion in Greece. Nevertheless, the unilateral concrete steps to be taken by one side for the solution of these problems, wouldn't suffice either. The other side should also be ready and willing to take concrete steps in the like manner. Within the framework of these conditions and difficulties, I am of the opinion that, we have already arrived at, or else, considerably approached to a point, or stage; whereby certain steps can be taken for the solution of our outstanding complications.

EMPHASIS IS GIVEN TO THE FOREIGN ECONOMIC QUESTIONS :

While developing our correlations with the the countries of our region within this 1,5 years' period; we have given considerable emphasis to the

foreign economic relations and economic solidarity. We have strong cultural ties, historical ties, and emotional ties with the great majority of the regional countries. As a result of the substantial developments, achieved in our relations with these countries, particularly through the policy that Turkey has recently adopted, and through the policy that this Government has adopted more conscientiously and in a far advanced scale, these ties that run deep into the history, acquire further vividness. As some of our eminent colleagues have rightfully pointed out, the national interest, reciprocal national interest, and national advantage unquestionably bear the topmost importance. There are even times, whereby this stands as the only valid element in the International relations.

However, I am of the opinion that such elements which can be classified as emotional or psychological present importance only up to a certain scale, even to the extent of an ever-increasing importance at our times, and this has to be accepted as it is. For, the effectiveness and importance of public opinion in the international relations, are ever-increasing at our times. Even in many of such countries, where the democratic regime—in the sense being practiced by us—has not yet been digested, the importance of public opinion in the International relations is being greatly enhanced. Likewise, as it may in any case be agreed to by my eminent colleagues, the International relations of the World are being detached, at an ever-increasing scale, from the concept of their manipulation solely through diplomatic relations from State to State. The relations from People to People also contribute to it substantially. Therefore, the strong ground and convenient milieu, being formed up through the historical background that exists between Turkey and some of the regional countries, are extensively facilitating the relations which are based on the balance of our reciprocal National interests. Within the framework of this understanding; we have attached great importance to the economic and commercial relations and solidarity, in particular, with the regional countries and others.

All countries within our region, except for the U.S.S.R., can be regarded as developing countries like our country. Therefore, it is particularly and even necessary to develop our economic cooperation and solidarity with such countries. This is due to the fact that a common interest is being formed up between the developing countries probably at a scale much higher at present than at any other time; and this common interest is growing in universal dimension. Consequently, there is a «milieu» which is particularly convenient for developing our economic cooperation and solidarity with these countries, i.e., the developing countries in our region.

Since the complementary aspects of the economic structures between this country and the U.S.S.R., are highly prominent, we didn't undergo

much difficulty in developing our economic relations. In other words, despite the fact that the Soviet Union has a powerful standing among the developed countries, versus the developing nature of Turkey; the characteristics and differences between the economic structures of the two countries, and the complementary natures of some of these reciprocal elements, are even facilitating our cooperation with that country, i.e., the Soviet Union. I can explain this by giving a far more concrete example. It is known to you that the Soviet Union has given a certain emphasis in their development plans, to the basic industries and heavy industries. And yet, she has treated their industry for consumables under a secondary plan, as a result of a political and economic choice. On the other hand, Turkey has developed the industry of consumables, at a scale which can be said unbalanced, ever since the Second World War onward, i.e., from 1950 onward in particular. Although this unbalanced development in our industries of consumables has appeared to be a serious structural disorder, against the basic industries until such time as our Government has taken over; we have even managed to transform these structural disorders and unbalanced conditions of our economy into a favourable status up to a certain extent, through the new economic relations which we developed with certain countries of the region, as well as with the Soviet Union in particular, during the last 1.5 years. Because, the requirement for importing consumables in the Soviet Union is becoming evident, proportionately with the increase in their feasibilities and trends of consumption. Our feasibilities for meeting, through our own industries of consumables, such ever-increasing demands of the Soviet Union—due to the geographical proximity and in view of the facilities provided for foreign payments—are being continuously expanded. The scope of this expansion is such that certain projects, on which we have recently reached tentative agreement and which are expected to constitute the subject of economic cooperation, partly aim at meeting the consumption demands in the domestic markets of Soviet Union, in a far more progressed scale.

Furthermore, we have still, the most extensive feasibilities for the sale of agricultural products of nearly all kinds, to the Soviet Union. On the other hand, Soviet Union is the plentiful source of many investment goods and by-products that we could buy. In certain areas, we have the feasibility for importing technical know-how from the Soviet Union. For these reasons, our trade and economic relations with the Soviet Union are demonstrating noteworthy enhancements, particularly during the term of our Government, in spite of the difference that prevails between the development levels of the two countries.

Meanwhile, the feasibility for obtaining 3 million ton oil per annum, through the Soviet Union—within the period of ever-intensifying oil crisis throughout the World—has been materialized during the term of

our Government. The commitment for 600 thousand ton out of this quantity has already been made; and we are also in a position to state that this deal also envisages certain payment conveniences for us.

Today, the commitment by any country, and by the Soviet Union among others, for supplying another country with oil to the extent of disregarding their position of importing part of their own requirement, is an authentic evidence of friendship, and a valuable friendly gesture. This, I would like to point out emphatically!

Moreover, a special feature and a conventional feature of our economic relations with the Soviet Union that stem from the first few years of our Republic is this: the Soviet Union has, at all times, expressed her readiness for contributing to the setting up of basic industries, and developing the infra-structures in Turkey. Within the framework of this understanding, we have obtained considerable feasibilities of development in our cooperation with the Union of Soviet, Socialist Republics on the subject of power and irrigation plants, as well as on the subject of basic industries. In fact, we have already commenced negotiations with them for adding up certain new and important projects within the forthcoming months.

Furthermore, during the negotiations we had again, conducted with the Soviet Union, our neighbour, in the beginning of last Summer; the problem of continental shelf between the two countries, was solved without having been confronted with any complication whatsoever; and I am convinced therefore, that this is a most authentic evidence of the milieu for reciprocal reliance which has been formed up between the two countries, in spite of the differences of regime, as well as the separate categories of alliance systems, of which they are the members. While, almost, every country is being compelled to struggle for years in order to solve the continental shelf problem with another; our success in having settled our Black Sea Continental Shelf problem with the Soviet Union; subsequent to the technical negotiations that lasted only few days, as well as in having it also finalized on our trip to Moscow, for the prosecution of respective political processing is an important outcome, in my opinion, as far as the development of our regional relations, and the relations with the Soviet Union are concerned.

IRAQ, LIBYA, IRAN AND THE OIL PROBLEM:

Highly advanced stages have been attained in general, in the developments of our correlations with other regional countries. For example, it would be recalled that by the time this Government was set up, our economic relations with Iraq, a neighbour country, had almost been reached and kept at a standstill for a few months thereafter. The lengthy suspension by the previous Government of the payment for oil received from



Iraq, on condition of immediate cash payment; and its subsequent failure in having timely paid out these accumulated debts, even though they were rescheduled for payment in certain instalments, was the underlying important factor. Consequently, our relations were thus adversely affected with the lack of confidence; which was understandable. However, round about the middle of last year, as you know, we have entered into an era of substantial animation, not only in terms of our economic relations with Iraq, but throughout the entirety of our relations in each and every area, and we have thus achieved extensive developments.

By the time we had taken over the Government, we found ourselves unable to obtain oil from Iraq for months. Furthermore, the pipe-line extending from Iraq to Turkey where it terminates in the Mediterranean, was constructed with substantial expenses, plus the maintenance expenses which had charged Turkey with substantial burdens, had remained idle and intact for quite a long time. We, on the one hand, reinstated the flow of oil from Iraq and, on the other hand, reintroduced the pipe-line into the circuit.

Moreover, it is known to you that during the first few months of this year, Turkey was confronted with difficulty in making foreign payments which had reached unusual dimensions. Apart from this, Turkey was also encountered with the complication of oil importation. This was a period in which oil could be purchased through the free «uncommitted» oil market of the World at extremely high, and increasingly higher floating rates. Nevertheless, our recourse to Iraq made during our tightest period, was accepted and, consequently, Iraq had then agreed to supply and supplied us with oil, without expecting payment for a certain period. And, we are now in a position to state with gratitude and pleasure that we have managed to make the payment to Iraq when it was due, in other words, when the date promised for payment had become mature. So that, we have thus further developed the milieu of reciprocal reliance which we reanimated between the two countries.

Furthermore, we have tentatively decided with Iraq to give emphasis to economic cooperation, and to handle certain projects jointly, to the extent of even setting up tripartite cooperation, in the case of certain countries which are far advanced in technology.

On the other hand, our relations with Libya, our close, friendly country; have undergone a tremendous reanimation subsequent to our taking over the Government. As a matter of fact, during our last visit to Libya, we have also entered into certain agreements of cooperation which, in a sense, would mean that the endeavours for the development of these two friendly and sister countries were to be planned jointly. The more rejoicing point is that, these agreements which were entered into recently, have not remained merely as paper instruments, but many of them have even been put

into action and implementation at this stage. In the meantime, I might as well gladly announce that concrete results are now being obtained through the Cooperation Agreement with Libya, which we had drawn up on the subject of «Defense Industry», during my last visit thereto. Furthermore, we are always being treated favourably by Libya on the question of oil.

On the other hand, while commencing with taking certain steps for improving our correlations with Iran, upheavals of Iran had started, as you know; then the change of regime had occurred in Iran. And, during the prevalence of these upheavals and the change of regime in Iran, Turkey was occasioned to convey the highly persuasive evidence of her good faith that she had maintained for this neighbour and friendly country. According to our own impression, a very satisfactory milieu has been formed up for cooperation and solidarity between Turkey and Iran. You might have already followed on papers, quite recently, that this milieu has now phased over into the evaluation stage—to the extent which can hardly be underestimated—during the trip of our Foreign Minister to Iran. In the meantime, I might as well point out with gratitude that, in spite of the fact that the oil production in Iran has dropped to a scale, creating problem for the whole World; Iran has agreed to supply us with 500 thousand ton crude oil and 200 thousand ton fuel-oil, and a commitment to this effect has already been drawn up. Furthermore, subsequent to the trip taken by our Foreign Minister, addition of another 300 thousand ton for crude oil procurement has also been decided upon. Consequently, we are in a position to state that the crude oil to be purchased from Iran this year, has arrived at such a quantity of 8000 thousand ton, which can hardly be underestimated. In a period whereby the spot purchasing market demonstrates a incessant escalation, the importance of having managed to draw up such types of commitments may, in any case, be appreciated by my eminent colleagues.

RELATIONS WITH OTHER ARABIC, ISLAMIC AND AFRICAN COUNTRIES:

Visible and definitive symptoms of animation, i.e., symptoms of development appear to be prevailing in our relations with the entirety of Arabic and Islamic countries. Our relations with Saudi Arabia have become far more closer and, as you know, Saudi Arabia has agreed to extend a loan to Turkey with convenient terms. We hope that certain new feasibilities might as well be provided thereafter. We have run into close relations with the United Arabic Emirates with which we had no previous relations at all. Here, we had an Embassy set up, and I hope that our ever-increasing relations both with Saudi Arabia, Arabic Emirates, and with Kuwait, will gradually provide extensive feasibilities with a view to the satisfaction of



our requirements for oil, as well as for economic cooperation which, in turn, will build up the outcome and rejoicing proofs and indications of regional cooperation and solidarity.

Furthermore, in our relations with Jordan, a friendly country; as well as in our relations and economic relations with Syria, a neighbour and friendly country, very extensive developments have occurred as I shall soon quote the respective figures. In the meantime, we have run into a period of reanimating our correlations with Algeria, Tunisia and Morocco with which we have strong and close historical, cultural and emotional ties. We have now reached a stage of making concrete progressive onsets in order to further extend the dimensions of our cooperation with these countries in all areas and, particularly, in economic area. Not satisfied: Turkey has for the first time started to come up toward Africa, during the term of this Government. Turkey has, for the first time, run into a period of an extensive exposure to Africa, i.e., to such countries of Africa that fall beyond those of Mediterranean countries, in terms of providing a more efficient support for their salvation movements, and exploring feasibilities for commercial and economic cooperation. In the meantime, our certain technical and commercial teams had visited many of the African countries, and discovered the availability of such feasibilities which can hardly be underestimated. Meanwhile, we have come to such a stage with Nigeria, an oil producing country, whereby large scale economic and trade relations inclusive of oil, can be materialized.

Likewise, in line with our policy that gives emphasis to the relations with regional countries, our trade relations and economic cooperation with Balkan countries and certain Eastern Europe countries, have demonstrated important developments. During this critical period the period of oil crisis throughout the World, we have been substantially favoured by Romania on the supply of fuel-oil and Diesel oil. Furthermore, Bulgaria, a neighbour country, has agreed to supply us with 20 thousand ton gas-oil per month, resultant of our negotiations conducted during the last few weeks; and this was achieved in spite of the fact that Bulgaria is not an oil-producing country.

While materializing these developments through our relations and multi-lateral cooperation with the Socialist countries in Balkan Peninsula, as well as in the Eastern Europe, Soviet Union, Islamic and Arabic countries; we have reciprocally rendered maximum of attentiveness not to prejudice the principle of not interfering, directly or indirectly, with the domestic affairs of each individual country, under any circumstances. And we have thus jointly proved that, as long as this attentiveness is adhered to, the differences of regime or alliances would not impede the cooperation.



FOREIGN MARKETS AND PRODUCTION PROBLEMS:

Furthermore, we have started to take steps, during the last few months to make sure that a new animation is introduced in our relations with the Far East and South East Asiatic countries. As a result of the entirety of such attempts, particularly of the attempts we have made in connection with the regional countries; Turkey has substantially solved the foreign market Problem, within the last one and a half years. Turkey's Success in having substantially overcome her foreign market problem in her own region —particularly in a period whereby the marketing problem throughout the World is gradually becoming to present further complications— can, in my opinion, hardly be underestimated. As a matter of fact, by reason of having substantially developed our correlations with the regional countries, Turkey has managed to increase her export incomes at an increased rate of over 30 %, in spite of the substantial economic bottle-necks of last year.

We have now reached a stage, whereby a market problem can hardly be debated for Turkey, as far as the foreign economic relations and the balance of foreign payments are concerned. This I believe, is a progress and cannot be underrated. Our problem is no longer a market problem but the production. The feasibility for foreign market, to the extent of supplying as many agricultural products and industrial products, at any scale as Turkey would be able to produce, was obtained through our continued attempts of the last one and a half years.

If we may manage to overcome also, part of the bottleneck in production this year, by means of foreign exchange feasibilities and loan feasibilities which we have ultimately secured; I am positively sure that, with the new foreign market feasibilities which we have materialised, we shall be capable of making new onsets in the exports of Turkey.

The rates of exchange which have been recently determined, particularly in multiple exchange system, shall facilitate our larger-scaled exposure to such markets which we have provided in many areas. This approach will substantially enhance our export feasibilities, particularly in the field of industrial products, and in the areas of fresh fruits and vegetables— which did not unfortunately take an important part in our exports so far— as well as our feasibilities for obtaining foreign exchange. Consequently, I am convinced that through the feasibilities resulting from the rates of exchange (i.e., 1 Dollar = TL : 47.10), which we have recently fixed, we shall be able to sell at a large scale, our vegetables and fruits which primarily grow in the Aegean and Mediterranean regions where the season is lengthy, as well as in any other region of Turkey; and some of them are probably the best when compared with the other vegetables and fruits of the World. We have come to a stage, whereby the preparations

necessary for the air shipment of these export ed. As a matter of fact, from last year onward, we have started to obtain a flow of foreign exchange, in an amount which can hardly be underrated, against the export of fresh fruits, and this income is much higher than the ones being obtained through the exportation of our many industrial products. Furthermore, through both the private sector and public sector. While contributing to another are that we rigidly emphasize is to supply engineering and contracting services to regional countries, as well as to African countries, trough both the private sector and public sector. While contributing to the development of such friendly countries, we have succeeded in noteworthy achievements in terms of importing foreign-exchange to Turkey, and creating employment feasibilities for our unemployed citizens. We are now obtaining the outcomes of some of them. We have already come to a point, whereby the result of other attempts shall likewise be obtained within the next few months.

Another achievement which had started within the term of this Government, is the matter of international communication. Once more, throughout her past history, Turkey has become a most important transit country. And yet, she had failed in evaluating adequately the feasibilities of having attained this particular feature. During the last few years, the transit highway between Europe and Middle East was made to divert from its original route toward other directions, artifically.

It was quite bitter to see that a country like Turkey, which presented the layout of a bridge extended between Europe and Middle East, when looked at the map, was unable to evaluate adequately her feasibility to become a transit country, and to have this feasibility lost gradually, during this period in which the international trading capacity has become extensively enhanced. We have proceeded with contacts and cooperation with certain countries on this issue too. As a matter of fact, we have already handled this matter with Bulgaria giving consideration to respective details as we have quite a close, common unification of interest between the two countries, as far as this particular subject matter is concerned. I am glad to be in a position to state even at this stage that Turkey will, in a short time, discontinue her position of being a transit country, in the necessary for the air shipment of these export commodities, i.e., fresh fruits and vegetables, have almost been completed. As a matter of fact, sense of only providing a pasage for highway vehicles from Thrace to Middle East and vice versa. Turkey will also, be in a position to evaluate at a much larger scale, her Black Sea harbours too for reason of being an international transit country. Our negotiations involved with this have also, reached a ta most satisfactory stage.

RELATIONS WITH NON - ALIGNED COUNTRIES, AS WELL AS WITH THE MOVEMENTS OF INDEPENDENCE :

Our convergence with the non - aligned countries, has automatically and naturally run into a trend of healthy development due to this multi-lateral exposure of Turkey. Few of our eminent colleagues have raised a point for criticism that our formal relations with the unbound countries had in the first step, failed to reach the expected target point. It is doubtlessly their right to criticize this point. But they might as well realize that; in fact, the relation with boundless countries has certain limits which cannot be debated in view of its formal aspect.

For, said States as so called, are non-aligned, and yet, we are a member of a bound and alliance. We have naturally made our attempts by bearing in mind such limits; but, in my opinion, this formal aspect of the deal does not bear any major importance. The development of our economic cooperation and solidarity with many of these countries, i.e., with many of such countries which have not adequately developed in general, or which are on their course of development, forms up ever- increasingly strong and healthy reciprocal ties. Our foreign relations, generally, give many of these countries more confidence than ever.

It is known to you that endeavours had been started for building up a new and fair economic system throughout the World. In this exploration, which is referred to as the «North-South Dialogue» and which proceeds extensively within the framework of United Nations, Turkey might have taken an important place. Whereas, until such time as this Government has taken over; Turkey had, in a large scale, merely watched this North-South dialogue, i.e., the dialogue that the developed or developing countries had opened for seeking a new World economic order, without rendering any contribution whatsoever. However, no sooner than our Government has taken over, we have proceeded ahead to see that the weight and effectiveness of Turkey is conceived in this respect. As a matter of fact, Turkey has now become a country whose view is sought, and whose word and idea has deserved weight in the North-South dialogue, as well as in her exploration of a new and fair economic World order. While rendering her own contribution to this exploration; Turkey has presented a typical approach of her own, in a manner which suited with our Party Programme; as well as with the Government Programme. In other words, we had stated : «Before this dialogue can acquire authenticity, and yield concrete and fair outcomes, the developing or under-developed countries must be capable of entering into the process of a close cooperation in the form of regional groups, among themselves; since they may only be able to acquire a certain weight in this dialogue through the power and impetus that they could acquire from there, i.e., from such a cooperation and solidarity.»

Since our attempts on this subject are based on such an approach, they particularly draw an attention throughout the World.

Furthermore; the support we provide for the movements of independence, in a more explicit and authentic manner, is gradually enhancing the prestige of Turkey, throughout the World and among the boundless countries, in particular. A new and noteworthy evidence of the confidence and prestige which we have created on this subject, throughout the World, during the term of this Government is this: as you know, one of the leading movements of independence, which have not yet reached a stage of settlement, and which draw the attention of the whole World, is the Namibia case. As a matter of fact, a Namibia Council has already been formed up for it, within the framework of United Nations. Now during the last few weeks, the duty of representing Namibia Council, within the framework of the United Nations, has been vested with Turkey, i.e., with the Head Representative of Turkey to the United Nations, in the United Nations Conference for Trading and Development (UNCTAD). This, in itself, indicates the extent of the weight Turkey has acquired on this subject, on the North-South dialogue. On the other hand, in connection with the struggle of Palestinian people that bears an aspect of another most important movement of independence and salvation, Turkey has left behind the stage of such behaviours which merely remained in words. Having put forward her understanding and approach on this subject in a much clearer, precise and authentic order: Turkey has now reached a point to state her expectation that the Palestinian Liberation Organization should also establish a bureau in Turkey.

Likewise, with this justifiable and authentic disposition and precedence-giving approach for any or all relations and cooperation, primarily with Islamic and Arabic countries; Turkey is now being favoured, also in Islamic Conferences, with further understanding and support. The resolutions promulgated on the Cyprus issue, during the ultimate Islamic Conferences are the clear indications and evidences in this respect.

SEPARATION OF EMBARGO AND CYPRUS ISSUES:

While developing our relations with the regional countries and boundless countries, in such an extensive way and speed, irrespective of their regime differences and in accordance with our Programme; we didn't neglect the relations with our allies either and, fully on the contrary, important and positive developments were also materialized in this area, during the term of this Government. My eminent colleagues would, in any case, agree that our correlations with these allies were not taken over in a proper order when we took hold of the Government. Fully on the contrary, there were certain countries, our relations with which were quite defective. However, during the term of this Government, these correlations had started

to become better at an ever-enhancing scale. One of the concrete proofs of this improvement is the lifting —within few months after we had taken over the Government— of embargo on defensive materials and equipment, which was imposed by the United States of America upon Turkey to the extent of holding it in force for three years before us.

Few of our eminent colleagues who had talked yesterday, stated that the United States of America has not given up the idea of forming up a junction between the repealment of embargo and the settlement of Cyprus problem; this is true. However, as my colleagues would also agree; to cause the USA give it up is not an easy task for us; nor it is under our exclusive control. It may not even be up to the discretion of American administration either! For, the American foreign policy and domestic policy are intermeshed. This may present misleading aspects and, as already referred to by several colleagues, the continuation of American embargo was not perhaps due exclusively to the influence of respective lobbies. Administrations, might as well, have deliberate reservations of their own too! (This, I am mentioning in terms of a probableness as already referred to by some of our colleagues.) And yet, my colleagues would realistically agree that, even though such a deliberate disposition may not exist, we shall always be confronted with certain complications in our relations with USA, in general, due to the complexity and intermeshed nature of American domestic and foreign policies. During the course of this Government, these problems and complications had been lessened only relatively. Despite the lack of her lobby in the USA, Turkey has reached a standing, whereby she can explain to and can have accepted by American public opinion and Congress, her own problems far better, in a certain scale. On the other hand, the respective text prepared and accepted, while the Decree for lifting the embargo was processed in the Congress, did not prove to be the one that we liked or wanted. In fact, our views in this respect were conveyed to the USA prior and subsequent to the release of the Decree text, with full explicitness in putting forward our anxieties in the latter case; these we had pointed out in line with the same clarity and probably with further explicitness that the statements of our colleagues who had criticized this matter here yesterday.

The important point here, in my opinion, is this: while making such a request through USA, or else saying «You shouldn't mix the embargo business or our bilateral relations with the Cyprus problem», Turkey should have adopted such an approach, herself. Because, if Turkey herself were to set up the same tie, and say: «Since America is setting up this tie, I might as well set that tie too!» Then Turkey's approach could not, in my opinion, present an adequate consistency and authenticity. This I was telling while we were in the opposition stage and, as you know, no objection whatsoever was ever raised from within my Party either. I was saying «If

we come to the Government, we shall break the junction between the subjects, through our own approach and disposition. We shall not accept the two problems tied up in between.»

Nevertheless, we have adopted a disposition that suits with our statement. Many people in Turkey had consequently felt uneasy. Some thought and commented that we acted candidly, and engaged ourselves with an extensively risky approach. Some stated it deliberately, while some others spoke in good faith, for they genuinely felt this anxiety. But the developments that emerged few months later, had indicated that this disposition which was in consistency with our own selves, was also a disposition leading to conclusive outcome.

How did we put this disposition into implementation? We said: «We feel that it is improper to set up a tie between our bilateral relations with America and the Cyprus issue. We are not, in the meantime, setting up any tie between the Cyprus problem and embargo problem. Even if, in your own mind and approach, you still keep setting up this tie, we are breaking it up; and without anticipating any development on the subject of our correlations with America and, without waiting for the repealment of Embargo, we are supporting to take steps in terms of the settlement of Cyprus problem.»

In fact, the question of taking these steps was up with the Cypriot Turkish Community and Cyprus Turkish Federated State, as per their respective authorities. But, naturally, owing to the existence of a very close solidarity, and of the ties of interest between Turkey and the Cypriot Turkish Community; Turkish Federated State, was confronted with a certain complication in taking concrete steps for the solution of Cyprus problem, as long as Turkey would accept the tie between the two elements, i.e., the tie between embargo and Cyprus problem. By breaking this tie, through our own approach angle; we have, in fact, provided the Cypriot Turkish Federated State with an extensive feasibility, freedom and flexibility in putting forward her own good faith and constructiveness. It is only thereafter, that the Cypriot Turkish Federated State, had come up with certain concrete proposals, last year in April, for the settlement of Cyprus problem. As it will be recalled, Esteemed Secretary General Waldheim of United Nations, had referred to these proposals of the Cypriot Turkish Federated State as concrete, substantial and voluminous before the public opinion of the World and prior to the stage whereby the Worldwide campaign lead both by the Cypriot Greeks and all Greeks would reach a point to the extent of demonstrating a certain psychological effect. Consequently, the Cypriot Turks or Turkey did no longer appear like a party that impeded the settlement of the Cyprus problem, and the responsibility for the impediment and delay had thus rested with the Cypriot Greek administration and, to a certain extent, with Greece. And

this positive impression which we had created, in spite of the entirety of struggles rendered throughout the campaign which was conducted by the Greek lobby, Cypriot Greeks and Greece, had continued extensively.

One of our eminent colleagues has interpreted that the disposition, whereby the April proposals set forth by the Cypriot Turkish Federated State was not taken as the basis—in the meeting which was held in Nicosia, some time earlier, with the participation of Denktas, Kyprianu and Esteemed Kurt Weldheim—was a setback. In my opinion, this interpretation is not correct, nor valid. If my colleague would so allow, the reason for this invalidness is this: The Cypriot Turkish Federated State had never commented: «Negotiations must positively be proceeded on the grounds and within the framework of proposals I have presented.» Contrarily, Cypriot Greeks were for a long time stating: «Let the Turks bring in their proposals so that we may talk it over!» Whereupon, the Turkish side said: «Here you are, we have brought in our proposals that you waited for.» Then they immediately added up this: «If you like, we may go ahead with negotiations on these proposals, or else, you may disregard them entirely; then we may sit around the table and discuss the problems.» Therefore the commencement of the first step in the direction of intercommunal negotiations of final stage—not within the framework of the proposals set forth by Cypriot Turks, as announced in April 1978—is not a setback. On the other hand, said proposals had been useful for phasing over the exploration of a solution to the Cyprus issue, into a new trend; and its effects and traces had become evident throughout many areas.

I shall, in due course, refer to this Cyprus problem, as well as to the ultimate agreement of 10 Articles. The important point is that; with our said approach, we have separated the embargo problem from the Cyprus problem, and we have also separated the Turkish-American relations from the Cyprus problem. But, America has not yet extensively succeeded in separating it. However, the responsibility for this omission and for the continuation of that tie shall, in any case, not rest with Turkey. Now, what happened in the end? Certain circles had told us «If you separate the embargo and Cyprus problems, embargo wouldn't be lifted.» But, we managed to have lifted the embargo within several months after having taken over; in spite of the fact that it couldn't be lifted for three years before us. This, in itself, is the proof of the correctness and validity of our approach which was based upon the good faith and consistency.

JOINT DEFENSE FACILITIES:

Pursuant to the lifting of embargo; we allowed to have reinstated the operation of a part of the joint defense facilities for their functioning was suspended due to the imposition of embargo. We allowed it through a transitory agreement, under entirely new conditions, with clauses fully

enhancing and exhilarating the control authority of Turkey on such joint facilities. Besides, we ourselves, unilaterally decided upon these conditions; announced them to the World, and then implemented. United States of America did comply with these conditions.

As you know, in fact, only two facilities —from among others whose activities were suspended —are reopened as the joint facilities; and the others are handed over to Turkey. Furthermore, the conditions we have set forth for these facilities which we allowed them to resume their functioning; the conditions which we have imposed through the unilateral decision of our own Government have also been applied to the Incirlik facility whose activities were not suspended formerly. This was most important. Because, Incirlik— which was not an electronic observation facility— was presenting the feature of an operational facility. We have started to impose, also, upon Incirlik facility, the rules that prominently enhanced the control by Turkey. The most satisfactory outcomes of this approach, in view of Turkey and of the security and peace of the region, had been noted during the upheavals that took place in our region within the last few months. The extent of Turkey's decisiveness in using her right to control these facilities efficiently, was seen through concrete indications and this, in turn, has far more enhanced the reliance attributed to Turkey within our this particular region.

Even at that stage too, we were criticized: «You have allowed these facilities to resume their activities, without even knowing what kind of an aid USA will provide to Turkey; your action is imprudent.» A part of those who had raised such criticism were doubtlessly behaving in good faith. But, I am convinced that we had substantially obtained, within a short time, the result of our consistent behaviour based on good faith.

Nevertheless, it is known to you that the defense and support aid by USA to Turkey was tentatively decided to be doubled up, and the 50 million slice of this aid would be provided as a donation. In other words, American administration has reached a political resolution, and started to defend its resolution effectively in the Congress. As you know, its results are now being obtained through the Congress.

SALT II QUESTION :

I have explained to you explicitly and thoroughly, and also presented to the public opinion the recourse to this country made by USA, in connection with the Salt II Treaty and our response to it.

As you know, we have received requests from the United States of America in this direction. We were advised that for the implementation of Salt II, i.e., Second Treaty concerning the Strategic Arms Limitation; the reciprocal inspection of nuclear weapons was bearing a vital importance, and the planes supplied with certain equipment would have to be

made to fly over Turkey, to make sure that the inspection regarding nuclear tests in the Central Asia is effectively conducted, and we were therefore, requested to grant permission to this effect. Whereupon, we said: «This is not a problem between Turkey and USA. It is a problem between the United States of America and the Soviet Union. You better settle this problem primarily between your own selves. If Turkey is ever expected to make a contribution to the success of Salt II, we should better see that the two super States share the same understanding as the two, Treaty parties, in terms of anticipation of such a contribution, and of the sense and objective of the contribution expected of us, before we may reach a decision.» We did not announce any decision either. I would like to make an emphatic reference to it in order to avoid any misunderstanding and, subsequent to certain statements made by the Justice Party particularly in the Senate, I would also like to reiterate it. We didn't say: «If you reach an agreement with the Soviet Union on this subject, we would allow you to go ahead with such flights.» And yet, we said: «We shall discuss this matter over at our competent committees. We shall talk it over at our National Security Council, and in the Government. If legally required, we shall discuss it in the Parliament. This we will do, irrespective of any legal necessity, for it is an important national issue; we shall debate it with other groups of the Parliament, Party groups, and other groups before reaching any decision.»

I must, in the meantime, explicitly and positively state that by the time we received such a proposal from USA; we were not in a position to know which country from the West would or would not provide any aid to Turkey and, yet, we did not even think of treating this recourse of USA to Turkey —this request directed to Turkey by USA— as a subject for bargaining. We also told our American friends that we would never give any consideration to it at all! «For» we said, «this is not a question that concerns our bilateral relations. This is a question of the World. It is a question that concerns the future of mankind. If you are expecting our contribution to it, we may consider to do so under such a such conditions. And yet, we wouldn't evaluate it as a weight which must be placed in our own tray of the weighing scale, on the subjects of our mutual assistance, economic cooperation and defensive cooperation for they don't concern our bilateral relations; this we cannot even contemplate at all.» We also said: «We want you also to act in the like manner.» and added: «We hope that you will not evaluate it as an element of bargaining in regard to the question of aids to be provided for Turkey, and on the question of aids that may come from the West, or on the question of aids that you would provide for Turkey. We expect that you should not set up any tie between the two.» And, I am in a position to point out with pleasure, that America

has impressed us so far, with the concrete evidences of a behaviour pattern which is in line with our expectation.

My dear colleagues,

Yesterday, some of my speaker colleagues demonstrated repugnancy on our statement made to the effect that: «Soviet Union and the United States of America should reach a common objective and understanding on this question.» Had it been concerned with a problem of any other kind, it could have been faced with repugnancy. But, in fact, the Salt phenomenon is the one which appears once throughout the World history, and in the history of mankind. The two countries which counteract toward each other in many aspects, are reaching an important agreement on the subject of limitation of nuclear arms that threaten the future of mankind; this, they are doing by overstepping even their own allies, and by overstepping —up to a certain scale— at least one sector of their own public opinion. This is a new phenomenon in the World. Consequently, we have thought that it would be proper to adopt a more different attitude than the rules would apply when confronted with the old usual occurrences of the World, and with the attitudes adopted against the old, usual occurrences; I am still attached to my idea in this respect.

Our statement made to the effect that the handling of this prominent question in Turkey for decision, could only be possible after the two super States —being parties to the Salt II Treaty— would come to a unique, common understanding, does not positively implicate any intervention of others in the domestic affairs of Turkey. This is because that we didn't say: «If you come to an agreement in between, we would then have to do it, or we would do it.» We said: «Let's first see whether or not you would come to an agreement; if you reach an agreement we may then decide.» Who is going to decide? We shall decide! As a sovereign State, Turkey will decide. Her own Government will decide; if legally required, her own Grand National Assembly shall decide! Therefore, any situation as though we have invited an intervention on our own sovereignty and powers, is positively out of question.

Another thesis which is being put forward in the speeches delivered in the Senate, for and on behalf of the Justice Party, during the last few days, is also incorrect in its entirety. On this subject, we didn't ask Soviet Union: «What is your view point?» America asked for our comment, and we gave the answer which you knew! What did we do with the Soviet Union? Whatever we have told the Americans, our own public opinion, and the World public opinion, we also told the Soviet Union for information. We didn't say: «What do you think?» We didn't say: «What will your answer be to Americans?» either. We didn't ask such a question. For we believe that, such a question was not up to us to ask! Whether or not America did ever ask it, is unknown to us until this instance. We do not deem

it necessary to enquire through the United States of America : «Did you ask and, if so, what answer did you receive ?» As we do not feel that it is our business to do so. During the comments made by Esteemed Işık, while the question was being discussed as to whether or not an interpellation should be opened, and whether or not it should be included in the agenda items, as well as in his speech delivered yesterday; I had this impression : Esteemed Hasan Işık has used a phrasing as though he doesn't deem our said approach, proper or else he finds it disadvantageous. Whereas, I was unaware of any hesitation that Esteemed Hasan Işık had on this subject; in fact, I attach a great importance to his views, knowledge and experience on such subjects, as well as on the international relations and defense in general. Had it ever come to my attention, I would have known it. For, although Americans' recourse to us on the subject of U-2, and on the subject of inspection flights falls in a period, subsequent to the departure of Esteemed Hasan Esat Işık from the Ministry of National Defense; we also had such a previous development. With an intuition of what might have happened, what could have happened throughout the World —several days after we have come to the Government, round about the first few days of the last new year, upon arrival in Turkey of Mr. Vance, American Minister or State, at our invitation— I have personally brought this problem before the table, in terms of a more extensive framework. I brought this matter after having it debated and consulted with my eminent colleagues, our respective Minister colleagues, Esteemed Foreign Minister, Esteemed Minister of National Defense, and Esteemed Chief of General Staff. And, I have brought it up during the negotiations in which his honourable was also present. We said : «Our impression of the developments on the SALT issue is positive. And yet, if Turkey will be expected to make a contribution to this subject at a later date; it would be proper for you to treat that contribution question along with the new agreement that you would then handle.»

Whereupon, our American friends answered : «We haven't thought of it so far, we better think it over.» And, until such time as the recourse to Turkey was made within the last few months, we received no answer from USA on this subject. For this particular reason, I am stating that, had I known about any hesitation of Esteemed Işık on this subject, I could have found it out even by the beginning of last year.

NATO AND DÉTENTE PERIOD :

Now, from our correlations with the USA, I would like to refer briefly to the NATO subject. As I said, within this period of one and a half years, our Government did not only develop the relations and cooperation of Turkey with the regional countries; but, in the mean time, it extensively

improved and developed the relations with our allies, as well as with the alliance system of which we are a member. Consequently, not only a co-operation was achieved, as based upon reciprocal respect in our correlations with the United States of America which holds a most important and efficient place in the NATO; but the importance of Turkey within NATO became to be referred to in a larger scale. This has been achieved to the extent that economic problems and defense problems of Turkey, had become the immediate items of NATO Agenda, ever since one year approximately. As a matter of fact, it was difficult and even rather impossible for NATO —being an international organization— to seek remedies for our problems directly. But, from the time of high level NATO meeting, held in Washington, last May, onward, as well as from the time of their prior technical activities onward; appearance of the economic problems and defense problems within the first few lines of the agenda items, had indirectly resulted in certain international effects in our favour. Finally, this interest as demonstrated by NATO, in any case, had a considerable indirect influence in its present progression of aid operation for Turkey within the framework of OECD.

While materializing such a progress in our relations with NATO, we gave no concession whatsoever, out of our Government Programme and/or Party Programme. Fully on the contrary, while we were broadening and developing our relations with extra-NATO countries, in line with our programme and in a manner which, I believe, is beneficial to Turkey, as well as to the World; and when we had started to settle our problems within the NATO and commenced with taking corrective steps on the one hand; we did clearly point out our disposition and intents. We said: «From now on, we shall reevaluate our membership in NATO, our contribution to the common security, in a manner to suit within the changed World and region conditions, and to suit with our own, changed economic conditions. While making this reevaluation, we shall bear in mind that the World is no longer dwelling in a cold war era, but in an era of détente and, apart from bearing this in mind, we shall also reevaluate the responsibility and functions which have been charged to us by reason of the geopolitical standing and location of Turkey; and we shall make our own national contribution to this détente.»

These I have told explicitly in the Washington meeting of NATO: «Turkey shall no longer act as a pin-point within the wing region of NATO, of which she is a member. The World has now phased over into the détente process of its blocking, and it has phased over into the détente process in the International relations. While performing the functions that the NATO members have brought to use, we shall also add up our contribution to the détente within our region, and throughout the World.»

In my speech delivered in Strasbourg; I have ultimately and more explicitly pointed out our said approach. This is what I have clearly told

our Western friends : «While you are progressing on your way of détente process; Turkey cannot wait as a boundary watchmen, shouldering the weapons mostly left over from the Second World War and Korean War, and holding in her hand the banner of cold-war years.»

We didn't hide any disposition, we didn't hide any intention of ours. We didn't therefore, contrary to the anxiety felt by some of our colleagues, fall into a difficult situation; and yet, fully on the contrary, we have elevated the prestige and reliability of Turkey. Our powerful standing within NATO, to the extent of being incomparable with the one prevailed one and a half years' ago; and the healthy condition of our relations with the USA in all areas and to the extent of being incomparable with the one that existed one and a half years' ago do constitute, in my opinion, the concrete proofs for it.

While contributing our own part, to the détente throughout the international relations, we have started to change —within our own power and capacity— the nature and framework of this softening «détente» process. For, yesterday, an eminent colleague of mine had said something which is quite right : «This so called détente in the international relations is in fact, a process of détente in the relations between the United States America and Soviet Union. Consequently, it is a détente within the framework of Europe, i.e., the détente of East-West relations within the scale of Europe, to the extent of excluding both Turkey and Middle East too.» This is quite right ! However, through commencing with putting our own contribution to this détente process, we have started to change primarily the framework, and secondly the scope of the détente in this sense. We have also started to clarify our ideas in this direction, concerning certain other steps which have recently been taken. For example, in my speech delivered in the European Council, Strasbourg, I explicitly said : «We are supporting the studies on mutual and balanced reduction in force. We are in support of the studies that provide mutual and balanced reduction of forces (MBRF) and yet, we don't presume they are adequate. Before the mutual and balanced reduction in force can become valid and factual, it should be extended within a larger frame, to the extent of covering the entirety of the two alliance systems of Europe.» These were more or less the wording of ideas we had conveyed.

My dear friends,

While developing our extra-NATO relations on the one hand, and staying in the NATO, saying that we are staying; we are neither falling into any contradiction, nor cheating ourselves or others at all. Many NATO States had started to develop their relations and even cooperation with the socialist countries and Warsaw Pact countries —inter alia— many years earlier than we did. They had started this development in the

technical field, economic field, as well as in the space explorations. They have almost reached at a stage of collaboration in the space, and these studies are concerning the future of mankind, as well as the future of the world.

Some of the Western countries, which had jointly formed up a loan package of over 900 million US Dollars by coming together (disregarding the international institutions and disregarding the aids obtainable through commercial banks) with the contribution of some countries which are not Western, are providing loans to certain individual countries of Warsaw Pact, in limits much higher than this amount. Therefore, none of them are entitled to criticize us and say: «you are playing in dual, you are behaving contradictorily!»

Although there are certain observers and writers that say so, I have seen no occasion of criticism or allusion ever directed to Turkey by any conscientious Western Statesman. Because, the extremity of unjustness in such a criticism or allusion, and the underlying contradiction in it—in view of the disposition so adhered to so far by such States—are certainly known to these conscientious Statesmen. While, during the period of previous Governments and, particularly, within the one and a half years' period, our Government has taken that much step, in terms of developing our economic and technical cooperation with the socialist countries, some of which are the members of Warsaw Pact; we still remain far behind many of the NATO-member Western countries.

EFFECTIVENESS OF TURKEY TO BE USED FOR PEACE :

In the like manner; any criticism to be directed to us for our exposure toward Islamic countries and Arabic countries would also be extremely unjust. I know that there are certain foreign press organs that raise this criticism. In fact, there may even exist certain Statesmen and politicians in the West, who may feel discontented about it, without necessarily disclosing their opinions. However, none of them are entitled to make any comment to us; for, even the level of economic cooperation which we have developed, subsequent to our endeavours of one and a half years, with Islamic countries and Arabic countries—with which we have deep historical and cultural ties—remains far behind that of the economic and technical cooperation which some of the Western States have presently achieved in such countries, resultant of their continued efforts rendered for many years. Consequently, no comments can be made for any contradiction or inconsistency that the Turkish Government or State has ever fallen into; nor any of our Western allies or friendly countries may ever be entitled to direct any criticism or doubt to Turkey.

Don't they ever feel this doubt, even though they may not be entitled to it? They definitely feel. But even when they feel this doubt, I believe that they are well aware of their unjustness. Their feeling of doubtfulness must be normal too! Because, I have been perceptive about something. This I had felt even during our Government of 1974; and I am still feeling it that, certain Western States or circles would rather like to see Turkey isolated from the Middle East, so that they may be free in maintaining their relations with this region. They may give preference to set up separate relations with Turkey, and separate other relations with respective Middle East countries. They may not be willing to see that Turkey attains effectiveness in this region, beyond a certain scale. Subsequent to the 1974 Cyprus event, the view of the World toward Turkey, from West, from East, from North and from South has changed quite a lot my friends! The importance of Turkey in the World is now being evaluated in a much different way. Consequently, the embargo of defensive material and equipment which has been imposed to Turkey for years, is not the only one! Although not named after; economic embargoes have also been imposed. These are the realities of our contemporary era; I do not mention it with an anger aiming at anybody. The extra-region countries, cannot easily take in the importance and effectiveness gained by any country within the region, not only by Turkey, but by any country within this region, in such a critical World and region to which respective powers attach such an extensive importance, and whose interests do conflict there.

We must evaluate this as a reality of our age. In fact, the reason why the solution to the problems of our region is getting more and more difficult—in spite of all attempts—rather than becoming easier; is the keen interest and even the tendency of intervention in our region, being maintained by the extra-region countries. Because the problems of our region are the complex and difficult ones, even if only the countries of the region were confronted with each other. Once the extra-region States are involved with such problems, all of them get mixed up with the deal, along, with their own interests, accounts and problems; whereupon the problems become more and more difficult for settlement. As a matter of fact, the healthiest approach—not only for the region countries, but for the whole world—is the one in which the region countries must seek remedies among themselves, for the settlement of regional problems, and they must have believed in it, I am rejoiced to see, and in order to be more cautious, I better use this term for the time being: I am rejoiced to have the intuition that, the tendency toward perceiving it is growing gradually. This is particularly true for the last few months. After what had all happened in Iran; I am of the opinion that none of the countries within our region can ever protect her own national interests or settle her own problems by way of obtaining the support of extra-region countries, country

or States. This has been perceived. Ever since this perception has been acquired; we have the intuition that an exploration in the region countries, as to whether or not they could make the settlement of their own problems feasible, and a process of thinking, have already been initiated. As from the moment of entrance into this process, all eyes are primarily being beamed toward Turkey. Why? Because Turkey has a certain State experience and she holds the most important position, in terms of geopolitical aspects, within such an important, and critical region of the World.

Furthermore, I believe, it must have already been understood throughout the World that Turkey has, under no circumstances whatsoever, demonstrated any tendency toward the irresponsible use—in the West, in the East, in the North, in the South, as well as in the Middle East—of feasibilities or functionings that her critical and important geopolitical situation had provided. Not only this Government, but also the Turkish nation, is unaffected with such a tendency. This, in itself, is very important. Observation of this point throughout the World is most important. Since, such countries which are situated in such important geopolitical spots, may readily be inspired to exploit their effectiveness. There may be found adventurist Statesmen who, without thinking: «What is my economic power, and defense power?» without thinking: «Is it correct, or incorrect?» may conclude on the assumption: «As long as I am holding such a key point, a point which bears importance in terms of geopolitical aspects, I might as well go ahead with ruling the World!» But, Turkey and the Turkish nation would, under no circumstances whatsoever, be affected with such a tendency of adventurism. As we have pointed out in our Party Programme and Government Programme; we are determined to make conscientious use of the feasibilities that our geopolitical situation provide; not only for our own angle, but also for the World angle, and for the angle of humanity. Even though certain politicians may have different inspiration of use; the State experience that stems from the depth of history, and the Turkish people wouldn't permit it. As a matter of fact, we had certain politicians who were affected with such inspirations. This we had even seen during the Cyprus operation. The subject: «Is it a peace operation, or conquest operation», was openly debated. But, the Turkish nation has disregarded and laughed at the entirety of demagoguery of those who said: «It is a conquest operation.»

Those, i.e., RPP, who said: «No, this has nothing to do with conquest; our contemporary age is not the era for conquest!» has come to the Government once again, in spite of all difficulties, and commenced with fulfilling the requirements expected of them for the settlement of Cyprus problem, with the support of the Turkish public opinion. Nobody should therefore, be panicked to the extent of commenting «Turkey's importance in

the Middle East is apparently ever-increasing; Turkey is becoming further aware of it; other Middle East countries are becoming far more aware of it; therefore, let us hold the hands and arms of Turkey tied up at a certain point; we shouldn't allow Turkey to become more powerful, so that Turkey may not be able to make use of this effectiveness. Turkey will use this effectiveness; but, first of all she will use it for the peace of the region. She will use it by considering the peace and serenity of the World, and the future of mankind.

Foreign policy is a relation of advantage. But, it is not solely a relation of advantage either. Particularly in our contemporary age, it cannot be seen solely as a relation of advantage too. Because, the destiny of a nation or of the whole mankind, is no longer being determined by the correlations of two nations and four nations. Something like a military operation is going on in a far corner of the South-East Asia; its cracking is being overheard in the Balkans. The World is such a World! Our contemporary age is such an age! Therefore, as long as we follow a policy, which would take care of our national interest and the benefit of mankind in a balanced order, same as prescribed in our Programme; and in so far as, and to the extent that we may indicate and prove in our foreign relations—even though it may be a little different from the conventional approach—that we have adopted this approach in principle, the prestige and reliability of Turkey shall be elevated, and it is being elevated.

Therefore, the development of our correlations and cooperation with Arabic and Islamic countries in the Middle East should not entitle others to worry; nor the extra-NATO countries in the Middle East should feel worried for we are maintaining our membership with the NATO. As a matter of fact: many of them are, in my opinion, no longer feeling such a worry. Because, Turkey has already proven her decisiveness not to use her continued NATO membership—which will still be continued—in any manner that may create a problem or anxiety toward her own region: this Government, in particular, has rendered an extensive attentiveness to prove this in its own term. Why should we stay with the NATO? There are a number of reasons for it. However, first of all, we should bear in mind that, the détente process to which we attach and we must attach importance: is being based upon a highly sensitive, delicate balance. The NATO and Warsaw pacts are, in a way, the complementary elements of this most sensitive balance. In my opinion, according to the last War, a prominent difference of the détente period can now be expressed in the following manner: Formerly, the two security systems, i.e., Warsaw Pact and NATO, were opponent to each other in all aspects. Whereas, even if they may still maintain their opponency to a certain extent; they are, on the other hand, becoming the complement of each other at an ever-increasing scale: and the reality of the softening or détente process, is being also improved and elevated, proportionately with

the enhancement of that complementary ratio. Therefore, as we didn't say — while we were in opposition — that we should depart from the NATO; now, while in the Government, we didn't make such a comment either. And yet, some people may say : «While we are clearly stating that no threat has come to Turkey presently and within the last few years; we are, on the other hand, continuing our membership in the NATO. Isn't there any contradiction in between ?» Some may even think : «While a prominent threat isn't being directed from the Soviet Union to Turkey; you are still requesting that embargo be lifted and your allies provide you with aid, so that the defensive power of Turkey should reach at the stage required. Isn't this a contradiction ?» As a matter of fact, these questions had been directed to me, and answered by myself, as already known to you ! The question is still to upkeep the balance required for this détente; and to avoid leaving gaps of force — as a general rule far beyond that — within such a sensitive region of the World. For, if the gap of force may surpass a certain scale; it becomes a vacuum power, to the extent nobody can tell which ones would be drawn into it, and how. Therefore, no contradiction exists between our statement —made to the effect that no threat is recently being directed from the Soviet Union to Turkey— and approach to our allies requesting that they increase the defensive power of Turkey. In fact, after having contemplated the question in their minds, they must have come to the conclusion of nonexistence of such a contradiction that, USA had decided to double up the defensive aid and defensive support aid to Turkey, and our standing within the NATO has now been comparatively far more ameliorated.

PROBLEM OF GREECE IN RETURNING TO MILITARY WING OF NATO :

I would also like to refer briefly, to another question which was given emphasis during the general discussion. The problem of Greece in returning to the Military Wing of NATO. It is known to you that, as Esteemed Hasan İşk has very nicely explained yesterday; Greece withdrew herself from the military wing of the NATO with a justification, evidencing her own contradiction. Until the Turkish Peace Operation in July 1974; Greece used to say : «NATO should not, and cannot interfere with the Cyprus problem.» But, after July 1974, she had withdrawn from the military wing of NATO, stating : «NATO didn't interfere with the Cyprus problem.» Then, after the lifting of embargo that America had imposed upon Turkey, it is natural for Greece now —as so remarked by Esteemed İşk —to have thought : «As long as I had failed in preventing the revocation of embargo, and since the aid to Turkey for defensive materials and equipment, shall somehow be expedited; I should as well, return to the military wing of NATO.» However, the occurrence of this move, simultaneously with her membership in the European

Community, as pointed out by Esteemed Nejat Ölçen, is out of question. Likewise, as remarked by Esteemed Işık, this may also have a simultaneous parallelism with the repealment of embargo and, probably, its said parallelism weighs heavier.

Otherwise, the statement made by Esteemed Ölçen, in terms of its nature, is certainly correct.

Esteemed Karamanlis has a policy which he particularly adheres to for quite a long time. In each area, be it economic area, and military area; he wants to be far more integrated with the West. The statement of honorable Ölçen is true in view of this angle,

Subsequent to the announcement by Greece, of her intention to return to the NATO military wing, this intention was received positively by the entirety of NATO members. This is quite natural too! In fact, we received it positively, likewise. Because, this is a reality that if Turkey or Greece withdraws from the military wing of NATO; then the South-East wing of NATO exhausts its functioning and validity substantially. If NATO bears any meaning — which it undoubtedly does — then, it is quite natural for Greece to stay within the military wing of NATO, same as Turkey. And yet; as already pointed out by Esteemed Işık, Greece wants to reinstate the same feasibilities and conditions that existed before her departure, as a requirement for her return. In other words, since Esteemed Işık has explained it, most authoritatively and in full details, I shouldn't take much of your time. In the past, probably exploiting the disinterest and negligence, or probably the extreme good faith and optimism of Turkey; Greece had tremendously expanded her area of responsibility, throughout the Aegean sky and sea, against Turkey. Then she had interpreted it as though her own area of sovereignty was «ipso facto» expanded; and tried to make Turkey and the World accept it as is! Many people, throughout the World, had unfortunately adopted an understanding which was compatible with its acceptance. Owing to Turkey's disposition in not raising any opposition against this Greek approach for years; this understanding was further expanded. When did Turkey raise her objection against this Greek approach? It was in 1974, when RPP was in the Government; within one month of 1977 when RPP had tried setting up the Government; and finally in the beginning of 1978 when RPP had set up the Government.

Now, what Greece wants is that her areas of command and responsibility should fully be reinstated before she would return to the military wing of NATO. We, on the other hand, say «no» to it! We say «no» primarily, for correcting a former unjustness, an unjust action that Greece had exploited and secondarily, for correcting a judicial error. For, it is now, a proven and no longer debated reality that the areas of responsibility and command which Greece had provided for herself in Aegean, within the framework of

NATO; are, in fact, not being based upon necessary legal rules within NATO either ! This is a kind of «De Facto» situation which had been created through overlooking, overruling, and setting aside the judicial rules. The entirety of other NATO members, including us and excluding Greece; had accepted, even prior to 1974, that this was a «De Facto» situation created without compliance with the judicial rules. They had said that it should be changed; the concept of responsibility and command areas should be set aside, and the 'Tack Force' concept adopted instead, probably by giving consideration to the political difficulties that the determination of new responsibility areas would create, or by deeming it unnecessary. What is this concept of tack force ? Still, in the like manner as has been pointed out by Esteemed Esat İsk, there will be no specific boundaries of responsibility and command area between Turkey and Greece. But, specific powers and responsibilities shall be delegated according to the specific missions. Who will be the delegated party ? Consistent with the nature of subject matter; this will be delegated to Turkey if required; or to Greece if required; or, under certain circumstances, the Joint Nato Headquarters in Naples will probably undertake this responsibility directly. For example, if a fleet is sailing from Mediterranean to Turkey, the responsibility involved with it shall then rest with Turkey; if, a fleet is sailing to Greece, then respective responsibility shall be vested with Greece. A concept of this sort !.. Prior to 1974., this was defended by us when the subject matter was covered under NATO agenda; and all NATO members other than Greece had defended it and wanted to reach a resolution on this subject and, yet, owing to her full membership capacity at that time, Greece had used her veto right and, consequently this concept of tack force could not be put into implementation.

Pursuant to the request made by Greece, for the reinstatement of this «De Facto» situation— which she had created illegally and exploited it in the political area— as the prerequisite for her return to the military wing of NATO; we objected it. While raising our objection, I believe Esteemed İsk would also agree, the justifiable and acceptable behaviour for us was to say «yes» for the tack force concept. As a matter of fact, I would apologetically refer to the period when we —His Eminency as the Minister of Defence, and I as the Premier— had worked together; I had not heard of his objection to this point. We had discussed these points together with the experts many times; and Esteemed İsk had certainly stated that the determination of command areas would turn out to be much better ! But, I do not recollect he had ever raised any objection to Turkey's affirmative comment on the tack force, when a transitory settlement in terms of an interim settlement, had become the topic of argument during the ultimate stage. Had he ever objected; that objection of my esteemed colleague, whose knowledge I have always given credit, then it would absolutely be stored in my mind. During the period in which he was holding offices as the Minister of Nation-

al Defense, our official comments in this respect were announced at specific platforms. At the last stage, Esteemed General Haing, the Commander-in-Chief of the NATO European Allied Forces — whose term of office is soon to terminate — had raised a point, and recommended a transitory settlement both to Turkey and Greece. In this recommended transitory settlement, it was once being pointed out that the previous arrangements were repealed, and would have to be repealed! And, a kind of tact force concept at sea was introduced instead. This was presenting a reconciliatory formula, protecting to a certain scale, Turkey's rightful benefiteering. The recommendation was, doubtlessly, envisaging a reconciliatory approach expected of us too! We did demonstrate that reconciliatory approach; but, Greece had rejected this recommendation of General Haing. Now, no official throughout the World, who knew the subject matter, can say that it is Turkey that impedes Greece on her return to the military wing of NATO. Because, it isn't so, and this has already been authenticated and, while authenticating it, in my opinion Turkey has not given any concession out of her legitimate rights. Certainly, in principle, I would agree — in terms of reasonable and justifiable limits — with what Esteemed Işık had said. Designation of the responsibility and command areas, and determination of respective rules constitute a far more healthier and efficacious settlement. In such a case, the South East wing of NATO would acquire far more functionalism. The other one, incorporates in itself, even a certain uncertainty. And yet, as his eminency has already pointed out, it is doubtlessly a far more favourable settlement for us.

Compared with the previous arrangement of command and responsibility areas; it is a much more justifiable and correct settlement, a settlement which envisages specific advantages, specific virtues in itself. As a matter of fact, it is a settlement which was agreed to, even before 1974, by all NATO members except for Greece. My eminent colleague would, in any case accept that our insistence upon a different solution at this stage, would hardly make us very tough during the negotiations involved with this subject.

As a conclusive settlement, the view point of my eminent colleague bears a substantial weight. In fact, that expectation too, wouldn't be realistic! Presentation of the arrangement for Aegean to govern an area of responsibility in Aegean, to the extent of being equally satisfactory for either country is difficult, to the extent impossible; unless the outstanding bilateral problems between Turkey and Greece, and the basic problems in regard to Aegean which are no concern of NATO, are settled. If we insist in it, if either of the two parties insist in it; then, not only the problem of Greece's return to the military wing of NATO, but our bilateral Aegean problems with Greece would, likewise become far more complicated. We have, under no circumstances whatsoever, stated that we should primarily settle our Aegean problems with Greece, and then discuss Greece's return to the mili-

tary wing of NATO. But, instead, we stated that we wouldn't be consented to Greece's return to the military wing, with an arrangement which would tie-up our hands in the settlement of Aegean problems, and bring permanency and legality to the «fait accompli» cases which Greece had been creating in Aegean on all occasions; and my esteemed colleague Işık, might as well rest assured that we shall definitely keep saying it.

CYPRUS PROBLEM :

Now, I would like to elucidate one particular point about Varosha (Famagustra) in Cyprus. An eminent colleague, on the other hand, has reminded that, during the last few days of our one month's trial period of June-July, 1977 in setting up the Government, we had decided to set up a hotel-keeping school in Varosha region — where no habitants were then settled — and to cooperate with the Cypriot Turks; my colleague has indicated and interpreted that our acceptance of the negotiability of Varosha between the Turkish and Greek communities in Cyprus — now, after we had set up the Government — was as though a contradiction and concession ! Every colleague may doubtlessly make his own interpretation; but, in my opinion and in the opinion of Government, there is no such a contradiction. Why ? After we had departed from the Government by end of 1974, Varosha was as you know, kept uninhabited for three years. Nobody was made to settle in this area which constitutes our subject matter. Unfortunately, the conviction: «Turks have discarded Varosha; Turks don't consider that Cypriot Turks are entitled to it; they don't even consider themselves entitled to enter there!» has been made to settle not only in the minds of Cypriot Greeks, but also in the mind of whole World. If, under that impression, intercommunal negotiations were recommenced, even if the Turkish side were to bring the Varosha question into the agenda, Cypriot Greeks could have stated : «We cannot discuss Varosha here, we claim our entitlement to it, in any case !»

What we had done with that step, with that typical, symbolic step which we took in 1977 ? We meant to have said : «This impression is wrong; with its uninhabited suburb too, Varosha is within the responsibility and jurisdiction of the Cypriot Turkish Federated State; and in fact, we are opening there an hotel-keeping school.» On the grounds of the feasibility which we had consequently provided; the way for the inclusion of Varosha, among the agenda items which could have been handled during the intercommunal negotiations in 1978, would be opened.

Now, you know, there is a document of 10 Articles which was mutually agreed to by and between Esteemed Denктаş and Kyprianu during the negotiations, conducted in Nicosia with the participation of Esteemed Waldheim too ! On the grounds of the drive and acceleration obtained through

this document; the intercommunal negotiations will, hopefully, recommence very shortly. Here, the explication earmarked, in regard to the priority which would be assigned to the Varosha problem, within the integrity of those 10 articles, as well as within the integrity of intercommunal negotiations, is correct. But, this is not a retreatment of one step, nor any concession. In his announcement of July, 1978; Esteemed Denktas, President of the Cyprus Turkish Federated State, had proclaimed to the whole World that the Turkish side would look at it as a feasibility. This, in fact, is not a concession in my opinion. Finally, the problem of territory will also be negotiated between the Cypriot Turkish community, Cypriot Turkish and Greek communities. One of the areas which can be handled as an important element of territory problem, is Varosha and, if the negotiations may commence in good faith, this could be assigned a priority as previously explained. A different outcome of this — which we didn't plan and we couldn't think of at the time, nor could it probably be ever given thought of also by Esteemed Denktas I presume — had emerged. In Kyprianu's ultimate consent to recommence the intercommunal negotiations, after having had repeatedly stated his disagreement with recommencing the intercommunal negotiations during the series of sessions he has had with Esteemed Denktas the announcement made and the gesture of good faith, demonstrated by Esteemed Denktas in Connection with Varosha, must have been substantially effective, I presume. For, the tendency of Cypriot Greek community, in itself, to recommence the negotiations has increased due to this reason. This is a reality which is known throughout the World.

As I have already stated, Varosha may be given a certain priority during the negotiations; but, this would never mean that the problem can be isolated from its integral complement. A reference to the omission of federation principle in the said 10 Articles, has already been made by a colleague; this isn't correct either. Because, right in the beginning, that is, in the Second Article immediately following the First Article which provides: «Intercommunal negotiations shall commence on June 15», and even before the United Nations' Resolutions; Denktas-Makarios Agreement of Principles are being referred to with statements of adherence thereto. As it will, in any case, be remembered by my eminent colleague who has expressed his anxiety; even in the Denktas-Makarios Agreement of Principles, which is a very positive improvement for it has clearly and explicitly stated that the final settlement in Cyprus would be achieved through the Federated State solution. Not only the federal solution, but this would be a bicomunal Federated State and, even though not earmarked with any specific name, reading of respective Articles would clearly evidence that the Federated State also, accepted to take that Agreement of Principles as the basis for State would have two zones; and since Kyprianu administration has now, recommencement of intercommunal negotiations, this means that the

solution of independent, nonaligned, bicomunal and bizonal Federated Cyprus State is being readily accepted along with the commencement of negotiations. This means but nothing else!

And yet, is the Cypriot Greek side serious in taking this matter up with sincerity, or not? Whether or not they will digest some of the natural consequences of having taken it up seriously, will be evidenced during the negotiations!

I would like to correct a misunderstanding. During the delivery of a speech by one of our eminent colleagues, reference was made to an action that I had taken for a quadripartite negotiation. In other words, I was attributed to have stated: «Karamanlis, myself, Kyprianu, and Denktas should sit together and talk this matter over among ourselves!» No action of this sort was ever taken on my part. The question is that some of my eminent colleagues might have, probably, not known certain details. As you know, last year, Kyprianu persistently stated for quite a long time: «I wouldn't talk the Cyprus problem with Denktas but Ecevit as the Premier of Turkey.» He, furthermore, added up certain justifications to it. «I wouldn't talk with Denktas, for Denktas doesn't represent the Turkish community; Turkish community doesn't accept his leadership. I would only talk with Premier Ecevit of Turkey, because Turkey is an occupation State in Cyprus.» I, in turn said: «Basically, I cannot discuss the Cyprus problem with Esteemed Kyprianu; I cannot be his counterpart; this is a problem which is to be settled through intercommunal negotiations. This is the requirement of the resolutions of United Nations too, I could have come together with him, not for seeking a solution to the Cyprus problem; but, after the justifications he has set forth, even this isn't possible. As long as he doesn't accept Denktas as the actual leader of the Turkish community, and in so far as he considers me as the Premier of an occupation State, It is infeasible for me to accept his request for discussion.» Insistence, and further insistence followed; then I said: «I may sit together on one condition; if a quadripartite meeting is arranged, a quadripartite meeting with the participation of myself, Karamanlis, Denktas and Kyprianu, we may then come together and talk: if we could in any way contribute to achieve in a settlement, we may think this matter over unofficially; but the actual place of solution is the table of intercommunal negotiations in Cyprus.» Pursuant to my statement: «I may, but only be agreeable to meet him if four of us would come together», I presume, Esteemed Karamanlis had taken action in that direction, but failed to obtain any result; Esteemed Waldheim had taken action but failed and, in the end, Esteemed Kyprianu -- as you know -- had eventually accepted to recommence the intercommunal negotiations around a table where Esteemed Denktas was to sit as his counterpart. This, I presume, is an unquestionably positive development.

Whether or not the outcome will be positive can, of course, hardly be predicted at this stage; but the extent of the progress so far reached is a unique development of its own. Doubtlessly, the two communities shall settle the Cyprus problem between themselves. They will settle it with full authority, between themselves. But I would like to answer an anxiety or criticism of an eminent colleague of mine. I am of the opinion that Turkey cannot imitate the same tactic of Greece that presents impertinency on the Cyprus problem, and I am also of the opinion that Turkey's imitation or of the absorption of the same tactic wouldn't be right for Turkey either. Why? Because, we are the one, and not Greece, nor the Cypriot Greeks, that defend Turkey's title of guarantorship concerned with Cyprus. I do not know the view of Greece clearly, but the Cyprus Greek administration is openly opposing this guarantorship as far as I know. Whereas we, with the title of being a Guarantor State, had sent there our military troops, during the Cyprus peace operation, and we are convinced that we still hold our title of Guarantor State. Consequently, there are certain functionings, certain responsibilities that this Guarantor State entity—the Guarantor State entity which is based on international agreements—entusts us in connection with the Cyprus problem, and the Turkish soldier is in Cyprus by reason of our such responsibilities. Therefore, we are of the opinion that the behaviour pattern: «Cyprus is no concern of mine» adopted by Greece in terms of a tactic, cannot be adhered to by us, for such an adherence wouldn't be proper otherwise. Nevertheless, and as it has been clearly seen, the international relations of Turkey for the lengthy, forthcoming years, cannot be considered as a matter, fully isolated from the Cyprus problem even if we may deem it otherwise;; and we are obligated to evaluate —be it up to a certain scale— Turkey's interest and the settlement of Cyprus problem in a rightful order, in view of their interrelation. As a matter of fact, I would like to point out with gratitude that primarily, Esteemed Denktaş, the Cyprus Turkish Federated State, and the Cyprus Turkish community do share this understanding and, while using her exclusive powers, the Cyprus Turkish Federated State also demonstrates conscientious behaviour within the scope of this understanding.

RELATIONS WITH THE EUROPEAN ECONOMIC COMMUNITY :

I shall now refer briefly to our relations with the European Economic Community. In fact, as already pointed out by Esteemed Ölçen, certain few mistakes had been, formerly made in instituting and regulating the relations of Turkey with the European Economic Community. Esteemed Ölçen, my colleague gave, only two examples for it. If sought, lot more examples might as well be found. Particularly in the stage of implementation, far more outstanding examples can be found.

Apart from us and from certain other leftist circles; it is only within the last few years that these mistakes and their consequential, adverse outcomes had been noted in Turkey. But, by the time this was noticed, nothing could be done during the period of front governments, no action whatsoever could be taken at all. Because, due to their own internal disorders, the front governments could not even formulate any proposal for the settlement of problems between the European Economic Community and Turkey; but they were waiting for such proposals to come from the Community, and this was incredible.

As you know, while we were conducting our negotiations with the Committee of European Economic Cooperation in Brussels, last May; we had put forward our concrete proposals with respective general features. These proposals were received most favourably at the Committee level, and they said: «Let's go ahead with the negotiations immediately, and settle these problems this year.» They said so in belief and in a substantial good faith, of which I have no doubt at all. But, toward the end of year, our negotiations with the Community had plunged into a deadlock, at least for the time being. Why? Because, by the time the problem had to be taken at the States level, political level, certain predictable complications had started to emerge, probably far beyond the scale already forecast. As it is very well known to my colleagues, involved with the Common Market; each member country in the Common Market gives excessive emphasis to her own national problems and runs meticulously into their very minute calculations; in other words, gets lost throughout the details, to the extent of failing to see even a massive forest right in front of their eyes. Now, within the last few months, this tendency has become even further prominent. Formerly, each State was rather tending to think of her own, small national interests within a scale of extremity. Whereas now, even the problems of specific localities and towns within each country, are bearing importance. Because, members of parliament to the European Economic Community are now being elected directly. They are coming by obtaining the vote of elector within a town where the textiles plant is located in England; or of the elector within a willage that produces eggs in Franse. Under such circumstances, not only the calculations of national interests, but also the calculations of local interests, have gradually acquired an ever-growing priority, as compared with such calculations of interest that concern the entirety and future of the European Economic Community. This process has been going on even before the elections. Our eminent group members, who are the members of Mixed Committee, would recall that formerly, while Turkey was treated with the lack of understanding at the level of Member States; in the case of Mixed Parliament Committee level, such members who were coming from the European Economic Community, used to support our justifiable issues. I have received information from my colleagues, concerning the meeting



which was ultimately held in Ankara. On that occasion, I told them : «I hope that, against the negative attitude officially adopted by the European Economic Community, the Parliament Members of those countries must have had supported us same as before !» Then my colleagues answered : «No, this time it wasn't so !» Whereupon, on my enquiry through some of the members who had come from West : «Why didn't it occur so this time ?» With an explicit statement, typical of the politicians of democratic countries, they commented : «Excuse us, things have changed; we shall now get our vote directly from the elector and come back; we can no longer talk as comfortably as used to be in the past.» This is again, a reality of our contemporary age, whether or not we may like it !

Now, under these conditions, Greece is becoming a full member; and we, let's put aside the full membership, are not even at a stage whereby we may make such a request. In fact, this is to the extent that, we being a participating member, are not even being given the feasibility to settle some of our most rightful problems.

Now, seeing it clearly; I would like to state clearly that our relations with the European Economic Community could be settled with far more difficulty than the settlement of our problems with certain other international organizations, of which we are a member. The stage presently reached is so ! Turkey is not responsible for it. However, I positively believe that we need not to worry nor to be panicstricken in this respect. This I still believe, even after Greece has become a member ! Why do I believe ? Because, had we intendede to maintain the old unbalanced, unilaterally dimensioned, and biased condition of our foreign economic relations; then our relations as not having been tied up properly with the European Economic Community, could create certain crucial problems for Turkey. But, happily, this is not the case and I have no worry. For, during the term of this Government, Turkey has already run into an era of balance with multi-elements in her international relations, in compliance with the Republican People's Party Programme, and she has already started to take concrete steps in this direction. I would like to give certain quantitative records of it my eminent colleagues : in 1977, while the volume of our trade relations with OECD countries, namely, Western countries in general, in terms of exports to and imports from, covering the European Economic Community too, was % 68.90 of our total foreign trade; in 1978, this rate has dropped to % 62.42.

Against this presentation, however; while the proportion of our exports to and imports from countries on free-exchange based agreements (Islamic countries, Arabic countries inclusive), as compared with our total foreign trade, was % 28.91 in 1977, this has been increased to % 35.02 in 1978.

This means that a noteworthy evolution is taking place within the composition of our foreign trade relations. When we look at the change in our foreign trade relations, by countries, we can even see certain, far more

interesting and concrete examples too. For instance, in 1978, while our relations with most of the Western countries were remaining either at a standstill or demonstrating a setback; let's see what is happening in our exports to certain countries as of last year ! Our exports to Iraq has increased by % 40 which is rather achieved as from last September onward. Until that time, our trade relations were at a stand still. Our exports to Libya have been increased by % 258 as of last year. Increase in our exportation to Romania is % 189. Exportation to the Union of Soviet Socialist Republics has increased by % 30.8. Although we have not yet been able to conduct extensive negotiations with Syria; our exports to Syria have demonstrated an increase of % 100. Our exports to Tunisia have increased by % 129. Exports to Jordan have indicated an increase of % 96. Exports to Yugoslavia have demonstrated an increase by % 30.5. The increase in our exportation to Poland is % 100 and today, if I am not mistaken, the balance of foreign trade with certain Eastern Europe countries, inclusive of Poland and Hungary, has now been distorted in our favour; that means, we have managed to sell more than we had imported through such countries.

Therefore, my eminent colleagues, we are undoubtedly bearing in mind the final objective of our relations with the European Economic Community, as far as we can: and yet, if the situation isn't improving to the extent we have been rendering endeavours in good faith, we shouldn't worry too much. Because, these figures are clearly indicating that, in line with our Programme, our foreign economic relations have started to be based upon a multi-elemented, healthy balance.

Nevertheless, according to my own conviction, with the power to be received from the European Economic Community, we cannot achieve the power required. We shall primarily find the way for obtaining this power: and attain a standing to the extent of almost running into competition: whereupon, our relations with the European Economic Community can be elevated to a healthy level. If we cannot obtain this power through the European Economic Community: we shall of course seek and find it wherever available — but, on condition of being watchful within the limits of a certain balance — and our success in having found it, has already been evidenced in the figures I have already quoted.

In any case, our relations with that European Economic Community — where an unmerciful economic racing and competition prevail in spite of the entirety of ideals — can only become comfortable to the extent we may strengthen our national economy throughout the World.

OECD, IMF AND ECONOMIC AID :

The results ultimately reached and the aid obtained, within the limits of OECD, the Economic Cooperation and Development Organization, were

not deemed necessary for mentioning during the discussions conducted yesterday; but, I believe that is a success of this Government, and this can hardly be underestimated. Such a substantial aid operation has never been materialized for any State throughout the World, within the framework of that OECD organization. This is an important aid operation, in view of the loans obtained; in view of the amount of loans; as well as their types or conditions; inclusive of the postponement of outstanding debts.

Esteemed Sevil Korum, has expressed a rightful concern, stating : «For the operation of aid package, agreements shall be entered into with each and every State; and this would take months; whereas, our Central Bank cannot endure to wait for months.» But, as I have previously pointed out during my initial announcement, according to the promise made us, an aid to meet our immediate requirements shall be provided, prior to the signing of agreements one by one. This is technically termed as the bridge aid. An aid bridge shall be set up before the agreements will be entered into. We are in anticipation of its concrete outcomes during the forthcoming days.

The agreement we have now entered into with the International Monetary Fund, is differing from the one which was drawn up last year. Last year, an agreement was reached with the International Monetary Fund, without having secured adequately the flow of foreign-exchange, and flow of loan to Turkey. On the grounds of the bitter experience acquired through that example; this time, we had behaved differently, insisting that both should be materialized simultaneously, and it did occur simultaneously. It occurred at the identical place and at the same time ! In other words, while the principles of agreement were discussed with IMF, and a mutual understanding was reached thereon:: negotiations in the OECD were finalized at the same time and in the very same town and, I am convinced that the respective States, which had undertaken such definitive and firm commitments, before the public opinion of the World, could no longer withdraw their words.

Esteemed Ünsal who said : «In the past, we were not commenting that the International Monetary Fund (IMF), was a reality of our contemporary age; and now in so saying, we are falling into a contradiction !», has put forward a contradiction in his statement. If my eminent colleague would kindly forgive me, this is not my contradiction, and not the contradiction of Republican People's Party and Government either:: but it is only the contradiction of Esteemed Ünsal. Because, in fact, without obtaining authority from the Party, and disregarding the speeches I had made or delivered before the public opinion, as the Leader of Major Opposition Party at the time: Esteemed Ünsal has spoken whatever he had in mind against the International Monetary Fund, in line with his own beliefs. We, as the Government, are saying: «It is a reality of our contemporary age.» I have no contradiction here, for while in opposition, I was criticising the International Monetary

Fund on certain subjects on the one hand; I was, on the other hand, stating : «It is a reality of our contemporary age, and must therefore be doubtlessly given consideration.» If Esteemed Ünsal would kindly forgive me, he has a mistake too. He said : The establishment which is called International Monetary Fund, is a means and institution of capitalist 'world'.» Functionwise, it may probably give such an impression, and my colleague might have deliberately stated it in this sense. But this term of «institution», which Esteemed Ünsal has attributed to the International Monetary Fund, is fully contradictory to the reality. I shall now enumerate in an alphabetical order, the names of certain member countries of International Monetary Fund, none of which can be called «capitalist» : Afghanistan, with her present regime a member of International Monetary Fund; Cambodia, with her previous (Pol Pot) regime, in spite of being closed almost to each individual country in the World, had become a member of International Monetary Fund. Libya, a member of International Monetary Fund; Romania a member; Viet-Nam a member; Democratic People's Republic of Yemen a member; Yugoslavia another member. It is becoming redundant to add any more I presume. As a matter of fact, regardless of respective regimes and systems in general, many of the rich oil-producing Islamic and Arabic countries too, when asked for a loan, wouldn't say it openly for courtesy, but would still make it understood through all of their appearances, that they follow IMF through the corners of their eyes. They just watch, to see whether the IMF is switching on green light, red light or yellow light. This is natural too. Because, the International Monetary Fund is a kind of security institution in the opinion of both the States and banks. Any State or bank expected to provide a loan, would look at IMF in order to get rid of the doubt : «whether or not the Borrower State may ever run into a position of insolvency?» This is a reality of our contemporary age, whether or not we may like it !!

In our relations with the International Monetary Fund, we had borne in mind this reality of the World, and demonstrated the necessary understanding to this institution of which we are a member; and yet, on the other hand, we had openly defended our own views before the World public opinion for months. In other words, we had stated that unless the provision of an adequate loan is secured for us, we wouldn't make any definitive change at the rate of exchange. We stated: «In reaching an agreement with International Monetary Fund, not only the financial and economic problems, but also difficulties, social and even political conditions, characteristics and difficulties of the agreement countries must be duly taken into consideration.» Did we or didn't we get any result? Within last March, International Monetary Fund had declared its new policies throughout the World, in line with the principles which we had defended for months. In these principles of policies, the elements on which we had dwelt for months, were underlying. We had then found the opportunity to enter into a new agreement with

International Monetary Fund; and the declaration of letters of intent, and particularly of the letters of intent signed with the International Monetary Fund, is not so much customary throughout the World; and this does not also suit with the conveniences of respective Governments in general; but, we are in a position to announce firmly to our own public opinion, that the letter of intent is about to be signed today or tomorrow, subsequent to its study and acceptance by the Board of Directors of International Monetary Fund. If required, the letter of intent signed by the Justice Party Government in 1970 can firmly be presented next to and along with the letter of intent which our own Government has signed this year.

Papers are naturally, releasing incomplete, unauthentic and/or incorrect news items. The reality, in connection with the multiple rate of exchange is this my esteemed colleagues: Same as last year; we had primarily taken one step forward in line with the programme without consulting anybody, without receiving advice from anybody, for strengthening the economy. Within a period of two months, we had experimented a multiple rate of exchange system. Owing to its experimental nature, the system was unbalanced in itself. We had applied this experiment at the cost of introducing a burden of 16.5 billion TL in the budget for a period of two months; and we saw that in the case of workers' foreign exchange and of certain products at least for a certain period, it would be a realistic approach to calculate it on the basis of US\$ 1 = TL 47.10 subject to a decrease, consistent with a potential improvement in our economy at a later date. This conclusion was reached by us. And, consequently, Tahtakale was knocked down on that experiment. We have eliminated the black market on foreign exchange, and managed a net amount of 316 million Dollars to flow in the Central Bank within one and a half months. The workers' foreign-exchange inputs, within arrived at a level of 10 million, 20 million, 26 million US Dollars per day has, subsequent to the expiration of this trial period, dropped down to 200 thousand US Dollars a day. Consequently, we have decided to apply a rate of exchange, not requested by IMF, but tried out and proven to be realistic by ourselves. And yet while doing it, we set up a balance in itself, for we would be unable to provide an incessant financing through the budget on basis of an unbalanced, multiple rate of exchange system. We decided to apply the exchange rate of TL 47.10 or 35 not only to the workers' foreign currencies, but also to certain imports and exports too, and we decided it here ourselves.

One of our colleagues said: «As long as this agreement was eventually to be concluded, why wasn't it drawn up last year?» Last year, an agreement under these conditions couldn't be drawn up, and were it ever drawn up, there would be no guarantee whatsoever as to the flow of adequate foreign-exchange to Turkey. This guarantee could only be provided quite recently.

(*) A place where black market transactions were dealt with.

SUCCESS IN OUR ECONOMIC COMMITMENTS :

While our operations, negotiations and exploration for a more efficient cooperation with International Monetary Fund, Economic Cooperation and Development Organization, European Economic Community, and with the West in general, were continued and delays encountered until the point, preceding the last stage in this direction was reached; if Turkey had not undergone a full dereliction and helplessness; and if, despite a Central Bank treasury which we had taken over without 70 cents in it, we had even managed to prevent Turkey from suffering the lack of petroleum, grease, fertilizers and medicaments, there must be a reason for it ! Last year, immediately after having taken over the Government, we initiated the foreign relations on the basis of balance with multi-elements, surpassed the familiarized rules and traditions, and deeply stemmed bureaucratic impediments, and gave a substantial acceleration to exports. This was the way we had coped with the ordeal of last year. This year, if we had suffered certain shortages of supply, this isn't because of the inoperativeness of the policy we had adopted last year. This is because of the much too far increased dimensions of the economic crisis that prevails throughout the World this year. On Wednesday, we shall refer to these topics separately. I have an issue of an English paper of last Sunday. England is a country which had hit oil at her seas. She is a highly developed, industrialized country from which we ask and receive aid. It appears that they have also restricted their oil: the ambulance vehicles of the British Ministry of Health are being compelled to purchase through black market, an equal quantity of their officially allocated quota, at the price which is twice as much higher. Ambulance car in England is buying gasoline at a twice as much higher price for life saving. Another paragraph of the same news item : In a small fishing town, 70 fishing boats cannot sail due to lack of Diesel oil. And yet, another paragraph : a large touristic city which used to obtain an income of 200 million pounds annually, is now suffering the emptiness of all hotel rooms for nobody can drive to that beach town. The World is stuck into such a milieu and, on the other hand, Turkey has been compelled to make installment payment of 560 million US Dollars in four months. Under such circumstances, the confrontation with certain shortages in Turkey for some time couldn't be avoided. But, thankfully, we have now come to a stage of overcoming these shortages. If, today, the queues of tube-gas are still being observed sporadically, this is not due to the shortage of tube-gas supplied to the market in Turkey; we are now supplying it in quantities much higher than those of last year's. But, panicky has once infiltrated through, as though it may be cut down, or cannot be supplied at all ! Many people are buying it in quantities much

higher than their actual requirements; you are aware of the fires that occur at places where Diesel oil is stored.

Now, in spite of this and the entirety of scarcities, and despite the extent of so much outstanding debt, and lack of foreign-exchange; if we had ever managed to hold the Turkish economy «standing» up to a certain scale, and to enhance the weight and importance of Turkey in the World, as well as in our respective area at such a stage in which our economy has undergone and suffered such a crisis; we may comfortably state, I presume, that a foreign policy and a foreign economic relations policy, which had yielded this outcome can hardly be regarded as unsuccessful!

In fact, it is by reason of our foreign economic relations, based on the balance with multi-elements, that today we are one of the most comfortable countries in view of oil imports, whereby we can get the oil on commitments even though we may sometime be unable to make pre-payments in cash. We have, as yet; a commitment deficit of about one and a half or probably one million ton. Only one million ton, out of our 18 million ton requirement approximately, is outstanding without commitment, and we are about to finalize this commitment too; because there are countries with which we are negotiating and our negotiations with such countries are presenting hopeful prospects. Whereas, many rich countries throughout the World are being compelled to buy their oil requirements through the uncommitted oil market at a price twice as much as that of OPEC's.

We have paid attention in adhering to our principle of the inseparability of defense and foreign relations, economy aspects, as far as the feasibilities had so justified. As my colleagues expect, we have never given up of setting our own national security. But, this is an activity, the details of which must be prepared with maximum of attention and — during the period in which an economic crisis has reached its present dimensions — these details can only be prepared with painstaking efforts. Within the period of present economic crisis, some of the details may probably stay as paper work. Therefore, while we are exploring new feasibilities for our foreign relations and defense industry on the one hand; and trying hard to move our economy out of the present crisis, we are, on the other hand, continuing our studies on this subject.

TURKEY HAS BECOME A COUNTRY WHOSE FRIENDSHIP IS BEING SOUGHT:

My esteemed colleagues, I have kept most of your time. In short, the information I have delivered so far, and the developments which are known to us all, would indicate,

I presume, that Turkey has taken much more, advanced steps in her own region, within our one and a half years' Government period, in terms of becoming a Turkey, whose word can be relied upon, and whose friendship is being sought. In spite of the heaviest economic crisis of her Republic, as being presently experienced; Turkey has become a country whose weight and importance throughout the World are getting enhanced. Within the most complicated period of her region, Turkey has reached a point where she feels most comfortable and secure in this region, during the period of our Government. Still within this period; Turkey has saved her foreign political relations and foreign economic relations from an unbalanced unidimensional condition. Since I have observed the irrelevant concern of some of my colleagues as to whether or not this policy, which is based on a balance with multi-elements, would create any contradiction; I would like to refer back to this subject. Contradiction is certainly out of question. Certain countries may have their separate camps. They may think differently on subjects which do not concern us directly. They may even be in confrontation with each other. But, if we have no problem with such countries, why should we think of a discrimination? Why should we feel the necessity to say: «You belong to this block, you belong to that block; I would talk with you, I wouldn't talk with you; I would set up relation with you, and I wouldn't set up relations with you!» Or else, there are serious problems among certain Arabic countries, and yet they are not our problem. By reason of the existence of problems among themselves, why should we adopt an attitude in terms of giving a particular support to one, and treating the other differently? We had been confronted with the necessities to make a choice, from time to time, and had adopted our attitude in a straightforward way, for which nobody had adopted a negative attitude toward us.

Nevertheless, the World to day is not a World whereby distinct choices as black and white can or should be made on the subject of foreign relations. Besides, in view of her geopolitical position, Turkey is not a country in the World today which should make such choices. For, as I have also pointed out in Strasbourg, Turkey in a sense, in the geographic, cultural and political sense, is situated at a point where the East and West intersect; and likewise, in all senses, be it in the geographic sense, political sense, economic sense; Turkey is situated at a point where the North and South also intersect. Within a period whereby dialogue exists between the North and South, and East and West; it wouldn't be proper for a country—situated at this point—to make a definitive choice to the extent of saying: «I am absolutely sticking to this side, or to that side»; nor, I presume, such a choice can ever be made rightfully.

Still within this period, the embargo of three and half years has been lifted from our country. The American defense and support aid comprising 225 million US Dollars, had come to a stage of doubling it up. Also, within

this period, feasibility for obtaining substantial foreign aid to Turkey has been finally materialized. On the subject of her relations with Greece, on the subject of Aegean, as well as on the subjects of NATO and Cyprus; until one and a half years ago, Turkey used to be viewed as an unjust country in the eyes of the whole World. Whereas now, a large sector of the World has been made to look upon Turkey as a «just» country.

I am convinced that the entirety of stages achieved and the feasibilities provided in our foreign policy can hardly be regarded as the elements of weakness; on the contrary, in her foreign policy relations, and economic relations, Turkey has entered into a positive trend of development.

I thank you all for listening to me for such a lengthy time, and express regards.

I am convinced that the entirety of stages achieved and the possibilities provided in our foreign policy can hardly be regarded as the elements of weakness, on the contrary, in her foreign policy relations and economic relations, Turkey has entered into a positive trend of development. Since I have observed the treatment of Turkey in the past, I think you all for listening to matters such as economic limits and

express regards a science with multi-elements, would create any contradictions. I would like to refer back to this subject. Contradiction is certainly out of question. Certain countries may have their separate camps. They may think differently on subjects which do not concern us directly. They may even be in confrontation with each other. But, if we have no problem with such countries, why should we think of a discrimination? Why should we feel the necessity to say: "You belong to this block, you belong to this block; I would talk with you, I would talk with you; I would set up relations with you, and I wouldn't set up relations with you." Or else, there are serious problems among certain Arabic countries, and yet they are not our problem. By reason of the existence of problems among themselves, why should we adopt an attitude in terms of giving a particular support to one, and treating the other differently? We had been confronted with the necessity to make a choice, from time to time, and had adopted our attitude in a straightforward way, for which nobody had adopted a negative attitude toward us.

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Still within this period, the embargo of three and half years has been lifted from our country. The American defense aid comprising 325 million US Dollars, had come to a stage of disabling it up. Also, within



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THE GENERAL DIRECTORATE OF
PRESS AND INFORMATION OF THE TURKISH REPUBLIC

