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Corruption Allegations Bring Down the Yilmaz Government

On November 25, the Turkish Grand National Assembly (GNA) voted 314 to 214 in favor of a motion of no confidence against the government over corruption allegations, prompting Prime Minister Mesut Yilmaz, the leader of the Motherland Party (MP), to resign. In a separate vote, the GNA voted 315 to 214 for the dismissal of Minister of State Gunes Taner. Although there have been nearly 300 votes of confidence in the history of the Turkish Republic, this was only the third successful motion. The last time a government lost a vote of confidence was twenty-one years ago, and by failing to resign when the writing was on the wall, Mesut Yilmaz has earned the dubious distinction of becoming only the second Turkish premier to be voted out of office.

It is far from clear how the current political crisis will be resolved. What is clear, however, is that Yilmaz, who had led Turkey twice before, has once again missed an opportunity to follow the lead of the man who brought him into politics, the late Turgut Ozal, to put his stamp on Turkish politics. Having indexed the future of his government to the problems of the Islamist Welfare Party (WP), and Tansu Ciller and her True Path Party (TPP), which he seemed certain would leave the MP as the dominant party, Yilmaz, along with the creaking Turkish political system, now faces an uncertain future.

A SHAKY COALITION

Yilmaz came to power in a three-party coalition in July 1997, after the collapse of the previous WP-TPP coalition that had brought Turkey to the brink of a military coup. For most of the year following his surprise elevation to the job of prime minister, Yilmaz and the MP had repeatedly claimed that the government would stay in office until 2000. This view was loudly echoed from within the coalition by Bulent Ecevit, who headed the Democratic Left Party (DLP), and, with less conviction, by Husamettin Cindoruk, who led the smallest partner, the Democratic Turkey Party (DTP).

The minority government had been cobbled together in the unique circumstances created by the military-inspired campaign against the previous Islamist-led coalition and had, in essence, fulfilled its mission by providing a civilian alternative. Therefore it was unrealistic to expect the government to serve out the parliamentary term. In any case, its survival depended directly on the support of the Republican People's Party (RPP), which had chosen to stay out of government. Prior to giving his support to the minority coalition in 1997, RPP leader Deniz Baykal had argued that the government would not be able to function properly for long and should serve only until early elections.

When Baykal began to put serious pressure on Yilmaz by pointing out the failure of the government to deliver on its promises, the latter felt obliged to agree to a compromise with Baykal involving early

elections under a caretaker government after Yilmaz's resignation at the end of the year. In accordance with the Yilmaz-Baykal agreement, the GNA then voted 488 to 12 before going into its summer recess to move parliamentary and local elections to April 18, 1999, fully 20 months before the expiration of the current parliamentary term.

Instead of eradicating the uncertainty bedeviling the Turkish political system since the December 1995 elections, the GNA vote merely ushered in a period of even greater confusion. Despite the decisiveness of the GNA vote, many Turks remained skeptical that elections would take place on the date specified and expressed concern that they would merely aggravate and accentuate the divisions in Turkish society.

Yilmaz and Ecevit immediately began to publicly question the wisdom of their resignation prior to elections, claiming that chaos would ensue under a weak caretaker government. In fact, their attitude reflected the crass political recognition of the obvious advantages of going to polls while in office, along with the hope that the commitment to Baykal could somehow be sidestepped. However, with the so-called eight-year education bill, one of the main points of dispute between the military establishment and the previous government that had been pushed through the GNA soon after its formation as its only major achievement, the government had effectively lost control of the political agenda. It had run out of steam and ideas, surviving only because of the continuing de facto veto over the participation in government of the Islamists — who had regrouped in the Virtue Party (VP) after the closing down of the WP — and of the TPP under Tansu Ciller, as well as the understandable reluctance of Baykal to cooperate openly with the VP and TPP in bringing the government down.

A RECORD OF FAILURE

The government's grandiose projects to deal with the looming energy shortage, along with the Baku-Ceyhan pipeline project to transport Caspian oil to markets through Turkey, have been hampered by the absence of a coherent integrated energy policy. Even more importantly, the government has also failed to implement its own economic program based on extensive privatization and the reduction of the annual inflation rate to 50 percent. The value of the stock market has fallen by half during the past three months, while the dollar/lira ratio has reached the psychologically significant 1/300,000 barrier. Export levels are continuing to fall while interest rates rise alarmingly. Despite premature announcements by the bombastic minister for the economy, Taner, there was no standby agreement with the International Monetary Fund, and Turkey remains in desperate need of fresh funds to pay maturing foreign loans and interest. Because of its huge internal debt, Turkey is unable to raise the money it needs through either public-sector borrowing or on the international financial market, which has become extremely wary of investment in emerging markets. There is growing speculation that in coming months the Turkish economy will face an economic crisis that could rival that of 1994.

The foreign policy record has been little better. After the WP-TPP experience, the Yilmaz government's proclaimed objective was to reaffirm Turkey's commitment to the West and to reassert its significant geopolitical role while lobbying for admission into the European Union (EU). The policy essentially collapsed when the EU decided in December 1997 to exclude Turkey from the list of candidates for admission. This action prompted the government to freeze its application, suspend political talks with the EU, and move ahead with closer integration with the Turkish Cypriots as the EU proceeded with accession talks with the Greek Cypriots. The Yilmaz government's response accentuated the xenophobic and anti-Western sentiment in Turkey while avoiding the difficult task of redefining Turkey's relations with the West in the post-Cold War world. In fact, the EU had long made it clear that without an improvement in human rights, democracy, economy, and the Cyprus issue, Turkey would not become a member. As Deputy Secretary of State Strobe Talbott made clear in a major policy speech in October, these issues are equally important to the United States, which remains unwilling to carry the burden of keeping Turkey tied to the West without the EU dimension.

Despite his unsatisfactory record, Yilmaz showed remarkable insensitivity to criticism that the government was drifting and had achieved little of substance. Nevertheless, the conventional wisdom was that while Yilmaz was not the ablest or smartest Turkish politician around, at least he was not an Islamist or corrupt. His willingness to increasingly pander for the votes of the WP supporters by opposing the strict implementation of the Islamic headscarf laws, as well as other demands put forward by the military establishment in the February 1997 National Security Council confrontation with the previous coalition, gradually weakened his secularist credentials. Recent revelations then fatally undermined his efforts to project an image as a "clean" leader in contrast to his great center-right rival, Ciller. Even as it was displaying reluctance to move decisively against the widespread and institutionalized corruption revealed by the Susurluk accident of November 1996, the Yilmaz government was itself rocked to its foundations by fresh corruption charges.

TERMINAL CORRUPTION

After the fall of the previous government in June 1997, the MP insisted on taking the key economic posts in the coalition government, ensuring its control over the lucrative privatization projects, tenders for independent power plants, and electricity and energy distribution as well as most state banks. The first serious corruption allegations against the MP surfaced after the conclusion of the tender for independent power plants in November 1997. Despite the complaints of Turkish and foreign companies about the lack of transparency in the process, the government failed to provide a satisfactory explanation for the award of three of the five plants to a consortium headed by a Turkish company with close links to Yilmaz and the MP.

This was followed by an even more outrageous charade during the sale of 51 percent of the shares of Turkey's biggest oil distribution network, Petrol Ofisi. The sale was conducted in front of live TV cameras to convince the international financial community that the process was transparent. Against all expectations, a small businessman, who had purchased a state-owned bank in an earlier privatization tender, offered the highest bid and had to be proclaimed the winner. Secret negotiations continued behind the scenes, however, and the award was switched to the third bidder at a meeting of the High Privatization Council presided over by Yilmaz himself. Despite credible rumors in Ankara that Yilmaz had yet again acted in support of another of his favorite businessmen, the government remained silent for months.

Meanwhile, Yilmaz and his government brazenly claimed to be leading the fight against corruption. Under pressure from the powerful military establishment, it apprehended a number of underworld figures. But events were beginning to spin out of control, and the farce began to move to its inevitable conclusion in October when a taped phone conversation between a prominent mafia figure, Alaaddin Cakici, who had been apprehended in France two months earlier, and one of Yilmaz's closest ministers, Eyup Asik, was leaked to the press. Asik, who had been designated by Yilmaz as his main aide in the fight against the criminal groups, was forced to resign. Predictably Yilmaz claimed that the tape was part of a conspiracy to weaken him at a time when he was fighting against organized crime.

To Yilmaz's chagrin, however, the leaks from unknown sources continued. Other tapes were duly released revealing that the successful bidder in the Yilmaz government's privatization of a state-owned bank, Turkbank, had been secretly colluding simultaneously with Cakici and the government. After obtaining assurances from Cakici that his rivals would be scared away from the tender, the businessman, Korkmaz Yigit, had apparently consulted with Yilmaz and Taner on the price to be paid as well as his general strategy. Yigit duly purchased Turkbank at the agreed price and with the encouragement of Yilmaz then proceeded to purchase several TV channels and newspapers. After the release of Yigit's taped conversations, the sale of Turkbank as well as the newspapers was canceled and Yigit was detained. After his detention, a TV station owned by Yigit broadcast a tape in which Yigit detailed his involvement with the underworld and several other businessmen as well as Yilmaz and Taner. The latter immediately claimed once again that this was part of a conspiracy and that the government would continue. This time, however, their arguments found little resonance among the influential media that had previously given

Yilmaz the benefit of the doubt because of understandable fears about a political crisis that the Islamists (who had regrouped in the VP after the closing down of the WP) and the unrepentant Ciller would exploit. The die was cast when Baykal finally withdrew his support from the coalition and joined the VP and the TPP in tabling no-confidence motions against the government. Yilmaz and Ecevit tried desperately to use the crisis with Syria over its support for the PKK and the subsequent flight of PKK leader Abdullah Ocalan to Rome to prolong the life of the government. But it was too late.

WHAT NOW ?

Although many prominent names have been revealed, it is still unclear whether the tape war, as it has been called, indicates an all-out campaign against corruption and organized crime or whether a scapegoat operation for short-term political gains will once again be conducted. Corruption will be tackled seriously only if the Turkish establishment has finally decided that the most effective way of combating political Islam and maintaining secular democracy is by cleaning up the corrupt political system. As in other developing countries, the Turkish public has long associated corruption with the functioning of the free-market system, and may therefore be disposed to support opponents of the current system unless measures are taken immediately. The gap between the affluent haves and the growing number of have-nots is widening, and the RPP, for one, has been stressing the urgent need to provide the have-nots with a secular alternative to the VP in the next elections.

The main problem is that elections without reforms would almost certainly produce a result similar to that of 1995, when the WP became the leading party with the majority secular vote divided. Islamist participation in the government remains unacceptable to the military, however. Consequently, there has been continuing debate about the need for a fundamental solution to the current political impasse. President Suleyman Demirel, who used his constitutional power in 1997 to help Yilmaz into office by frustrating the WP-TPP team's plans to switch the job of prime minister from Erbakan to Ciller, once again finds himself in the role of constitutional arbiter. With his term in office coming to an end in 2000, Demirel has been speculating about the need for a presidential or semi-presidential system and he is ideally positioned to use the current crisis to move toward that goal.

There are disturbing indications that Yilmaz and Ciller may be inclined to set aside their great differences temporarily to cooperate in the formation of the next government. In a cynical exercise two days before the vote of confidence, each helped to rescue the other from formal parliamentary investigations into corruption allegations. Still, the experience of the past two years serves to remind that the attitude of the powerful military establishment, which has been exasperated by the corruption, cynicism and incompetence of the secular center-right politicians, will have a decisive bearing on the outcome of the current political crisis.

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