

"Systems of Corruption"

Mr. İshak Alaton

2001 Campagna-Kerven lecturer, businessman Mr. İshak Alaton started his talk with a note on his current position. He said he has left his active duties in his firm to professionals and devoted most of his time to his extra-curricular activities, such as television programs. Alaton pointed out that Turkey has been going through very interesting times and the current crisis can be utilized to change the system of government. He suggested that the discussion of a Second Republic was silenced by die-hard etatists, and called for a new drive and a new republic.

According to Mr. Alaton, the recent Turkish crisis is not economic; it is political. He argued that when multiparty system was introduced in Turkey people were not educated about it. For Alaton, "sultan mentality" was still there but was in trouble now. Comparing the situation in Turkey with that of pre-Gorbachev USSR, he stated that Turkish private sector has maintained the Turkish-style communist economy, which caused the crisis. He noted that the Turkish economic system was a mixture of free enterprise and Soviet-style state economy, and that instead of privatization, there was etatization in Turkey.

Alaton also pointed out that the Turkish political system was opaque and corrupt. It lacked transparency and accountability. He reminded the difficulties in the privatization of Turk-Telekom and the Turkish Airlines, and argued that the new Minister of State Kemal Derviş, who advocated privatization, has been cornered by the politicians that benefit from the corrupt system. Alaton said he hoped to be wrong. Moreover, he noted the ironies of the Turkish system.

For instance, TESEV, the Turkish Economic and Social Studies Foundation, has been funded by the very corrupt system to study corruption. After praising President Sezer for his principles and lawfulness, Alaton maintained that he had no authority and had to rely on the civil society. Private sector insisted on political change, restructuring and transparency, according to Mr. Alaton. TUSIAD, the Turkish Industrialists' and Businessmen's Association, and TESEV worked together and put pressure on the government. He stated that they both aimed to form a bridge between the government and the people. He also said that he was ashamed of the level of plundering and that ways must be found to change this.

One of Mr. Alaton's activities is a regular program on NTV, which aims to give people hope. He makes this program with a retired admiral Atilla Kiyat and suggests that it strengthens his message. Kiyat recently has responded to the criticisms against the Turkish military by arguing that it was the fault of politicians, that the military was filling a vacuum, and that it was politicians who should cut the budget allocated to the military.

Mr. Alaton concluded his talk with his views on the relations between Turkey and the European Union. He argued that what was important was not to be a member but to be a candidate, to have an aspiration. For Alaton, this aspiration will help resolve Turkey's problems with Greece and the Armenians. He criticized the current polarization between politicians and the people, and said that the former should be reminded that they were there to serve. Alaton suggested that Turkey came to a point where changes must be made. He pointed out the necessity to revive the social democratic movement in Turkey and the need for a good team.

The first question to Mr. Alaton came from Prof. Nur Yalman of Harvard University. Referring to Marxian argument that politicians were water carriers for businessmen, Prof. Yalman asked how and why the latter were unable to bring to the politicians' attention that the political system has to be changed. Alaton responded by suggesting that there were two types of bourgeoisie in Turkey: the real bourgeoisie that concluded that it was more important to be able to look at one's face in the mirror than to be rich, and the corrupt bourgeoisie that were either in jail or on the run.

Boston-based filmmaker Hande Gümüşkemer's question was whether TESEV had activities that might link young people in the U.S. to their programs. Alaton said he would give her the contact information.

To a question on the Kurdish problem and the Cyprus issue Mr. Alaton responded by suggesting that Kurdish problem had eased to such an extent that a solid solution could be foreseen, except for small nuclei of gangs that make use of their position. He pointed out that Cyprus issue was complicated as the Turkish government had "no change" mentality and the head of the Cyprus "Republic" thought that no solution was the best solution. For Alaton, this was not in Turkey's interests and external pressure might help resolve it.

Another question was about the inherent problems in Turkey that led Mr. Alaton to call for a Second Republic. He noted that the First Republic was one of the most opaque republics. He criticized etatism and fake development, and advocated a new start and enthusiasm.

Prof. Fredrik Barth of Boston University stated that he was not optimistic about Europe's acceptance of Turkey, and that he was glad that Mr. Alaton considered the road leading to membership more important than membership itself. He asked whether it was the bureaucrats that failed the Turks. Alaton said that the Turkish businessmen had a very active program and that they were on the right track. He did not think that the Turks lost on bureaucracy and pointed out the good relations with Brussels and Turkish politicians in Europe.

Prof. Sibel Bozdoğan asked Mr. Alaton whether the business community had a way out of this political crisis. Alaton argued that whatever was left of the democratic system had to be stabilized, and that asking the current politicians to resign would not solve anything since "you have nothing to offer instead". He noted that there were a few acceptable honest people, such as President Sezer and Kemal Derviş, the Minister of State, and a body could be crystallized and solidified around them. For Alaton, Turkey could not afford to push the system into disintegration, and the military should not be pushed to do it.

A similar question came from Prof. Jenny White of Boston University. She asked where Turkey would be in ten years, and how to get there if the problem was political and cultural rather than economic. Mr. Alaton maintained that Turkey was strong economically and the laws were liberal, but foreign capital was not coming because people did not trust the governments. He said the political atmosphere must be changed and become transparent. He firmly believed that Turkey would fly in ten years.

In his answer to a question whether Kemal Derviş would become a second Özal, Alaton claimed that he would but that he did not want gray wolves to hear about it. He thought that Turkey had evolved since Özal and YDP (New Democracy Party) into a new mentality and realized that teamwork was important. He reminded that when Derviş came to Turkey, he discussed his program, gave the word to his team, and could motivate them. For Alaton, this was unusual for Turkey and struck a chord in young generation. But he doubted the next election would be a free one.

As a follow-up to this question, Prof. Cemal Kafadar of Harvard University pointed an incompatibility in Alaton's admiration of Sezer and acceptance of Özal, and asked for a critical assessment of the latter. Mr. Alaton replied that Kafadar was an altruist whereas himself was a realist. He said he tried to do his best and also agreed with the criticisms against Özal.

On a question about Turkey's relations with the Central Asian and Middle Eastern countries and future prospects, Alaton noted that this was the reason for his optimism about the next ten years. He argued that Central Asia was a fantastic opening for Turkey and his own firm built three airports in the region.

Prof. Yalman reacted to Alaton's comment on the elections. He said that free elections had taken place in Turkey and that the participation was high. Therefore, he could not imagine a situation that could withhold the election. He also pointed out that there was free speech, and that the cast of characters was not good but it was in the newspapers. Finally, he raised the question of Derviş' lack of political base. Alaton agreed and said that he meant that gray wolves would change the

whole bureaucracy and bring their own people. He thought a few honest people in DSP (Democratic Left Party) and Derviş might counterbalance this.

In his answer to a question about the army's wish to intervene, Mr. Alaton argued that the military wanted to be the guardian but the did not want to make the same mistakes, and did not want to be pushed. A follow-up question came about the military budget. Alaton pointed out that the military budget was reduced after the economic crisis. He also reminded the message Kiyat, a military man, gave on TV.

Prof. Augustus Richard Norton of Boston University asked Mr. Alaton to talk concretely about transparency. Referring to the extent of bureaucracy, he suggested that it was far more efficient to be corrupt. He argued that administrative reform was more important than leadership, and asked how those vested interests could be attacked. Alaton said that they were aware of this and mentioned TUSIAD and TESEV's activities, and the recent TESEV proposal for restructuring bureaucracy. He stated that it must be replaced with something better.

Gümüşkemer's asked Mr. Alaton his views about what he called "the Turkish mentality", and whether it might be more productive to integrate various groups and create a harmony rather than polarization. Alaton agreed that this was very important, but said that gray wolves polarized themselves because they infatuated themselves with their recent success. He noted that it was the liberals who might have a special attitude about inclusion rather than gray wolves.

The last question was about succession to Ecevit in case of his death. Alaton said, "We have Kemal Derviř".