is interested in taking over, and instead is keeping a low profile.

The threat of new provocations continues. Four days after imposing martial law, Ecevit met with military leaders to work out a strategy for containing new outbursts of terrorism threatening his regime. "There is a possibility that terrorists may shift their activities outside martial law areas," Ecevit stated, announcing that troops would be reinforced in the 54 non-martial law provinces.

By declaring martial law, Ecevit has exposed himself to attacks from both the right as well as the left, including leftist factions within his own Republican Peoples Party. As a result of this pressure, Interior Minister Irfan Ozaydinli, who is coordinating the deployment of troops with the military command, was forced to resign Jan. 2.

Ecevit looks to EMS

Ecevit is making it clear that the political crisis in Turkey is tied to the country's economic problems, and that if economic stability is brought to Turkey, political stability will be ensured. "Our allies should be closely concerned with Turkey's economic difficulties," said Ecevit last week following the Kahramanmaras rioting, "and I hope that the U.S. will show solidarity and friendship in this time of difficulty."

The Turks are doing more than just hoping. At the Guadaloupe summit, a Turkish proposal is expected to be put forth requesting that a politically motivated loan mechanism be set up for Turkey to stabilize the economy. "The political will for forming this fund is there," Finance Minister Ziya Muezzinoglu stated last week—an oblique reference to the European Monetary System and the commitment of France and West Germany to use the EMS for the benefit of economies like Turkey's which are beleaguered by IMF pressure and debt obligations. The loan mechanism that Turkey is seeking is described as a five-year fund between $1 and $1.5 billion for financing Turkey's ambitious fourth five-year plan. The IMF has stubbornly opposed Turkey's import-based, growth-oriented plan, and has withheld credits for Turkey until Ankara decides to follow IMF austerity dictates.

—Nancy Parsons

Oil crisis danger is inflated

Last winter it was the coal strike that triggered the U.S. energy crisis; the previous year it was the even more severe natural gas crisis. Will this winter bring an oil crisis? Evelyn Rothschild's London *Economist* thinks so and in its Dec. 30 issue tries hard to convince Americans that a combined dollar and oil crisis is looming.

At first blush the argument for an oil crisis might look sound: Iran is the second largest oil exporter in the world, accounting for 10 percent of global oil exports. And everyone knows that current Iranian production has fallen to a bare trickle. On Jan. 2, British Petroleum, the largest Western oil producer in Iran, announced a 35 percent cut in supplies to its customers for the first quarter of 1979, while Shell Oil's shipments have fallen by 10-15 percent.

In a late December meeting, the International Energy Agency, the consortium set up by former U.S. Secretary of State Henry Kissinger in 1974 to allocate oil in event of crisis, agreed, over Japan's protest, to consider a rationing program. In the U.S. on Jan. 2, a top spokesman for Mobil Oil said that IEA rationing was imminent and that rationing would take supplies from the U.S., causing shortages here.

Yet what is being made to look like a crisis by the *Economist* and certain co-thinkers in oil companies is in reality no crisis at all. This reality is so strong, in fact, that U.S. Secretary of Energy James R. Schlesinger — a perennial prophet of energy catastrophe — was forced to admit in a Jan. 3 Washington press conference that the Iranian oil cutoff was "serious but not critical" for at least the first quarter and "possibly through the summer." Further, Schlesinger said, the situation is under control in any case — barring other Iran-style "shocks."

There are three reasons why no oil crisis is objectively a probability at this time: increased Arab and other production, huge world stockpiles, and the immediate possibility of resumption of Iranian production.

On Dec. 28, Saudi Oil Minister Sheikh Zaki Yamani announced that Saudi Arabia would lift its 8.5 million barrel per day (mbd) production ceiling if the Iranian crisis continues. Saudi Arabia is currently pumping over 10 mbd; Kuwaiti output has jumped from its 1978 average of 1.5 mbd to over 2 mbd, and Iraq has expanded its output while other producers are gearing up to follow suit.

Meanwhile countries like West Germany, whose top crude supplier is Iran, point to massive stockpiles to weather the Iranian shortfall. Bonn's crude oil stockpiles are presently at 24 million metric tons, nearly twice the amount of crude supplied by Iran for the first three quarters of 1978. Of the two other economies where shortages could trigger an IEA allocation arrangement, Japan and Holland, only Holland has small stockpiles, but, as one disgruntled oil analyst said, "They should beggar Shell."

On Jan. 3, a spokesman for the Fuels and Energy Office of the U.S. Department of State said that under present circumstances, "it would take a very long time to trigger IEA."

In sum, the oil crisis threat at present is little more than press scare-mongering. The main danger is if this "big lie" gains sufficient credence, as in the 1973-74 oil hoax, to make another such hoax plausible. This could occur if the Iranian oil shutdown continues, or, in the context of broader, British-triggered crises in the Middle East. But the strong behind-the-scenes peace initiatives by the Saudis, Soviets and the French appear to augur poorly for continued destabilization of the Persian Gulf, as Soviet Premier Brezhnev's "let's talk" telegram to Saudi King Khalid indicates.

— Leif Johnson