

# Letter from Ankara

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## Abstract

This article focuses on the relationship between discourses of economic development and prospects for democracy in Turkey. It does so by tracing the political discourse of high-ranking government officials and journalists close to them to show how they use arguments for economic development as a tool to politically legitimise interventions into liberal democracy. I first illustrate the dangers caused by the discourse surrounding economic development to democracy by looking at the Gezi protests. I show how demands for pluralism and respect for different lifestyles—which are crucial aspects of liberal democracy—were instead framed by the government as chaos created by agents of the so-called ‘interest rate lobby’ and provocations caused by those who want to stop Turkey’s economic development. I analyse Gezi in comparative perspective with presidentialism debates and the corruption scandal of December 2013. In these cases too, demands for democracy, transparency, checks and balances are pitted against economic development. Citizens are made to choose between a vaguely defined notion of economic development and democratisation.

**Keywords:** democracy, economic development, Turkey, Gezi, presidentialism

WHAT IS the relationship between economic development and liberal democracy? President Recep Tayyip Erdoğan and his party, the AKP (Adalet ve Kalkınma Partisi: the Justice and Development Party), have some straight answers to this. For Erdoğan and his followers, economic development comes first, and any aspects of democracy that stand in its way should be cast aside. Never mind if this leaves just a skeletal framework standing: Erdoğan was directly elected president by a clear if small majority, and that turns out to be basically enough democracy for him.

Three issue areas illustrate Erdoğan’s views in complementary ways. First, the aggrandisement of the presidency itself: presidentialism is, we’re told, good for economic development; second, the Gezi Park protests gave Erdoğan a chance to spell out how dissenters weaken Turkey’s economic position; and third, corruption: those who raise principled objections are accused of preparing plots that will slow down development.

In the meantime, core elements of democracy are chipped away. The AKP version of presidentialism threatens checks and balances. The government’s Gezi response shows the problems in the country regarding the

freedom of expression, association and civil rights and liberties. Finally, the government’s attempts to stop investigations of corruption exemplify the efforts of influential political figures both to achieve immunity from prosecution and to deny accountability, as well as illustrating how executive powers are encroaching upon the judiciary.

## Presidentialism

The model of presidentialism advocated for Turkey by Erdoğan and the AKP is closer to Latin American examples of superpresidentialism than to the American model. It gives the president the right to dissolve the parliament and the right to rule by decree, as well as putting the judiciary under the control of the executive.<sup>1</sup>

Erdoğan prepared the ground for his move from prime minister to the presidency by maintaining that a presidential system would ensure political stability and contribute to economic development.<sup>2</sup> He argued:

Among the G20 member countries, almost 80 percent are ruled by a presidential system. This is the picture. We need to see the realities of the world. In the world economy,

the G20 constitutes 90 percent of the economic weight. We need to make some inferences from that. We need to derive lessons. Where are we, where are we heading? If we really want to get intense, practical results, we need to revise the system. We need to acquire opportunities that enable us to make much faster production within the system.<sup>3</sup>

Burhan Kuzu, an AKP MP and the then head of the Parliamentary Constitutional Commission, similarly complained about the dispersion of power in Turkey and the need for presidentialist reforms, claiming that 'whoever holds the drum should also hold the stick'. Kuzu warned Turkish citizens about a potential economic crisis unless presidentialism was adopted: 'if Turkey does not switch to presidentialism Turkey will again meet coalition governments... We will see the same economic crises that we now see in European countries'.<sup>4</sup>

Journalists close to the government used a similar rhetorical strategy. An important example in this regard is the columnist Yigit Bulut, who is now among Erdoğan's advisors. Without necessarily elaborating on the causal mechanism at work here, Bulut argued that the presidential system is key to economic growth, sustainable development and stability:

If Turkey's economy is to grow three times in size in ten years... and if every citizen's wealth is to triple in size as a result of this, I say the PRESIDENTIAL SYSTEM IS A SINE QUA NON... As a result, if we switch to presidentialism... I assure you that whatever wealth you have will triple in size... If you want a country whose economy flies, who shares wealth equally and who possesses the real values of Turkey, work for PRESIDENTIALISM with all your energy! [capital letters in original]<sup>5</sup>

There is no established relationship between economic development and presidentialism. Indeed, there is a strong body of academic work that suggests that the kind of presidentialism proposed by AKP, which does not protect separation of powers and pluralism, could actually work against economic development. Checks and balances reduce political volatility as they minimise politicians' ability to respond to short-term political or social incentives to favour one group over another or transfer resources.<sup>6</sup>

## The Gezi movement

Readers will be familiar with the protests that spread throughout Turkey in the summer of 2013. The government planned to uproot trees in Gezi Park to rebuild the demolished Topçu Barracks from the era of the Ottoman Empire and to construct a new shopping mall. Concerned with the diminishing sources of oxygen and gathering places in Istanbul, environmentalist protests started in the park. They faced brutal police intervention.

To the surprise of the government, police brutality increased sympathy for the movement, and within days protests reached other parts of the country. In addition to common concerns about public recreational areas and forests being demolished as a result of the arrangements between the government and groups within the business sector, the protesters were also voicing their discontent about the government's growing authoritarianism and interference in the lifestyles of citizens. Aside from the long-term impact, the movement also had immediate legal and political consequences. The head of the Constitutional Court, Haşim Kılıç, stated that state interference in the lifestyles of citizens is unacceptable and the Sixth Administration Court of Istanbul, in response to a motion from Taksim Gezi Park Preservation and Embellishment Association, suspended the Topçu Barracks Project.

The government did everything it could to delegitimize the movement and blame it on forces that wanted the demise of Turkish economy. The government called these forces *faiz lobbisi*, which translates as 'interest rate lobby' and sometimes as 'forex lobby' or 'stock market lobby'. The basic idea behind this accusation is the allegation that the Gezi protests were organised and provoked by profiteer capitalists with external ties. Erdoğan blamed 'interest rate lobbies' for losses at the stock exchange. He asserted that 'lobbies think that they could threaten the government by making speculations [on] the stock exchange' and vowed not to 'waste the efforts of the people on interest rate lobbies'.<sup>7</sup>

'Who won as a result of the protests going on for three weeks?' Erdoğan asked. He provided his own answer: 'The interest lobby won. Turkey's enemies won, the rentier

lobby won. To a limited degree, Turkish economy lost... Young people have been victims of this plot'.<sup>8</sup> In another statement, this time in July 2013, Erdoğan maintained that those who are disturbed by Turkey's persistently growing economy had prepared traps to hurt Turkey's economy because they did not want a powerful Turkey in the region.<sup>9</sup>

As was the case with the presidentialism debate, columnists close to the government echoed Erdoğan's arguments. Yaşar Sungu, from the pro-government *Yeni Safak* newspaper, wrote a column entitled "'The interest lobby' and what does the Gezi youth do?' In this piece he described the 'interest lobby' as follows:

The fact that the prime minister has pointed at the interest lobby has brought to mind our worries on whether, once again, internal and external forces are preparing a proxy coup against Turkey. The interest lobby, which the prime minister says has a role in the Gezi Park resistance, always pursues high profit. To ensure this profit, it desires high interest rates and high exchange rates. It does not care about the impoverishment of the country while it enriches itself. It is wrong to analyze these events just by looking at the youth because in the background we can clearly see international capital owners, along with their media and politicians.<sup>10</sup>

Such arguments are numerous on the government side, and they did not cease even when the official Banking Regulation and Supervision Agency (BDDK) absolved Gezi Park protesters of having ties to any interest or foreign exchange lobby. After close scrutiny of the foreign currency transactions of banks during the Gezi protests, the BDDK found no reasonable correlation that would prove the existence of a plot to profit from forex trade or traces of a lobby. The Capital Markets Board (SPK) and the Finance Ministry's Financial Crimes Investigation Board (MASAK) also initiated separate investigations. None of them found any evidence to support Erdoğan's accusations.<sup>11</sup>

## Corruption, accountability, rule of law

Our final example is the government's condemnation and attempts to stop the prosecution of corruption starting in December

2013 and the government's proposed changes to the judiciary in the aftermath. The corruption scandal involves some government ministers and their children and relatives as well as some top-level bureaucrats. In response to the corruption inquiry, the government has purged hundreds of members of the police and judiciary.<sup>12</sup> Police and public prosecutors who initiated the investigation were removed from their offices and the government argued that these people were members of a gang within the state that operated on behalf of the religious Gülen movement. Not confining itself to this case, the government also attempted to use this case to gain stronger control over the judiciary by restructuring the judiciary and granting further control of the judiciary to the executive.

The AKP drafted a bill to give the executive more control over the appointment of judges and prosecutors. Law experts, business circles—including the famous business association TUSIAD—and the EU have raised concerns over the expansion of the executive at the expense of the judiciary. Erdoğan does not seem to be concerned with the warnings regarding separation of powers. He avers that 'if we consider the judiciary as a separate power, then this would lead to a country of judicial rule and not democracy'.<sup>13</sup>

In the heated debates regarding the shape of the judiciary and the fate of the corruption investigations, the government once more resorted to economic arguments. Erdoğan asked: 'if there were corruption in our government, would we be able to triple the size of our national wealth in ten years?'<sup>14</sup> As with the Gezi protests, Erdoğan preferred to frame the issue as an economic conspiracy featuring both internal and external actors. He summed up the reasons for the corruption investigation under nine headings:

- 1 In Istanbul, we implemented the 46 billion dollar airport project. This has disturbed some groups.
- 2 We have hosted the Japanese prime minister. They might try to do something to prevent positive developments [in this regard] any time.
- 3 We have started the construction of the third bridge in Istanbul. They have done everything to prevent this.

- 4 The Istanbul stock market has reached a record by going above 93 thousand. Hence, interventions in the stock market have started.
- 5 In May, the Central Bank reserves reached a record of 135 billion dollars.
- 6 We took over with a basic interest rate of 63 percent. In May it fell as low as 4.6. If it could continue in this way, it would even fall under 2.5. [This can be read as placing blame on the Gezi protests in May–June.]
- 7 Four credit rating agencies have increased Turkey's grade.
- 8 We saw historical developments in our relationships with the IMF. We paid our debts and international forces came into play, because who accepts loans also accepts commands.
- 9 We broke new records in inflation, foreign trade and industrial production.<sup>15</sup>

Other members of the AKP and columnists close to the government echoed Erdoğan's statements. MP and vice-premier Ali Babacan's first reaction to the corruption investigations was to draw attention to the fall in the stock market and other damage caused to the economy by the investigations.<sup>16</sup> Another AKP MP, Mehmet Metiner, wrote in *Yeni Safak* that the interest rate lobby promoted complaints about corruption because its profits had been hit when the government cut interest rates. Metiner concluded by stating that even though national wealth had increased from 230 billion dollars to 800 billion dollars, 'some shameless people still have the nerve to say that public money is stolen and that there is corruption'.<sup>17</sup> Another article in *Yeni Safak* associated the investigations with the 'interest rate lobby' and the Gezi movement:

The increase of foreign exchange rates in the aftermath of the Istanbul operations has once again brought to the agenda the demands of the interest rate lobby. The interest lobby, which has tried every means to ensure its financial interests during the Gezi incidents, is now voicing its expectations for increase in interest rates.<sup>18</sup>

Through this discourse, the government makes it explicit that every attempt to impose checks and balances on it will be portrayed as a threat

to the economic well-being of the country. This attitude puts Turkish democracy in a difficult position. Demands for democracy and transparency are pitted against economic development. The boundaries of lawful authority of separate state agencies are not respected: the political executive encroaches on the courts and regulatory agencies.

The relationship between democracy and economic development is not a trade-off. Supervision of fiscal policy is an essential aspect of democracy as it serves to prevent rulers enriching themselves. Checks and balances curtail exploitation by elites and curtail corruption, thereby leaving more tax money to be spent on development. Moreover, judicial independence promotes economic freedom by ensuring that the state cannot unlawfully expropriate property.<sup>19</sup>

We know that claims about national security can increase citizens' tolerance of measures to curtail democracy. We see in Turkey that economic development discourse can play the same role.

## Notes

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