

Informatics Consulting

POLITICAL STABILITY in Turkey

2022 August Monthly Report



Political Stability Index (PSI) August Report Reference: 12188

Summary and Evaluation

The Political Stability Index (PSI) decreased in August; from 37.383 to 36.978.

The decrease in the sub-sector indexes of the “**Bureaucratic Capacity and Full Usage**”, the “**Government Forming and Operation**”, and the “**Basic Legitimacy and Decisiveness of Governance Norms**” are remarkable and sharply.

The sub sector index, “**Basic Legitimacy and Decisiveness of Governance Norms**”, decreased sharply. The main reasons for the decrease were those: The rejection of the rule of law by the combination of political power/government and the government-economic network due to stereotyping-systematism will be classed as sharing and corrupting the public power beyond gross unlawfulness. Since the Ak Party-Erdoğan shared its public power with the government economic networks for the third time after FETO and the PKK, and systematically instrumentalized the public power for the third time, the current period has been monitored as the third phase, which heavily destroys the national state based on law/regulation.

The sub sector index, “**Parliament Support and Structure**”, decreased very little. The main reasons for the decrease were those: Law/articles annulled by the Constitutional Court and individual developments (Taşkesenlioğlu, Enginyurt) destroying the institutional structure of the Parliament.

The sub sector index, “**Government Forming and Operation**”, decreased. Although the sub-sector index grade was at a very low level, it continued to decline. The main reasons for the decrease were those: From Russia to Saudi Arabia, from crypto money platforms to banks, it has become clear that the financial operations of the country are heavily risky and are "walking on the fault line" in almost every direction, and hands are on the trigger. As self-confident as the 66th Government may seem, this is the reality. The 66th Government had to write off and defer debts to households directly after restructuring/postponing tax and credit payments for companies many times. This is essentially the materialization of economic



technical bankruptcy. Whether banks and big companies in the real sector will use inflation accounting, and the syndication renewal percentages of banks are fundamentally shocking to the macroeconomic policies of the 66th Government. The situation is under close monitoring. Russia's 12-20 billion USD financial support, gas contract renewal claims with SOCAR and GAZPROM were viewed positively.

The sub sector index, **“Political Efficiency and Governance”**, decreased. The main reasons for the decrease are those: There is not the slightest improvement in the message order of the Political Power, the state's procedures and opportunities are being used maliciously. Attempts by the political power to soften and regain public opinion either fail or may backfire and serve the opposite. The government wants to make the support mix more diverse and flexible, but fails. The general operation and directive order of the Turkish Armed Forces against Greece in the Aegean and Eastern Mediterranean has been closely monitored.

The sub sector index, **“Relations with Institutions”**, went up very slightly. The main reason for the increase is that: The arrival of the second batch of S400 is the most important development of August.

The sub sector index, **“Relations with Foreign Political Actors”**, went up. The main reasons for the increase were those: Russia's historical financial aid and support was prominent. The other, also originating from Russia, was the second party S400 delivery. The others were internal conflicts in Iraq, tendencies not to openly conflict with Turkey in Syria and Assad, also Israel's sensitivity to hitting only Iranian targets in Syria. Besides those, increasing tensions with Greece were also observed.

The sub sector index, **“Bureaucratic Capacity and Full Usage”**, went down slightly. The main reasons for the decrease were those: The implementation and regulations of CBRT, BRSA, beside the borrowing and liquidity techniques, also the Treasury and CMB's "corrupt" practices.

The sub sector index, **“Political Violence”**, increased. Despite the Covid-19 losses and the losses in the fight against terrorism, the suppression of the PKK was one of the positive developments. In addition, the current mobilization in Syria, even the prevention of attacks on our border posts and the satisfactory reactions supported the sub-sector.



The sub sector index, “**Economic Stability Factors**”, decreased. The main reasons were those: The first was the heavy trapping of the public finance bureaucracy according to the political calendar and cycle, to mine the economic and financial functioning under the guise of political loyalty. The public authority rejects the market and thus civil society under the cover of low interest. The public liquidity is heavily damaged, and the government is unable to supply and price energy.

The Political Stability Index decreased in August sharply. The political power and especially the financial bureaucracy are not inclined to try to regain power by governing the country and producing stability. On the contrary, the political power and especially the financial bureaucracy are trying to re-match with the power by structuring the future political power to be formed by the opposition highly probable. The country's finance, economy, and foreign policy are not even kept in abeyance, they are both instrumentalized to lure the political traps that construct future power. The political order and calendar are regarded as the steel bayonets of the "private" state, not the peaceful cycle of the state for "eternity"!

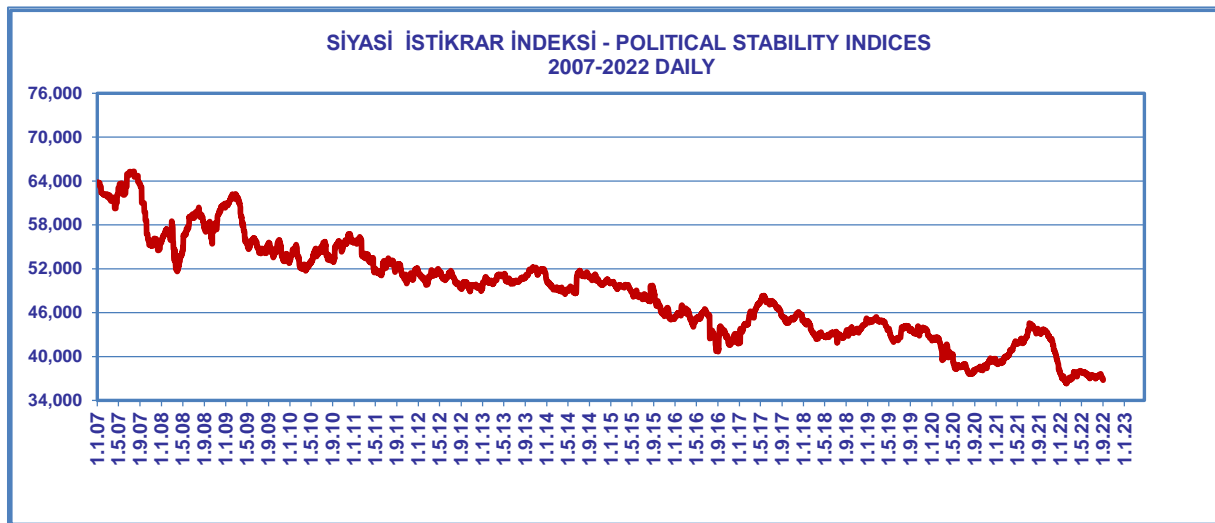


Sub-Sector Developments

	31.07.22	31.08.22	% Değişim / Difference
Siyasi İstikrar İndeksi (Sİİ) / Political Stability Index (PSI)	37.383	36.978	-1,08
Temel Meşruiyet ve Yönetim Normları / Basic Legitimacy And Governance Norms	3.695	3.564	-3,55
Parlamento Desteği ve Yapısı / Parliament Support and Structure	11.550	11.511	-0,34
Hükümet Kurulum ve İşleyişi / Government Forming and Operation	600	564	-6,00
Siyasa Uygulama ve Yönetişim / Political Efficiency and Governance	4.969	4.891	-1,57
Kurumlarla İlişkiler / Relations with Institutions	3.188	3.208	0,63
Dış Politik Aktörlerle İlişkiler / Relations with Foreign Political Actors	2.818	2.918	3,55
Bürokratik Kapasite ve Tam Kullanımı / Bureaucratic Capacity and Full Usage	1.652	1.489	-9,87
Siyasi Şiddet / Political Violence	4.411	4.536	2,83
Ekonomik İstikrar Faktörleri / Economical Stability Factors	4.500	4.296	-4,53

Data

In these evaluations, including surveys and reports, **1.226** news articles (from **10.386** to **11.611**) and **315** economic data were analysed. Record rate of news/data is **21,9%**.



Yours Sincerely,

S Informatics Consulting

Note: The main report contains 61 pages.



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