

Informatics Consulting

# POLITICAL STABILITY in Turkey

2021 November Monthly Report



## Political Stability Index (PSI) November Report Reference: 12178

### Summary and Evaluation

The Political Stability Index (PSI) decreased in November; from **42.493** to **40.817**. As the same in October, except for the “**Political Violence**”, there is a decline in all sub-sectors. Especially, the decrease in the “**Government Forming and Operation**”, the “**Bureaucratic Capacity and Full Usage**”, and the “**Economic Stability Factors**” sub-sector indexes is remarkable.

The sub sector index, “**Basic Legitimacy and Decisiveness of Governance Norms**”, decreased. The main reasons for the decrease were those: While public power keeps TurkStat calculations low, it keeps tax-duty updates and default interest adjustments high. Human rights violations were hectic in November. Interior Minister Soyly's personal threat to public order is intensifying. With the recent developments, the liberal financial public order in our country has come under heavy pressure.

The sub sector index, “**Parliament Support and Structure**”, decreased slightly. The reasons for the decline are as follows: While the capacity of the Parliament as being the final institutional solution is preserved, the opposition, in particular, pushes the Parliament's technique and style excessively and strives to establish the solution ground outside the Parliament. Certainly, it is different to tolerate this in order to force the government to a solution in the Parliament with the support of the public obtained outside the Parliament. Although the enactments are indirect, they support stability and constitute a solution.

The sub sector index, “**Government Forming and Operation**”, went down remarkably. The decline to this extent is sharp when the index is at its current low level. The government has given up due to its lack of macroeconomic policy framework. In the same week, the government was swept away from "writing the book of the economy" to the discourse of "economic liberation war". UAE, which was the 15th July incident financier, and the attacker of Al-Watiya air base in Libya, was in Beştepe!



The sub sector index, **“Political Efficiency and Governance”**, went back slightly. Reflections of severe negative economic developments on political support in November have not been observed yet. The political power message system has almost collapsed and is unable to react. No matter how it says anything in a boastful manner, the images of self-confidence should not be deceived. Every leader without exception (leader of the political power and leaders of the opposition) is aware of the increasing difficulty in governing the country.

The sub sector index, **“Relations with Institutions”**, decreased slightly. The main reason was the conflict among the President, the CBRT and the Treasury-Finance Minister. Stress was also observed in the triangle of the Presidency and the Cabinet with the agenda of the Minister of Labour.

The sub sector index, **“Relations with Foreign Political Actors”**, went down. The main reasons for the decrease were those: Russia's Syria policy is in a serious preparatory phase in terms of its hostile operation against Turkey. After Idlib, Russia is preparing to mobilize against the TAF in the west of the Euphrates, if necessary, by taking Assad and the PKK with it.

The sub sector index, **“Bureaucratic Capacity and Full Usage”**, went down sharply. The main reasons for the decrease were those: The CBRT, BRSA, the public banks, and partially the Treasury's ability to adapt to the economic and financial environment in the public service supply and its pricing have been diminished / caused to atrophy. The cut in health, medicine, energy, and agriculture inputs or the possibility of a heavy jump in their pricing is on the radar.

The sub sector index, **“Political Violence”**, increased. Even though the loss of Covid-19 strains the index, the successful fight against the PKK inside and outside the borders is evident.

The sub sector index, **“Economic Stability Factors”**, went down sharply. The main reason for the decline was the low-interest rate implementation, which was implemented over the CBRT policy and public bank loan rates, with the claim of competitive exchange rates. Besides exchange rates, inflation tends to get out of control. High and rising inflation shakes the vitality of large masses and the functioning of companies. The financial bureaucracy was a



source of financial turmoil in November with its Government will-supported practices in the form of a controlled appearance. Energy pricing and the high foreign payments abroad due to energy imports are additional concerns.

**The Political Stability Index decreased in November.** Except for the *Political Violence* due to the technical reasons, there is a decline in all sub-sectors. State-administration, policy-appropriateness, serious dysfunctions and disorders separately, the concerns about our nation-society life have also accelerated. The threshold of an unsustainable society, the outcome of unsustainable persistent policies, has been reached.

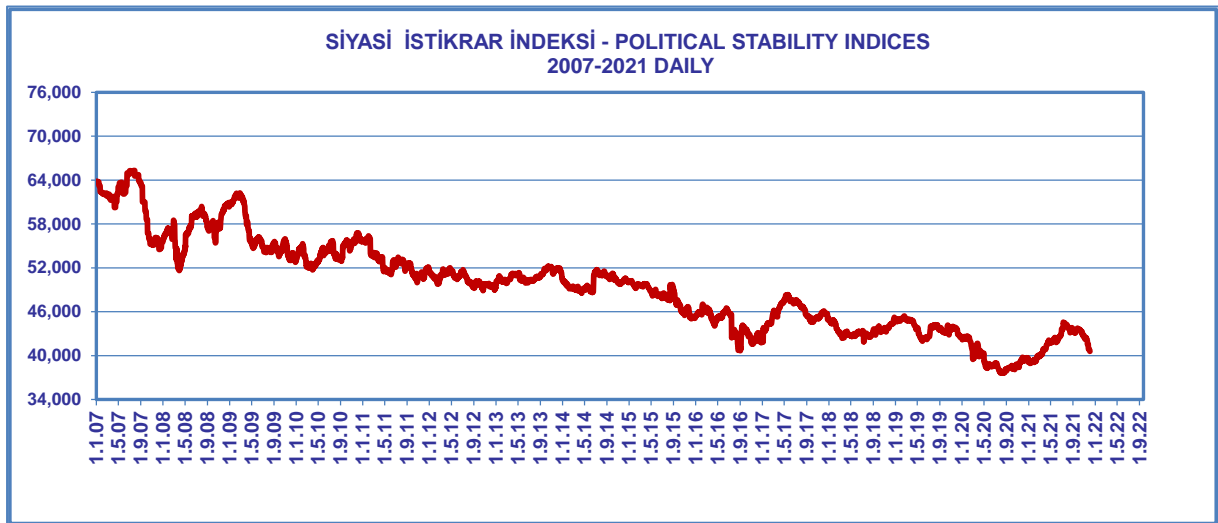


## Sub-Sector Developments

	31.10.21	30.11.21	% Değişim / Difference
Siyasi İstikrar İndeksi (Sİİ) / Political Stability Index (PSI)	42.493	40.817	-3,94
Temel Meşruiyet ve Yönetim Normları / Basic Legitimacy And Governance Norms	5.333	5.245	-1,65
Parlamento Desteği ve Yapısı / Parliament Support and Structure	11.742	11.713	-0,25
Hükümet Kurulum ve İşleyişi / Government Forming and Operation	2.123	1.722	-18,89
Siyasa Uygulama ve Yönetişim / Political Efficiency and Governance	5.243	5.235	-0,15
Kurumlarla İlişkiler / Relations with Institutions	3.531	3.418	-3,20
Dış Politik Aktörlerle İlişkiler / Relations with Foreign Political Actors	1.856	1.806	-2,69
Bürokratik Kapasite ve Tam Kullanımı / Bureaucratic Capacity and Full Usage	3.077	2.639	-14,23
Siyasi Şiddet / Political Violence	2.699	2.824	4,63
Ekonomik İstikrar Faktörleri / Economical Stability Factors	6.889	6.215	-9,78

## Data

In these evaluations, including surveys and reports, **1.280** news articles (from **16.240** to **17.519**) and **265** economic data were analysed. Record rate of news/data is **2%**.



Yours Sincerely,

S Informatics Consulting

Note: The main report contains 53 pages.



“The information in this report, or on which this report is based, has been obtained from sources whose authors are believed to be reliable and accurate. However, it has not been independently verified and no representation or warranty, express or implied, is made as to the accuracy or completeness of any information obtained from third parties. In addition, the statements in this report may provide current expectations of future events based on certain assumptions and may include statements that are not directly related to historical or current fact. These statements involve known and unknown risks, uncertainties and other factors which are not exhaustive. The companies contributing to this report operate in a continually changing environment and new risks emerge continually. Readers are cautioned not to place undue reliance on these statements. The companies contributing to this report are under no obligation to publicly revise or update any statements, whether as a result of new information, future events or otherwise and they shall in no event be liable for any loss or damage arising in connection with the use of the information in this report.” No part of this publication may be reproduced or transmitted in any form or by any means, including photocopying and recording, or by any information storage and retrieval system.