

Informatics Consulting

POLITICAL STABILITY in Turkey

2021 July Monthly Report



Political Stability Index (PSI) July Report Reference: 12175

Summary and Evaluation

The Political Stability Index (PSI) increased in July; from 41.461 to 44.150. Especially, the increase both in the “**Political Efficiency and Governance**” and the “**Basic Legitimacy and Decisiveness of Governance Norms**” sub-sector indexes is remarkable. Additionally, the decrease in the “**Bureaucratic Capacity and Full Usage**” sub-sector index is noteworthy.

The sub sector index, “**Basic Legitimacy and Decisiveness of Governance Norms**”, increased remarkably. The main reasons for the increase were those: Significant improvements have been made in the legal arrangements regarding detention, especially custody. The rights of the citizen against the state in administrative proceedings have been seriously strengthened. With the 28th February decision of the Court of Cassation, it is appropriate that the Council of State decided that no tax deduction can be made from agricultural payments. Some court decisions were viewed positively due to the restricting, prohibiting the "law of the superiors" orientation of some persons close to President Erdoğan. On the other hand, penalty arrangements are recorded negatively in case of non-payment in bank loan provisions and checks.

The sub sector index, “**Parliament Support and Structure**”, increased. The main reasons for the increase were those: The amendments of 5271 numbered Penal Code together with the administrative jurisdiction law amendments are of serious positive potential depending on the application. The foreign policy and inter-parliamentary institutional contact traffic of the Presidency of the Grand National Assembly of Turkey is functional. Equalizer (earthquake), compensate (village guard salaries) applications were pursuant. Some positive trend was noted in the institutional effectiveness of the opposition. Penal Code amendments numbered 5271; administrative jurisdiction law amendments are of serious positive potential depending on the application. The foreign policy and inter-parliamentary institutional contact traffic of the Presidency of the Grand National Assembly of Turkey is functional. Equalizer



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The sub sector index, **“Government Forming and Operation”**, increased remarkably. The main reasons for the rise were those: Legislation in the Grand National Assembly of Turkey had the potential to ease the burden on the Government and to make the Administration objective. In city hospitals, it is at the usual construction/supply site instead of BOT. Baltic Air Policing, TAF protection at the Kabul airport gave the Government a position in relations with the USA.

The sub sector index, **“Political Efficiency and Governance”**, went up remarkably. The main reasons for the increase were those: Legislations in the parliament have been processed in other sections and are accurate. These enactments are seriously supportive of the public sphere, depending on the implementation.

The sub sector index, **“Relations with Institutions”**, decreased very slightly. The main reasons for the decrease were those: The Constitutional Court's annulment of many legal provisions is its positioning against the government in the Gergerlioğlu issue. Statements and indirect attitudes of the military bureaucracy specific to the Minister of National Defence-Akar produce signals of political differentiation; status is under monitoring. The coldness of MND's Akar to the moments and the areas of rapprochement with the USA have been noted. It is healthier to keep the coldness/distance narrow as an attitude towards the USA, but not towards the West as a whole.

The sub sector index, **“Relations with Foreign Political Actors”**, remained the same. The major developments were those: The softening caused by the USA and Afghanistan triggered the reaction in Syria as the cooperation of Russia-Assad-PKK. For the first time in a long time, the foreign political equation could be followed with this clarity. It has been clearly seen that if our relations with the United States are going to improve, then our relations with Russia will deteriorate, and this will happen because Russia keeps the PKK onside in Syria first. Although the Nagorno-Karabakh issue, which is a gift to us from Russia, and hard to be taken back by Russia, the cost of holding it is obvious. If things go wrong, Karabakh may turn into a "bear trap".



The sub sector index, “**Bureaucratic Capacity and Full Usage**”, went down. The main reasons for the decrease were those: Weakening and slackening in the security and the financial bureaucracy were still active. In the forest fires, the bureaucracy was paralyzed in the strictest sense of the word. Corrections with legal regulations in the proceedings relieve the burden on the judicial bureaucracy.

The sub sector index, “**Political Violence**”, increased. The main reasons for the rise were the positive course in the fight against terrorism, with serious regressions in Covid-19 losses.

The sub sector index, “**Economic Stability Factors**”, increased very slightly. The main reasons for the increase were those: The CBRT’s slight increase in the interest rates, albeit indirectly, was observed. The exit of the CBRT from ROM (Reserve Option Mechanism) / ROC (Reserve Option Coefficient) was of high positive potential. Some regulations of the BRSA were partially positive, and the installment and loan restrictions in automotive were in place. On the other hand, the deterioration in inflation tends to stabilize.

The Political Stability Index increased in July. The declining sub-sectors were the “Relations with Institutions” and the “Bureaucratic Capacity and Full Usage”. Foreign support, which can be called historical in June, was actually a signal for July. Foreign support was an indispensable part of the Turkish political system much higher than what appeared. External support is not just “money/resources” but also broadly, with its technology and management skills, it was the negotiant, organizational and corporate mind. In forest fires, the performative sudden drop in the public field was evident. It wasn't a good signal at all.

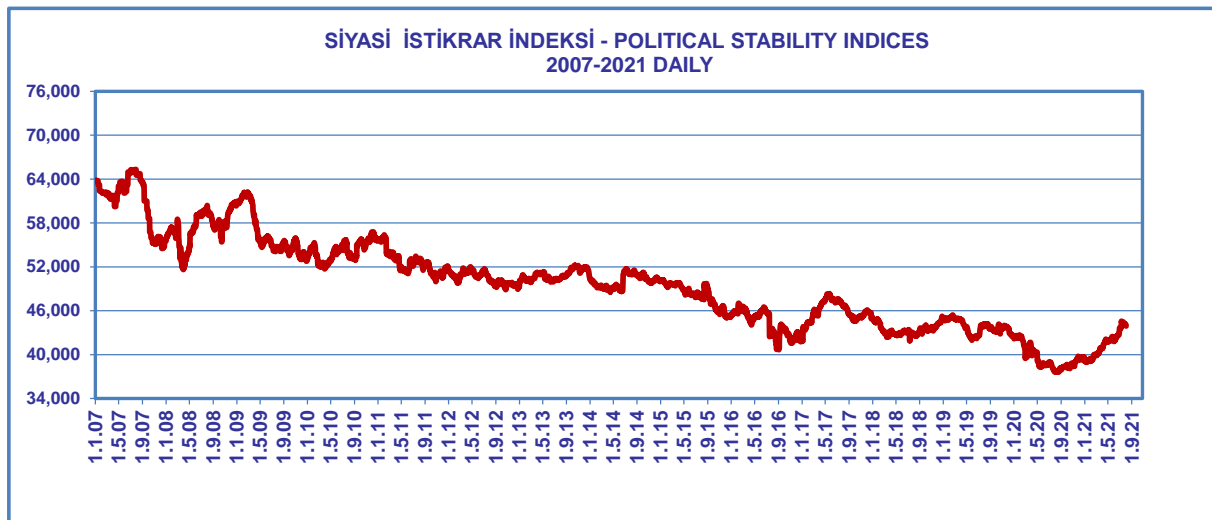


Sub-Sector Developments

	30.06.21	31.07.21	% Değişim / Difference
Siyasi İstikrar İndeksi (Sİİ) / Political Stability Index (PSI)	41.461	44.150	6,49
Temel Meşruiyet ve Yönetim Normları / Basic Legitimacy And Governance Norms	4.852	5.802	19,58
Parlamento Desteği ve Yapısı / Parliament Support and Structure	11.163	11.759	5,34
Hükümet Kurulum ve İşleyişi / Government Forming and Operation	2.644	2.728	3,18
Siyasa Uygulama ve Yönetişim / Political Efficiency and Governance	4.079	5.368	31,60
Kurumlarla İlişkiler / Relations with Institutions	3.470	3.462	-0,23
Dış Politik Aktörlerle İlişkiler / Relations with Foreign Political Actors	1.843	1.843	0
Bürokratik Kapasite ve Tam Kullanımı / Bureaucratic Capacity and Full Usage	4.264	3.939	-7,62
Siyasi Şiddet / Political Violence	1.974	2.061	4,41
Ekonomik İstikrar Faktörleri / Economical Stability Factors	7.173	7.188	0,21

Data

In these evaluations, including surveys and reports, **1.645** news articles (from **9.633** to **11.277**) and **290** economic data were analysed. Record rate of news/data is **2%**.



Yours Sincerely,

S Informatics Consulting

Note: The main report contains 62 pages.



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