Turkey: angling for position in a disintegrating world-system

Turquia: à procura de lugar em um sistema mundial em desintegração

Cem Somel

Abstract

Turkish national income per capita is rising relative to the world, but this is not reflected in human development indicators. Under liberal economic policies Turkey has accumulated external debt and is vulnerable to capital outflows. The Islamist party in power is mitigating the authoritarian nationalist character of the state in line with popular demand, including the Kurds’ demands for democratic rights. Assertive foreign policy in the Middle East is straining relations with the US and Israel. Interference in civil conflicts in the region may pose create dangers for domestic political stability.

Key words: Turkey. Political economy. Foreign Policy.

Resumo

A renda nacional turca per capita tem aumentado em relação ao resto do mundo, embora isso não esteja refletido nos indicadores de desenvolvimento humano. Sob as políticas econômicas liberais, a Turquia tem acumulado dívida externa, ficando vulnerável a saídas de capital. O partido islâmico no poder tem mitigado o caráter nacionalista autoritário do estado juntamente com a demanda popular, incluindo as demandas dos curdos pelos direitos democráticos. A política externa assertiva no Oriente Médio está estreitando as relações com os EUA e Israel. Interferência em conflitos civis na região pode representar perigos para a estabilidade política interna.

Introduction

Emerging market is a term introduced in the 1980s by the World Bank to refer to semi-peripheral countries that were rapidly industrializing and providing lucrative investment opportunities for core countries’ financial institutions. Over the years quite a few institutions (international financial institutions, research institutions, credit rating agencies, stock market indices) have made various lists of emerging markets. Turkey is one of the emerging markets.

Since the industrialization of emerging markets in this period is closely linked to the globalization of industrial production initiated by the manufacturers of the core, and since the external financial liberalization of emerging markets is largely the result of policy influences emanating from the core, one could consider the “emergence” of these “markets” (countries) as a feature of the functioning of the capitalist world-system.

The capitalist world system has been experiencing a decline of the hegemonic state, the United States of America, for some time, possibly since 1971. There being no apparent contender for the position of hegemon, neither Japan nor the European Union, the system has been heading towards a period with little leadership among the core states, i.e., the high-income OECD countries.

The world economic crisis that began in 2007 in the US tarnished this country’s claim to expertise in capitalist macro-management, eroding its political clout in international affairs. The contagion of the crisis to the rest of the core accelerated another trend – the economic regression of the core relative to semi-peripheral countries, especially some East Asian countries.

These developments have increased the latitude for economic and foreign policy making among the semi-peripheral countries. A study of Turkey as a semi-peripheral “emerging market” should be developed in this global context: how has the Turkish ruling class, through its various governments, used this latitude?

This article questions firstly how Turkey -as society and state- has been reacting to changes in the functioning of the world economy; secondly, how Turkey has been developing a post-modern domestic political environment and, thirdly, how these economic and domestic political changes interact with Turkey’s foreign relations. We focus on the period since 2003, as the Justice and Development Party came to power in November 2002 and has been elected to power in two subsequent elections.

Turkey as an emerging market

Import substituting industrialization in 1961-1979 developed in Turkey (which had been an agrarian economy) manufacturing industries which were largely assembly line activities and dependent on foreign technology. Turkey suffered an external debt crisis in 1977-1979. The World Bank provided credit relief under a structural adjustment program. The government began liberal economic reforms in 1980. A military coup that year consolidated the neoliberal reform process
against any popular resistance. Gradual trade liberalization and domestic financial liberalization continued through the 1980s, culminating in full external financial liberalization (capital account convertibility) in 1989.

Turkish governments have been consistently pursuing export-led growth policies, gradually making the country a more open economy, in tandem with the upper middle income country group wherein the World Bank places it (Table 1). Turkey has been improving its relative standing in world economy, measured by its per capita gross domestic product, which has been rising with respect to both the world average and the average of the high-income OECD countries (which comprise the core of the world-system) (Table 2).

How has this apparent improvement in per capita income reflected in the living standards of the population? According to the Turkish Institute of Statistics, in 2012 the highest income-earning families as a quintile of all families got 45.0 per cent of total disposable income, the fourth quintile received 22.0 per cent, the third 15.6, the second 11.0, while the lowest quintile of families got 6.5 per cent. The same statistics for 2003 were 48.3, 20.9, 14.5, 10.3 and 6.0 per cent. So figures show that the income distribution appears to have somewhat improved, although they do not reveal the distribution for the highest and lowest 10 per cent or 5 per cent of families, and they do not reflect differences in family size. The figures say nothing about the welfare effects on the poor of the gradual privatization of basic services, such as health, education, transportation.

Table 1: Trade as percentage of GDP

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<tbody>
<tr>
<td>Turkey</td>
<td>30</td>
<td>40</td>
<td>48</td>
<td>51</td>
</tr>
<tr>
<td>Upper middle income countries</td>
<td>33</td>
<td>46</td>
<td>61</td>
<td>61</td>
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<tr>
<td>World</td>
<td>39</td>
<td>43</td>
<td>54</td>
<td>58</td>
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Source: World Bank, World Development Indicators.

Table 2: Turkey’s per capita GDP ratio to per capita GDP in the world and in high income OECD countries (per cent)

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<tr>
<td>Ratio to world</td>
<td>85</td>
<td>103</td>
<td>127</td>
<td>144</td>
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<tr>
<td>Ratio to high-income OECD</td>
<td>24</td>
<td>27</td>
<td>34</td>
<td>43</td>
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Source: World Bank, World Development Indicators. Note: Per capita GDPs are in current international dollars (purchasing power parity).

A clearer indication of how the increases in national income affect the general well-being of the population is provided by the Human Development Reports (HDRs) of the United Nations Development Program. The reports publish for each country an annual Human Development Index (HDI) calculated from a basic health indicator (expected life expectancy at birth), education statistics (meaning years of schooling and expected years of schooling) and Gross National Income per capita. Each HDR publishes a list of all countries ranked according to their human development indices. The HDRs also publishes the difference between each country’s rank number in the list according to per capita income,
and the country’s rank number in the HDI listing. If the difference for a country is positive, it means that the country has achieved goods results in health and education, given its per capita income. If the difference is negative, it means that the country has underperformed in health and education, compared to other countries with similar per capita income.

Table 3 shows that in Turkey the population’s average well-being as measured by the human development indices has been deteriorating compared to its per capita income; as Turkey is climbing much faster in the per capita income list, compared to the Human Development List.

Table 3: Rank in per capita Gross National Income minus rank in Human Development Index for Brazil, China, Cuba and Turkey

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<th>1987</th>
<th>2002</th>
<th>2012</th>
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<tbody>
<tr>
<td>Brazil</td>
<td>-5</td>
<td>-9</td>
<td>-8</td>
</tr>
<tr>
<td>China</td>
<td>44</td>
<td>5</td>
<td>-11</td>
</tr>
<tr>
<td>Cuba</td>
<td>26</td>
<td>39</td>
<td>44</td>
</tr>
<tr>
<td>Turkey</td>
<td>1</td>
<td>-12</td>
<td>-32</td>
</tr>
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The main aim of neoliberal economic transformation of policies in general is to reduce the share of the working people in the national product, and to make the working people produce more output. It can safely be asserted that this aim is the same in all countries in the world-system.

However, the bourgeoisies in the semi-peripheral countries seem to be pursuing varying strategies in their foreign economic policies. Some East Asian states have at times implemented mercantilist policies in trade (applying covert protectionism and dumping) and in their exchange rate policies. After the 1998 East Asian crisis even the IMF has accepted the need for some checks on short-term speculative capital flows, and many East Asian and Latin American states have been more or less discriminate in their trade and capital account policies (GRABEL, 2011). These policies have yielded trade surpluses and accumulated reserves. This is reflected in the overall trade balance (even surplus) achieved by the upper middle income semi-peripheral countries in aggregate in the last decade (Table 4).

By contrast, successive Turkish governments since 1980 have gradually liberalized imports. In 1989 the Turkish state started to implement fully-fledged external financial liberalization. In 1994 the Turkish state signed the final agreements of the Uruguay Round of GATT; and in 1995 Turkey signed a customs union agreement with the European Union. These have committed Turkish governments to free trade with the EU and all countries with which the EU has trade agreements. Under the terms of the customs union, Turkey implements the tariffs decided by the EU on imports from other (third party) countries.

Consequently, Turkey has twice (in 1994 and in 2001) experienced post-Bretton Woods crises, where short term speculative capital inflows have (1) appreciated the currency, (2) financed the subsequent trade deficits, (3) financed wealth transfers abroad, and (4) suddenly turned into outflows, triggering currency crises. Each of these episodes in 1994 and
in 2001 ended with a devaluation mitigated by an IMF loan to the government; loans with economic policy strings attached. Turkey’s GDP growth has been partly fueled by inflows of foreign savings.

The Justice and Development Party (AKP) government that was elected after the 2001 currency crisis has pursued the same liberal trade and international financial integration policies that led to two currency crises. Private capital inflows stabilized the Dollar exchange rate for roughly a decade, in spite of a low rate of inflation. Consequently Turkey has been running current account deficits. These capital inflows and deficits have been accumulating a negative net external balance between foreign assets owned by residents, and assets in Turkey owned by non-residents (i.e. the external financial liabilities) (Table 5). The foreign assets owned by residents (mostly Turkish citizens) amounting to 216 billion dollars comprise capital flight. The accumulated 420 billion dollar deficit at the end of 2012 represents the sum of the imports that have been financed by non-residents’ supply of foreign exchange. A quick comparison of official reserves and portfolio liabilities shows the potential for a currency crisis. When short term loan liabilities and deposit liabilities amounting to 174 billion dollars (within the “other liabilities”) are added to the portfolio liabilities, the total of the stock of “hot money” clearly presents a threat to the Turkish economy.

Table 4: External balance on goods and services as percentage of GDP

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<tbody>
<tr>
<td>Argentina</td>
<td>2.4</td>
<td>-0.7</td>
<td>6.1</td>
<td>3.5</td>
</tr>
<tr>
<td>Brazil</td>
<td>2.4</td>
<td>-0.3</td>
<td>1.7</td>
<td>-0.5</td>
</tr>
<tr>
<td>China</td>
<td>-0.6</td>
<td>2.1</td>
<td>4.2</td>
<td>5.0</td>
</tr>
<tr>
<td>Thailand</td>
<td>-3.0</td>
<td>-1.0</td>
<td>5.5</td>
<td>5.6</td>
</tr>
<tr>
<td>Turkey</td>
<td>-3.1</td>
<td>-3.0</td>
<td>-1.8</td>
<td>-5.3</td>
</tr>
<tr>
<td>Upper middle income</td>
<td>0.2</td>
<td>0.0</td>
<td>2.5</td>
<td>1.3</td>
</tr>
<tr>
<td>Lower middle income</td>
<td>-3.2</td>
<td>-2.3</td>
<td>-1.2</td>
<td>-4.8</td>
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Source: World Bank, World Development Indicators.

Table 5: Turkey’s net international investment position (billion US dollars)

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<tr>
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<th>December 31, 2002</th>
<th>June 30, 2013</th>
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<tr>
<td>net international investment position</td>
<td>-86</td>
<td>-420</td>
</tr>
<tr>
<td>Assets</td>
<td>62</td>
<td>216</td>
</tr>
<tr>
<td>foreign direct investment</td>
<td>6</td>
<td>31</td>
</tr>
<tr>
<td>portfolio investment</td>
<td>1</td>
<td>1</td>
</tr>
<tr>
<td>other assets</td>
<td>28</td>
<td>61</td>
</tr>
<tr>
<td>Official reserves</td>
<td>28</td>
<td>123</td>
</tr>
<tr>
<td>Liabilities</td>
<td>148</td>
<td>636</td>
</tr>
<tr>
<td>foreign direct investment</td>
<td>19</td>
<td>165</td>
</tr>
<tr>
<td>portfolio investment</td>
<td>24</td>
<td>181</td>
</tr>
<tr>
<td>other liabilities</td>
<td>105</td>
<td>290</td>
</tr>
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Source: Central Bank of the Republic of Turkey.

The signs of an easing of expansionary monetary policy in the US in August 2013 (i.e. a rise in US interest rates) have led to capital outflows
from Turkey, raising the price of the US dollar. More importantly, these accumulated liabilities make the Turkish government vulnerable to economic blackmail on political issues by any government with an influence on credit rating agencies or the IMF.

Meanwhile the global crisis that began in 2007 caused a GDP contraction of 5 per cent in 2009. GDP rebounded in the following years.

**Political Islam**

Following the coup in 1980, the Turkish junta and the civilian politicians managed a gradual return to parliamentary rule, under a new authoritarian constitution. In this period two important political movements gained in strength, two movements opposed to the authoritarianism, nationalism and secularism of the state. One was Islamist political movements which challenged the republic’s authoritarian secularism. The other was the Kurdish political movement, which challenged the authoritarian ethnic Turkish nationalism. Authoritarian secularism and ethnic nationalism were two basic foundations of the republic. The rise of the Islamist movement and of the Kurdish movement coincide with the rise of identity politics worldwide.

The assertion of Islamic identity in Turkey had a class dimension. The country was ruled by a military-bureaucratic elite in a one-party (Republican People’s Party, CHP) regime through 1923-1950. After the transition to a multi-party parliamentarian regime this elite kept surveillance over the political process. The Turkish Armed Forces staged coups in 1960 and in 1980; and intervened heavy-handedly in political life in 1971 and in 1999, forcing elected governments to resign. The elected governments removed from office in 1960, 1971 and 1980 comprised parties with conservative - popular leanings. In 1999 an Islamist Prime Minister was forced to resign. Hence, Islamists always presented themselves as the victims of an authoritarian ruling class which scorns the voters’ choices. They thereby gained the support of at least a substantive portion of the working people in towns and villages.

Assertion of Islamic identity also had a factional capitalist dimension. Some capitalists (mostly in towns in Anatolia) combined in thinly disguised Muslim business people’s associations to protect their interests against the big capitalists who are based in the large cities.

From the 1970s onwards, the Islamist political party was regularly shut down by the Constitutional Court, to be immediately reincarnated under a new name. This Islamist party in its various incarnations shared power with secular parties at various times in the 1970s and in the 1990s, but was always under threat from the secularist military and judiciary. The turning point for the Islamist movement came with the election of the newly formed Justice and Development Party (AKP) with a majority in parliament in 2002. AKP had an overtly liberal economic program.

Once in power, the AKP government carefully, gradually and painstakingly made moves and passed legislations to remove the Turkish Armed Forces from the political arena. Many non-Islamist intellectuals supported the AKP’s struggle to end the influence of the army in political life. In 2008 the judiciary began to prosecute and try officers and civilians
who were accused of involvement in the army’s interventions in politics, including those who apparently had plotted to topple the AKP government through coordinated disturbances. In August 2013 one of these trials ended with heavy prison sentences passed on the defendants, including some high-ranking retired Generals. CHP supporters and other secularists charge that the trials are not conducted under proper legal procedures. However, AKP’s policies that have ended the Generals’ frequent intervention in politics increased and have sustained popular support for the party. AKP was also able to gain voters’ support through some reforms in public services, and some socially progressive policies (e.g. protection of women abused in the family).

On the other hand, AKP’s pursuance of the export-led-growth strategy has continued the process begun in the 1980s to make waged employment more flexible, to reduce the level of unionization, to deteriorate the natural habitat of Turkey, and to create disasters of urbanization. Investment projects destroying the rural environment such as hydroelectric dams frequently confront local resistance. However these policies have not yet cost AKP much votes in parliamentary elections, being a continuation of neoliberal policies begun twenty years earlier.

The Kurdish movement

Kurds populate mostly the eastern provinces of Turkey, which is their homeland, and comprise roughly 20 percent of the total population; a population estimated around 18 million. There are Kurdish populations in towns and cities in the western and central parts of the country. Since the 1920s the state suppressed Kurdish identity and culture. Kurds had the same citizenship rights as ethnic Turks provided they did not express their Kurdish identity. The East was and remained poor.

A clandestine Workers’ Party of Kurdistan (PKK) was formed in 1978, in a period of political and economic instability in Turkey, reflecting the crisis conditions in the capitalist world-system. Following the 1980 coup, the military junta established a new regime under an authoritarian nationalist constitution. The PKK began a guerilla insurrection in 1984, attacking army and security forces in the Kurdish provinces.

The demands of the PKK included recognition of Kurdish identity, acceptance of their language and culture, and their regional autonomy. The PKK benefitted militarily from the mountainous terrain, popular Kurdish support, and military bases in Northern Iraq and Syria. The state was unable to exterminate the PKK in spite of the losses it inflicted on the guerillas and the forced evacuation of Kurdish villages. It is estimated that the internally displaced people reached 3.5 million in 2010. The forced urbanization of Kurds created a proletariat working in the informal sector (YÖRÜK, 2012, p. 521).

The Turkish state tried in the 1990s to define the Kurdish issue as one of economic underdevelopment in the Southeast, and financed projects to promote regional development. The state also passed repressive laws that led to imprisonment of people on charges of supporting terror, separatism etc. (SATANA, 2012, p. 173).
In the 1990s the state began reluctantly to make small marginal cultural concessions (allowing Kurdish language courses, setting up a Kurdish language channel on state TV etc.). These gradual changes were partly motivated by the negotiations with the European Union for Turkey’s membership. The Kurds formed a political party which won seats in Parliament. It was closed several times by the Constitutional Court, to be immediately reincarnated under a new name. The Kurds carried on a legal struggle parallel to the armed struggle.

In 1998 Turkey threatened the Syrian government with war to end Syrian support for Öcalan, who was residing in Damascus. Öcalan fled from Syria and was apprehended in Kenya in 1999 by the Turkish intelligence, brought to Turkey, tried and sentenced to life imprisonment. After 2002 the AKP government accelerated the token concessions on identity and culture while continuing the military campaign against the PKK. Many Kurds voted for the AKP because it seemed to be less given to Turkish nationalism.

In early 2013 the AKP government announced an accord with the PKK leader Abdullah Öcalan, who is in prison. The accord stipulated a cease-fire, the withdrawal of PKK guerillas to their base in Northern Iraq, and democratic reforms.

What brought about this policy change of the Turkish state? Firstly, the moral fatigue of seeing an estimated 40000 soldiers, policemen, guerillas and civilians die in the conflict over 28 years. Secondly, recognition that a guerilla movement enjoying popular (Kurdish) support could not be annihilated. Thirdly, recognition of the resolve of the Kurdish people to make sacrifices for their rights. Fourthly, with the establishment of a Kurdish regional authority in Northern Iraq and the likelihood of a similar autonomous region emerging in Northern Syria, an understanding that a prolonged war with the PKK in Turkey could internationalize the conflict and lead to demands for separation and independence.

The PKK leadership (Öcalan) also acknowledged and declared that armed struggle had reached its purpose; henceforth the struggle should continue through democratic channels.

The accord with the PKK leadership was politically a risky move for Recep Tayyip Erdoğan, the Prime Minister. The PKK has been officially denounced for three decades as a “s Elliott” terrorist organization led by a blood-thirsty “baby killer” (i.e. Abdullah Öcalan). But, despite Turkish nationalist opposition to the accord, most of the Turkish population seems to have accepted the idea of making some concessions on some of the traditional tenets of the Republic to achieve an end to the bloodshed.

Since spring 2013 there has been no fighting and most or some of the PKK guerillas have moved to their bases in Northern Iraq. As of October 2013, the Kurdish legal party and the PKK leadership in Iraq were expressing their dissatisfaction at the snail’s pace of democratic reforms carried out by AKP. The four parties represented in parliament (AKP, CHP, the Kurdish party and a Turkish ultra-nationalist party) have agreed to draft a new constitution; but disagreed on how to formulate the basic definition of the Republic of Turkey (the ethnic dimension) is hindering
progress in this work. In March 2014 Turkey has local government elections and the AKP leadership is mindful of Turkish nationalist sentiment.

Another social fault line in Turkey is the Alevi sect (not to be confused with Arab Alawites). This is an Anatolian Muslim sect said to combine elements of the Shiite sect, Shamanism and Sufism. Alevi have oppressed and discriminated against since the 16th century. They number between 15 and 20 million. In the current wave of identity politics Alevi have been struggling to be accepted as a religious group, and for their places of worship be given the same privileges as mosques, churches and synagogues. Sunni Muslims regard Alevi as heretics. Alevi are a minority among Turks and Kurds. AKP is de facto a Sunni Muslim party. The government has been making signs of recognition of Alevi grievances but has shown reluctance to meet their basic demands (ALEMDAR; ÇORBACIOGLU, 2012).

**Foreign policy**

The AKP government’s foreign policy in its first term was been carefully designed to avoid the appearance of radicalism. At the same time the AKP version of “moderate” Islamism in a secular state raised interest in the Muslim world (BARKEY, 2012).

The Republic of Turkey is a member of the North Atlantic Treaty Organization since 1952. As a Muslim country Turkey has helped the image of NATO operations in Muslim countries such as NATO’s involvement in ISAF in Afghanistan after 2001 and its involvement in Libya in 2011.

Turkey has a long-standing relationship with the European Union. In 1995 Turkey formed a customs union with the EU, and has been negotiating for full membership since 2005. There are serious reservations among EU governments on Turkey’s membership. These reservations are couched in terms of problems in Turkey’s adjustment to the so-called *acquis* (in human rights etc.); but internal conflicts in the EU and the reluctance to extend the borders of the EU to become neighbors with Iran, Iraq and Syria are probably other major obstacles (FLANN, 2003; MÜFTÜLER-BÄÇ, 2008).

The Republic of Turkey has had relations with the State of Israel since the foundation of the latter. Besides trade, the two states have military cooperation agreements.

The US-led occupation of Iraq in 2003 increased anti-US sentiment in the population of Turkey. The Turkish parliament did not allow US forces to attack Iraq from Turkish soil; specifically the use of the US-Turkish air base in Adana. However the AKP government has continued Turkish military cooperation with NATO and the US in Afghanistan.

The ideology of AKP began to reflect on foreign policy after the Israeli attack on Gaza in 2008. The Prime Minister of Turkey, R. T. Erdoğan, publicly criticized the attack in the presence of the Israeli President at Davos in January 2013, souring Turkish-Israeli relations and increasing his popularity in Turkey and among the Arab peoples. Then, an Israeli attack in international waters in the Mediterranean Sea on a flotilla of ships organized by a Turkish organization carrying aid material to Gaza
in 2010, further worsened Israeli-Turkish relations. In 2013 relations were normalized with an Israeli apology and compensation for the Turks killed on the ships. These developments can be interpreted as a weakening in the front of semi-peripheral states in the Middle East, a front that used to defend the interests of the core.

In 2009 A. Davutoglu, an influential academic, was appointed Minister for Foreign Affairs. Davutoglu’s name is associated with a more independent pro-active foreign policy in the region, which has been called neo-Ottomanism by some.

It is within the context of this independent policy-making that the AKP government in 2010 tried with the Brazilian government to break an agreement on Iran’s uranium enrichment. The attempt was rejected by the core states at the UN.

This pro-active stance has led the AKP government to get involved in some civil conflicts in Arab countries: Turkey has supported the rebels in Libya in 2011; Turkey has supported the political transformation in Egypt in February 2011, but was very vocal in criticizing the coup against President Morsi in June 2013. This last policy put Turkey at odds with the EU and the US.

Finally the precipitous Syria policy of the AKP government revealed its weakness in predicting the outcome of its policies.

Turkey has an 877 km border with Syria. The both sides of the border are mostly populated by Kurds. Syria claims a province of Turkey (Hatay) which was annexed by Turkey in 1938. The construction of dams in Turkey on the Tigris and Euphrates rivers which flow into Syria has given rise to a water sharing dispute since the 1970s.

During the Cold War Syria was ally of the USSR. During the 1980s and 1990s Syria gave refuge to Öcalan, who directed the guerilla campaign from Damascus. After Öcalan left Syria and was captured, Turkish-Syrian relations improved, despite the treatment of Syria by core states as a state supporting “international terror”. Under the AKP government, economic relations and diplomatic cooperation with Syria expanded until 2011.

In 2011 the AKP government gave full support to the rebel fighters, obviously expecting a swift collapse of the Baath regime. However, the Baath regime turned out to have more popular support than expected. It is alleged that the government has allowed the border with Syria to be used to transport arms financed by Saudi Arabia and Qatar into Syria and for foreign fighters to infiltrate Syria. Small air skirmishes with the Syrian air force and sporadic artillery fire on the border in 2012 and 2013 have increased tension.

The civil war in Syria has provided an opportunity to the Syrian Kurdish party (PYD) to establish control over the northern border strip of the country area. The Turkish government has seen the establishment of a Kurdish autonomy in Northern Syria as a negative factor in its negotiations with the Kurds of Turkey; so it has encouraged radical Islamist rebel groups to fight the PYD fighters. This policy has put the AKP government at odds with Washington’s apprehensions on the strengthening of the radical Islamist rebels in Syria.
Two articles were published on 10th October 2013 in the Wall Street Journal (ENTOUS ; PARKINSON) and on 17 October 2013 in the Washington Post (IGNATIUS), accusing the chief of the Turkish intelligence organization of sharing intelligence with Iran. Turkish commentators interpreted these articles as evidence of Washington’s displeasure of the Turkish government’s single-minded drive to topple the Baath regime with no consideration of what might replace it. Hence, AKP’s probable miscalculation in Syria has created problems with its relations with the US, and also created a conflict of interests with Iran, which supports the Baath regime.

2013 was also marked by civil protests in towns and cities against the AKP government. It began in May with a peaceful demonstration against a project for a building construction on a centrally located public park in Istanbul. A heavy-handed police crackdown prompted a spiral of demonstrations against the government in Istanbul and many other towns, brutal police interventions, and increasing reaction and riots which lasted until mid-summer. There was actually no single aim or common demand of the demonstrators. Their grievances included (in addition to profit-driven urbanization), restrictions on the sale of alcoholic beverages and restrictions on abortion and the trials of the secularist army officers. Seven people died during the protests.

Conclusion

Similar to other semi-peripheral emerging market states, the ruling class in Turkey is asserting its place in the new international order through its proactive policies in its own region, i.e., the Middle East. However, this class is integrating Turkey’s economy with the world economy on the basis of free market policies. These policies make the country vulnerable to financial blackmail by the core countries through credit rating agencies and the International Monetary Fund. Moreover, a rise in the hierarchy of the international division of labor inevitably requires a strategic trade policy, which is absent in Turkey. Hence, the relatively positive performance indicators of Turkey (GDP growth rates) do not reflect a serious drive at upgrading industries, but are the result of capital accumulation through intensive use of cheap labor and environmental degradation.

The Kurdish problem affects both foreign policies and domestic politics. The fight against the PKK (in official parlance “splittist terrorism”) dominated political life for nearly thirty years and the struggle for social justice, better working conditions etc., have remained under the shadow of the Kurdish question. Suppression of the Kurds and other minorities has been the main covert justification for restrictions on freedom of the press etc. Hence the struggle of the Kurds for recognition has been contributing to dismantling or reforming the authoritarian nationalist institutions of the republic.

However, ruling classes historically are not great believers in democracy, which gives the various disadvantaged groups in society the freedom to express their problems and frustration. If the government of
Turkey disappoints the Kurds, Alevis and other groups with expectations of a new constitution, and if the turmoil in Syria is not resolved soon, it is possible that Turkey’s political stability may be jeopardized.

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