

Turkey and the Corona Crisis: The Instrumentalization of the Pandemic for Domestic and Foreign Policy

Hürcan Aslı Aksoy

Deputy Head

Centre for Applied Turkey Studies (CATS)

German Institute for International and Security
Affairs (SWP), Berlin

The Covid-19 pandemic has caught Turkey off guard. Before the outbreak of the pandemic in March 2020, the Turkish government under President Recep Tayyip Erdogan was struggling with a troubled economy, the imbroglio in Syria, and decreasing popularity since losing the 2019 municipal elections in Istanbul and Ankara. As the corona pandemic hit the country severely, Erdogan and his Justice and Development Party (AKP) have hastily introduced the preventive measures. Contrary to many other governments, the AKP government only imposed a partial lockdown in the country and rejected an economic standstill. Although the President and his government won relative confidence due to their management of the corona crisis, he was blamed for prioritizing the economy over human lives. To overcome the calamitous financial and public health crises, Erdogan and his AKP have deployed public diplomacy in international politics, while increasing military engagements in Turkey's regional affairs, both of which also serve to achieve AKP's domestic goals. Against this backdrop, this article will focus on the effects of the corona crisis in Turkey in three areas: i) the economy; ii) foreign policy; and iii) domestic politics.

Prioritizing the Economy

President Erdogan's initial response to the pandemic was to keep the economy intact, a central element for the longevity of his rule. In his first public speech after the outbreak of the coronavirus, Erdogan underlined that Turkey should not stop production and "keep the wheels of industry turning" to limit the economic costs of the corona crisis. Turkey's economy was already struggling with external debt, high inflation and unemployment rates, and a weak currency due to the debt and currency crisis in the summer of 2018. Thanks to state-bank lending and fiscal stimulus, the Turkish economy even began to slowly recover throughout 2019.¹

The novel coronavirus causing a global economic slowdown was another blow to Turkey's economy. In May 2020, the Turkish lira has depreciated to an historic low (7 lira to 1 US dollar) and lost almost 15% of its value against the US dollar since the beginning of 2020. Economists forecast that the weak currency will drive up the already high rate of inflation. Furthermore, capital outflow from Turkey has accelerated and foreign exchange reserves have dwindled. To tackle the economic fallout of the coronavirus, President Erdogan announced a rescue package of 100 billion lira (\$15 billion) on March 18. This package included: i) postponement of the personal and corporate income tax filing deadline; ii) reduced/postponed taxes for affected industries (e.g. tourism); iii) exemption of small firms from loan repayments, tax, and social security contributions of their employees

¹ PITEL, Laura. "Turkey's economy rebounds to generate year on year growth." *Financial Times*, 2 December 2019: www.ft.com/content/f6c57ca4-14d6-11ea-9ee4-11f260415385

for the next three months; iv) postponement of credit and interest payments to banks by borrowers; and v) raising the minimum pension.² Instead of state-funded cash assistance for affected workers, Erdogan launched a fundraising campaign asking citizens to help low-income families in the name of “national solidarity.” The President himself pledged to donate seven months of his salary and called on AKP officials as well as large companies to follow in his footsteps. Among the first major donors were businessmen close to the ruling AKP, who did not want to jeopardize their good relations with the government. According to official figures, almost 2 billion lira (\$290 million) had already been collected by May 2020. The opposition and critics accused the AKP President of demanding money from the people instead of supporting them. In fact, the fundraising campaign is an indication that the precarious situation of the Turkish economy does not allow for larger aid packages.

Erdogan is refusing to accept a loan from the International Monetary Fund. IMF lending would mean supervision and the need to account for domestic fiscal and monetary policies

The government is in search of other economic solutions. Many economists claim that state banks have already sold a great deal of their foreign currency reserves to defend the lira, and the central bank has severely restricted bank trading in foreign exchange swap. Meanwhile, Turkey has appealed directly to the US for a dollar swap line from the US Federal Reserve, although US-Turkey relations have been sour due to Turkey's purchase of the Russian S-400 missile defence system in 2019. The Turkish government has even postponed the reactivation of the S-400 system, but the US Federal Reserve would not lend dollars to Turkey bearing in mind the

country's grim economic prospects. Even as Turkey's economy slowly shatters, President Erdogan is refusing to accept a loan from the International Monetary Fund (IMF). IMF lending would mean supervision and the need to account for domestic fiscal and monetary policies, which will bother the President and his government. As Turkey faces exacerbating economic troubles, the Turkish President is trying to turn the attention of the population to Turkey's international affairs and to orchestrate a two-tier foreign policy during the corona crisis. In other words, while Ankara increases its military engagements abroad, it simultaneously pursuing public diplomacy.

Foreign Policy between Militarization and Public Diplomacy

Since the outbreak of the Covid-19 pandemic around the world, Turkey has sent medical aid to 55 countries including the US, China, the UK, Spain, Italy, as well as to some Balkan and African countries. In doing so, the AKP government is underlining the importance of solidarity in times of crisis. It is a choreographed public diplomacy initiative to smooth the prolonged tensions with Europe and the US and strengthen its international relations. This international aid came at a time when public opinion in the West towards Turkey is quite negative, and Ankara hopes to improve the country's standing in the international arena. Although the pandemic and worsening economic situation are pushing the Turkish government to adopt more diplomatic strategies in its foreign policy, they have not disrupted Turkey's military operations abroad.

In Syria's Idlib, following the deadly encounters between the Syrian regime forces and the Turkish military in February 2020, Turkey has doubled down both its own military presence and its support for the main rebel alliance it backs in Idlib. According to reports, Turkey has deployed advanced drones and surface-to-air missiles that came at a high cost in manpower for the Syrian army.³ Thanks to the ceasefire deal with Russia in March 2020, the mili-

² INTERNATIONAL MONETARY FUND. “Policy responses to Covid-19”: www.imf.org/en/Topics/imf-and-covid19/Policy-Responses-to-COVID-19#U

³ INTERNATIONAL CRISIS GROUP. “Silencing the Guns in Syria's Idlib,” Report No 213: www.crisisgroup.org/middle-east-north-africa/eastern-mediterranean/syria/213-silencing-guns-syrias-idlib

tary offensives were halted and a “security corridor” along the M4 highway was established, to be monitored by joint Russian-Turkish patrols. While the Russian-led patrols were blocked, the Turkish military was accepted by the local actors. But Turkey is seeking to assert its influence in Idlib and to unite the different rebel groups under a joint army against the Syrian regime’s forces. With 3.5 million refugees in the country and growing popular resentment towards them, Ankara is also hoping that the security corridor will prevent another flow of refugees should there be an escalation in Idlib. Observers point to a high risk of a ceasefire breakdown and renewed violence in the area. Despite the local challenges and the risk of a humanitarian crisis, Turkish officials repeatedly state their readiness to re-escalate in response to what they contend is a national security threat.

Although the pandemic and worsening economic situation are pushing the Turkish government to adopt more diplomatic strategies in its foreign policy, they have not disrupted Turkey’s military operations abroad

Meanwhile, Turkey has also increased its military engagements in Libya. In November 2019, when General Khalifa Haftar’s forces advanced towards Tripoli to remove the UN-backed Government of National Accord (GNA), led by Fayez Serraj, and disarm any allied forces, Turkey signed a maritime and military deal with Serraj’s government. Accordingly, Turkey has sent officers and 2,000 Syrian opposition fighters to Libya and installed new air defence systems that have allowed Turkish drones to carry out air-strikes against Haftar’s forces. There has been a shift in the Libyan conflict as Turkish intervention has changed the balance of power. From Ankara’s perspective, it is necessary to support the Tripoli gov-

ernment to confront the inimical forces behind Haftar, who are containing Turkey’s geostrategic and economic influence in the Mediterranean and broader Middle East.⁴ Turkey is being dragged much further into the Libyan war than it had initially planned. Both in Idlib and Libya, Turkey is entrenched, and its military engagements have not led to a de-escalation of conflicts. While pursuing a two-tier foreign policy by combining military activism and diplomatic initiatives, the AKP and President Erdogan are carefully designing a narrative aimed at a domestic audience. In public speeches, Erdogan and the AKP leaders underline how Turkey is effectively handling the corona crisis in the country and fighting for its strategic and political interests abroad.

Repression through Crisis Management

President Erdogan is using the corona crisis to stage the central government in Ankara as the sole crisis manager. The Ministry of Health announces the number of new infections and deaths every day and decides on medical measures with the help of the science committee; the Interior Ministry is regulating public life during the corona crisis. The AKP government is systematically slowing down the opposition-led municipal governments in the struggle against the coronavirus. In late March 2020, Istanbul’s mayor Ekrem Imamoglu, from the opposition Republican People’s Party (CHP), called for the imposition of a general curfew on Istanbul, the most severely affected city in the country. Erdogan resisted, arguing that the government wanted to keep the business metropole running. However, when the number of cases rose rapidly in April 2020, the government began to impose weekend curfews in major cities. The decisive factor here is that it was Erdogan who imposed it – not the mayors. Moreover, the opposition-led municipalities initiated a donation campaign before Erdogan’s national solidarity campaign to combat the outbreak. But the Interior Ministry has slammed them for operating “unauthorized campaigns” and blocked the municipal accounts, earmarked for assistance to coronavirus-stricken residents. In addi-

⁴ INTERNATIONAL CRISIS GROUP. “Turkey Wades into Libya’s Troubled Waters,” Report No 257: www.crisisgroup.org/europe-central-asia/western-europemediterranean/turkey/257-turkey-wades-libyas-troubled-waters

tion, Istanbul's mayor Imamoglu had planned to convert the former Atatürk Airport into a field hospital, but President Erdogan set his own project against it and ordered the construction of two new hospitals. The AKP government occasionally curbs the powers of Istanbul and Ankara's local governments. Despite the pressure from the central government, both Istanbul and Ankara's mayors have developed creative solutions and asked citizens to directly pay the utility bills of struggling families or donate money to people who have lost their jobs. The CHP-run municipalities have performed well during the Covid-19 pandemic and increased their popularity, which, in turn, irritates the AKP government and Erdogan.

In the midst of the global health crisis of 2020, Erdogan will focus on two issues: bringing the Turkish economy back on track by intensifying its regional and international activism and continuing to debilitate the opposition using authoritarian tactics

Meanwhile, the government has also detained elected mayors of the pro-Kurdish Peoples' Democratic Party (HDP) with great ferocity and appointed AKP-

trustees to replace elected mayors. Within a year after the 2019 local elections, 45 out of 65 municipalities won by the HDP are under the control of the government's appointed trustees. As the corona crisis continues, Erdogan and his government are employing authoritarian tactics to slow down the approaching political and economic crisis.

Concluding Remarks

Some observers claim that President Erdogan sees the pandemic as another opportunity to consolidate his authoritarian power by introducing draconian measures, while others contend that he faces the toughest challenge in his 17-year rule. Indeed, he has managed several crises in his career that have seriously challenged his rule but not dismantled it. In the midst of the global health crisis of 2020, Erdogan and his AKP government will focus on two issues: bringing the Turkish economy back on track by intensifying its regional and international activism – both military engagements and diplomatic initiatives – and continuing to debilitate the opposition using authoritarian tactics. But the pandemic has too many unpredictable political and economic implications not only for Turkey but for the entire world. If the costs of suppressing the opposition and military engagements increase, then the AKP government might choose to secure its rule by shifting its political course. However, it is up to President Erdogan to change Turkey's future trajectory.