

NEWS ANALYSIS

The West Hoped for Democracy in Turkey. Erdogan Had Other Ideas.

Turkey's descent into authoritarianism and crisis has destroyed whatever hopes remained that the country's president might serve as a force for moderation.

By Peter S. Goodman

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In Western capitals a decade ago, Turkey's now-paramount leader, Recep Tayyip Erdogan, held promise as a potential beacon of democracy for a region rife with religious conflict.

Turkey was a stalwart NATO ally bridging Europe and the volatile Middle East. As Mr. Erdogan sought to secure a place for his country in the ranks of the European Union, he presented himself as a moderate and modernizing Muslim leader for the post-9/11 age. He catered to perceptions that Turkey was becoming a liberal society governed by tolerance and the rule of law.

But that was before Mr. Erdogan began amassing supreme powers, and before his brutal crackdown on dissent following an attempted coup two years ago. It was before Turkey descended into a financial crisis delivered in no small measure by his authoritarian proclivities and unorthodox stewardship of the economy. Whatever was left of the notion that Mr. Erdogan was a liberalizing force has been wholly extinguished.

For the West, Mr. Erdogan has devolved from a righteous hope — would-be proof that Islam and democracy can peacefully coexist — into another autocrat whose populism, bombast and contempt for the ledger books have yielded calamity.



Mr. Erdogan after a coup attempt in Istanbul in 2016. He took the resumption of hostilities with Syrian Kurds combined with the coup attempt as the impetus for an intensified crackdown on opponents — real, imagined and otherwise. Kayhan Ozer/Presidential Press Service, via Associated Press

Regional experts contend that visions of Turkey's leader as an agent of liberal progress were always fantastical. Mr. Erdogan — who served as Turkey's prime minister for 11 years before becoming its president in 2014 — forged his political career as an Islamist intent on challenging the strictures of Turkey's state-imposed secularism. His early democratic reforms and assertion of civilian control over

the military were largely about winning the welcome of the European bloc while enabling Turkey's Muslim populace to practice its religion free of state interference.

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“For us, democracy is a means to an end,” Mr. Erdogan once declared.

History is full of examples of Western nations — especially the United States — projecting their aspirations and values onto foreign leaders with their own objectives.

In its effort to prevent China from falling under the control of Communists, Washington backed the Chinese Nationalist general Chiang Kai-shek, celebrating him as a courageous hero even as he brutalized opponents and profited on the spoils of American support. In Vietnam, Afghanistan and elsewhere, the United States cast flawed figures as veritable George Washingtons before writing them off as corrupt tyrants.

“As much as we might fantasize about things changing and there being liberal progress, we probably got overly carried away with those sorts of visions for Turkey,” said Philip Robins, a professor of Middle East politics at the University of Oxford.



Mr. Erdogan, far left, during a bilateral meeting in 2015 with then-President Barack Obama. In remarks, Mr. Obama stressed that Turkey was a NATO ally.
Stephen Crowley/The New York Times

Yet even inside Turkey, the European Union exerted a powerful pull as a means of elevating society. It aligned commercial interests — access to a vast European marketplace — with the imperative to democratize. To win European favor, Turkey abolished notorious state security courts, elevated human rights and scrapped the death penalty.

“This is a process that is going to change the perception of life in Turkish society,” the then-president of the Istanbul Chamber of Commerce, Murat Yalcintas, said in 2005. “It’s a mechanism that will integrate us into the freethinking, modern world.”

If that was ever really so, it now looks like a lost opportunity.

Europe never got comfortable with admitting an overwhelmingly Muslim nation that is home to more than 70 million people. Repeated rebuffs laced with anti-Muslim sentiments proved galling for Turkey, especially as Bulgaria and Romania managed to join the European bloc despite reputations for rampant corruption.

In recent years, Mr. Erdogan has broken from the reformist path while forging new alliances, especially with Russia and its strongman leader Vladimir Putin. He has jailed journalists, seized the assets of political opponents and crushed dissent while amassing complete control over the levers of Turkish power. He has run the economy like a patronage network, lavishing credit on companies controlled by cronies, while yielding growth through debt.



People waiting to break their fast in June at Taksim Square in Istanbul next to a mosque project championed by Mr. Erdogan. Sergey Ponomarev for The New York Times

His spending spree has bettered life for the working class Turks who make up Mr. Erdogan's political base, erecting hospitals, schools, roads and other infrastructure. But he has fueled the construction boom by supplying government credits and guarantees that have encouraged private companies to take on alarming debts.

Much of the borrowing has been conducted in American dollars. With the Turkish currency now in free-fall, those debts have multiplied. That has put the Turkish corporate realm in uncomfortable proximity to insolvency while potentially delivering a full-blown economic disaster.

The dangers were already mounting when the global financial crisis emerged in 2008, prompting the world's largest central banks to unleash an unprecedented gusher of cheap credit. They dropped interest rates to zero while purchasing bonds to make cheap money abundant.

Whatever pressure Mr. Erdogan had felt to respect the traditional limits of arithmetic was gone. Money was practically free, giving him virtually infinite supplies of cash to throw at constructing monuments to his prowess. Up went an enormous new Istanbul airport. High-rise apartment blocks filled the horizons. The jackhammer became the national soundtrack.

Istanbul's new airport, one of the many construction projects financed by borrowed foreign money under Mr. Erdogan. Andrew Urwin for The New York Times

“This was the easy way to pump up the economy,” said Jacob F. Kirkegaard, a senior fellow at the Peterson Institute for International Economics in Washington. “He took the money and used it for his own political purposes.”

Yet in nourishing the economy with borrowed foreign money, Mr. Erdogan effectively ceded control of Turkey's fate to financiers who answered not to him but to the global marketplace.

As the Federal Reserve and other central banks have begun to lift rates in recent years, investment has flowed more slowly into emerging markets while streaming back into the United States. It has provoked troubles from Mexico to Malaysia to Turkey.

The exodus of cash from Turkey has wiped away nearly half the value of the nation's currency, the lira, over the past year. This has lifted the price of imported goods, forcing Turks to pay more for food and fuel.

“This is a classical case of populism,” Mr. Kirkegaard said. “It can get you growth for some time, but there’s a bill that comes due. And when the bill comes due, populists tend to get more authoritarian and oppressive.”

Turkey’s troubles have been worsened by other problems that are at least in part influenced by decisions made in Western capitals.

As the war in neighboring Syria spiraled into catastrophe, and as the Obama administration opted to largely stand aside, millions of refugees streamed into Turkey. Europe barricaded itself against this flow, leaving Turkey to contend with a crisis. The migrants competed with lesser-skilled Turks for jobs, while placing a strain on Turkish services.

Amid the instability, Mr. Erdogan kept the taps open for public spending, accelerating growth and elevating the debt dangers.

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“Clearly, the dynamics in Syria did affect the Turkish economy,” said Selva Demiralp, an economist who previously worked at the Federal Reserve in Washington and now teaches at Koc University in Istanbul. “The increase in unemployment put more pressure on Erdogan to press his growth agenda and his populism.”

At the same time, the United States backed Kurdish forces inside Syria to pressure the Islamic State. Mr. Erdogan has long viewed the Syrian Kurds as an extension of those in southeastern Turkey, whom he portrays as a mortal threat to national security.

As the Syria war raged, a fragile cease-fire between Turkish and Kurdish forces unraveled, giving way to fresh fighting. Mr. Erdogan took the resumption of hostilities combined with a coup attempt in 2016 as the impetus for an intensified crackdown on opponents — real, imagined and otherwise.

His most recent foe is President Trump, whose doubling of tariffs on Turkish steel and aluminum earlier this month was delivered as punishment for Mr. Erdogan’s refusal to release a jailed American pastor. Mr. Erdogan claims the pastor aided the failed coup. Washington says that’s nonsense.

Mr. Trump’s action sent the Turkish lira plunging anew, while handing Mr. Erdogan a useful device: Here was ostensible proof that enemies of Turkey were to blame for its economic problems.

Whatever the political optics, Turkey’s crisis is in large part a homegrown affair. Mr. Erdogan’s authoritarianism has destroyed confidence in Turkish institutions, especially its central bank, the body most crucial to arresting the economic fall.

As of June, Turkish private companies carried foreign currency debts reaching \$220 billion, according to government figures, or roughly one-fourth of the overall economy. Persuading international investors to extend these debts and spare companies from bankruptcy requires that the central bank lift interest rates. But Mr. Erdogan has refused to go along, claiming — contrary to basic economics — that inflation is caused by high interest rates.

His unwillingness to raise rates reflects rational fears. Such a move would choke off growth and probably plunge Turkey into recession. But holding the course probably amounts to a slower, more winding path to the same destination, as investors flee Turkey and forsake the lira. That route may yet end at the doorstep of the International Monetary Fund, with a plea for a bailout.

If matters come to that, Mr. Erdogan would be back in a familiar place, his national fortunes tied again to relations with Europe and the United States, though not in the way he once hoped.

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