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Erdoğan's Leadership and the Turkey-Greece Dispute: Part I

When talking about international relations, it's tempting to describe each country as a monolithic, rational decisionmaker with a settled set of concerns, goals, strategies, and tactics. Examples of such descriptions include: China wants to solidify its claim to the South China Sea; Russia is trying to undermine Western democracies; and the U.S. has tired of global hegemony. This convenient shorthand makes it easier to talk about geopolitics, but it can mask the reality that a country's behavior is driven by the decisions and initiatives of powerful individuals. Those decisions and initiatives may reflect the country's traditional perspectives, lessons from history, and habits developed over centuries. They may incorporate today's popular opinion or the preferences of the ruling classes. But a country's policies still reflect the decisions of individuals in power as constrained by their personal, political, and bureaucratic environment. Without Napoleon, it's unlikely that post-revolutionary France would have embarked on its aggression against the rest of Europe in the way that it did. Without Adolf Hitler, neither would post-World War I Germany have done so.

If leaders and leadership really do count, a good example today is Turkish President Recep Tayyip Erdoğan and the way he's deploying Turkey's power in Asia Minor. In Part I of this report, we provide a deep dive into Erdoğan's perspectives, goals, power, initiatives, and constraints. Next

week, in Part II, we'll show how Erdoğan is trying to make Turkey a player in the newly discovered, rich natural gas fields of the Eastern Mediterranean. Since that initiative could lead to a confrontation with other countries, Part II will also explore the potential implications for investors.

From Kemalism to Erdoğanism

When trying to understand a national leader, it's important to first develop a sense of the country's geopolitical, economic, social, and cultural history as well as the leader's formative experiences and personal struggles or successes.

Modern Turkey. Modern-day Turkey arose from the ashes of the Ottoman Empire after the end of World War I. After the war, the victorious Allies tried to prevent the resurrection of the empire by occupying parts of its territory and giving autonomy to regional groups like the Greeks, Kurds, and Armenians. However, a group of Turkish military officers led by Mustafa Kemal Atatürk overthrew the Allies' puppet king in 1922 and pushed the occupying forces out, eventually creating the nation of Turkey.

- **Kemalism.** What distinguished Turkey for most of its first century was a specific political culture developed by Atatürk to strengthen and modernize the country by moving it beyond its roots as an Islamist monarchy. His "Kemalism" centered on two key concepts, both of which were aimed at emulating the successful countries of Europe. First, the government embraced republicanism and democracy. Second, it enforced secularism and suppressed Islamic

influence in society. The secularist thrust of Kemalism was even applied in the conservative, Islamic-dominated hinterlands of the Anatolian peninsula, which gradually generated discontent. The government and military also suppressed minorities in those areas, with a focus on the Kurdish people whose historic homeland straddles the Turkish-Iraqi frontier. By the late 1970s, repression of the Kurds spawned a radical, left-wing separatist movement, the Kurdistan Workers' Party (PKK). The PKK has often used terrorist methods, so it is seen as an existential threat to the government in Ankara.

- Economic Underperformance.** During the Kemalist period, the government's Westernization efforts included a program of industrialization, but economic performance was generally unimpressive and often erratic. Turkey's per-capita gross domestic product (GDP) grew at a modest average annual rate of just 1.1% in those years, and inflation often surpassed 75%. To improve economic prospects, Turkey and the European Union (EU) signed a cooperation agreement in 1963 and a limited customs union in 1995. Turkey applied for full admission into the EU in 1987, but EU leaders have continually blocked action on the application on grounds that Turkish human rights violations and weak rule of law would be incompatible with EU norms. Turkish frustration over its lack of access to the European market has been an important factor in turning public opinion away from the West.
- National Insecurity.** International security policy also became a source of Turkish frustration during the Kemalist period. As shown in Figure 1, Turkey's geographical position separating the

southwest flank of the USSR from the oil fields of the Middle East made it vulnerable to Soviet incursion, while its control of the Bosphorous Straits put it into position to bottle up the Soviet Navy in the Black Sea. Turkey was therefore embraced by the North Atlantic Treaty Organization (NATO), and it was admitted to the alliance in 1952. Turkey spent decades as a linchpin of Western security. After the fall of the Soviet Union, however, Turkey became much less valued by the Western allies. Even as it supported the First Gulf War in 1991 (which further irritated the country's restive Islamists), the government chafed at its loss of status in global affairs.

Figure 1.



(Source: Canadian Broadcasting Corp.)

Enter Erdoğan. [Recep Erdoğan was born on February 26, 1954](#), in the Black Sea city of Rize, where his father was stationed as a coast guard officer. In 1967, his father moved Recep and the rest of the family to Istanbul in hopes of improving his children's prospects. Recep's [primary and secondary education occurred at Islamic schools](#), where he developed a reputation for mastery of the Koran and [fiery oratory skills supporting political Islam](#). He also developed secular entrepreneurial skills selling lemonade and sesame buns in the street to earn extra cash. He went on to earn a degree in management from Istanbul's Marmara University in 1981. During his time at Marmara, he was a

professional athlete for Istanbul's Kasımpaşa soccer club, demonstrating his unique blend of Islamic piety and extreme competitiveness.

- **Early Politics.** Erdoğan was active in student political groups throughout his high school and university years. He became a leader in the conservative, anti-communist National Turkish Student Union and the Islamist National Salvation Party until a military coup in 1980 shut down all political parties. When party activity was allowed again, Erdoğan became a leader of another Islamist group, the Welfare Party, on whose ticket he ran for Istanbul mayor and won. He served successfully in that role from 1994 to 1998, when the military again outlawed Islamist political activities, banned the Welfare Party for violating the constitution's separation of church and state, and imprisoned him for illegally reading an Islamic poem in public. Following his release, Erdoğan formed his own political movement, the Justice and Development Party (AKP), which is dedicated to instilling Islam in Turkey's public life.
- **Current Politics.** Disillusion with the West, economic underperformance, and rising Islamism brought electoral victory to the AKP in 2002, but the power transition itself further delegitimized the Kemalist elites and Turkey's supposed Western allies. After the AKP won a sweeping mandate for its program of nationalism and increased respect for Islam, the electoral authorities initially prevented Erdoğan from taking power on grounds of his earlier imprisonment. The ban was reversed by the courts in 2003, allowing Erdoğan to take power, but the damage had been done. The episode further eroded public support for the Kemalists and the Western

governments that did little to support Erdoğan in his post-election legal battle. Disillusion with the West grew even worse when the U.S. and its allies enlisted the help of Kurdish forces against Iraq in the Second Gulf War in 2003. As discussed in our [WGR from August 5, 2019](#), Erdoğan and the Turkish Islamists have suffered further disappointments with the U.S. and Europe ever since, including:

- Perceived failure by the U.S. and Europeans to support anti-government protests across the Middle East during the Arab Spring of 2011;
- The U.S. alliance with Kurdish fighters against Islamist extremists in the Syrian civil war starting in 2014;
- The U.S. refusal to extradite Erdoğan's former political ally, Fethullah Gulen, after Erdoğan accused him of helping plan an attempted coup against him in 2016;
- The U.S. imposition of protectionist import tariffs against Turkish steel goods in 2018.

Erdoğan's Goals and Leadership

As shown above, Turkish nationalists and Islamist conservatives see plenty of reasons to doubt the West and its political and economic orthodoxy. Based on evidence ranging from Erdoğan's upbringing and educational experience to his actions and statements as a politician, he is probably best described as a "true believer" in regaining Islam's place in global society, seeking redress for the way Islam and Turkey have been treated by the West, and making Turkey an independent, respected, and dominant power in the region. Some observers think this program is best described as "neo-Ottoman." In any case, Erdoğan appears to have the domestic power

to push Turkey toward his goals, but it's not yet clear that Turkish power under Erdoğan could prevail against other regional competitors.

Figure 2.



Erdoğan (left) with the head of Turkey's Religious Affairs Directorate, Ali Erbas (right).
(Source: nbcnews.com)

Erdoğan's Goals. It appears that Erdoğan has largely, but not yet completely, given up on Turkey's prior strategy of deepening its ties with the U.S., NATO, and the EU. He has instead taken steps to thumb Turkey's nose at the West and build new alliances with other strategic partners. For example, he's become a [strong supporter of embattled Venezuelan strongman Nicolás Maduro](#), publicly urging him to "stand up tall" against U.S. efforts to force him from power. The most dramatic example of Erdoğan's pushback against the West is his decision to buy and deploy Russia's advanced S-400 air defense system, the [first shipments of which arrived in Turkey in July 2019](#). Politically, Turkey's purchase of the S-400 from a mortal enemy of the West is a body blow to NATO's cohesion. Going forward, Erdoğan's key policy goals for Turkey are as follows:

- ***As the U.S. cedes its traditional global hegemony, have Turkey take advantage of the resulting power vacuum in the Middle East to become the region's dominant geopolitical actor.*** This goal

entails actively competing against other major powers in the region, such as Saudi Arabia and Iran. It encompasses competition in politics (e.g., [castigating the Saudis for killing dissident journalist Jamal Kashoggi in their Istanbul consulate in 2018](#)), religion ([supporting regional Islamist groups like the Muslim Brotherhood](#)), and economics (seeking to ensure Turkey's role in exploiting the rich, new natural gas fields of the Eastern Mediterranean, to be discussed in Part II).

- ***Realign Turkish alliances to enhance the country's ability to act powerfully and independently.*** Since Turkey is still not powerful enough to act entirely alone, Erdoğan has been careful not to completely break ties with NATO or the EU. However, he may do so in the future if he believes it to be to his advantage. Indeed, Erdoğan pushed Turkey's relationship with the EU to the breaking point in 2015 when he [allowed millions of Middle Eastern refugees to cross into Europe from Turkey](#) to punish the EU for its slights and extort funds to help support the refugees left in Turkey. In contrast, Erdoğan has drawn closer to Russia as shown by his purchase of the S-400 air defense system. Another natural ally for Erdoğan would be China. In 2016, Erdoğan [said Turkey would consider joining the Beijing-led Shanghai Cooperation Organization](#) instead of the EU.
- ***Protect domestic political power by playing up Turkish nationalism and Islamist credentials.*** Although Erdoğan hasn't adopted extreme authoritarianism, he has acted aggressively to protect his domestic political power. After the attempted coup against him in 2016, he [purged tens of thousands of perceived opponents in the government](#)

[bureaucracy, the military, and the press.](#)

He has imposed strict new rules on media outlets and imposed closures or government takeovers on some of them. To promote Islamic interests, he [announced this summer that Istanbul's renowned Hagia Sophia church would be converted back to a mosque.](#)

Erdoğan's policies have started to repel some urban voters (his party lost several key municipal elections in early 2019), but his gamble is that continuing to implement Islamist policies and asserting Turkish interests on the world stage will generate enough political support in Turkey's conservative, rural areas to win a new five-year term in the next presidential election in 2023.

- ***Boost economic growth through loose monetary policy and increased investment.*** To boost Turkey's economic power, Erdoğan has pressured the central bank to keep interest rates low in order to spur growth through real estate investment. However, his policies have helped undermine faith in Turkey's economy and ability to repay its debt, leading to a [sharp drop in the value of the country's currency.](#)

Leadership Assessment. No matter what a leader's goals are, he or she must have the political power and leadership skills to achieve them. When assessing Japanese Prime Minister Yoshihide Suga in our [WGR from September 21, 2020](#), we laid out several criteria we use to assess a politician's leadership abilities. Applying the same criteria, we would assess Erdoğan's power to be formidable. His "neo-Ottoman" program resonates with Turkey's right-wing nationalists and religious conservatives, while his masterful oratory and control of the media ensure that he can communicate that ideology effectively. Erdoğan's long experience in

Turkish politics and his demonstrated ability to bounce back from even the most dire of setbacks serve to validate his will to power as well as his skill as a political strategist. He has a genuine connection with many of his constituents, even if his actions in striking out in unorthodox political and economic directions sometimes backfire.

Figure 3.

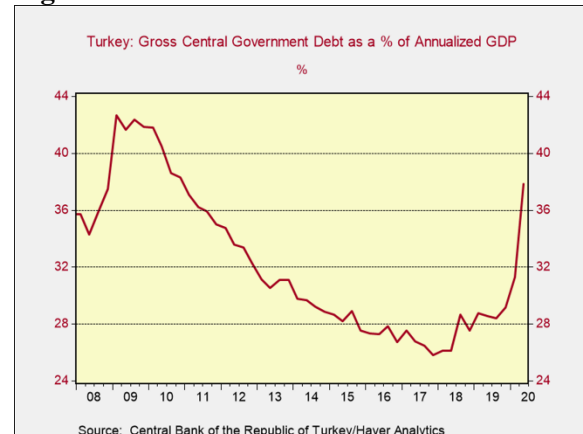
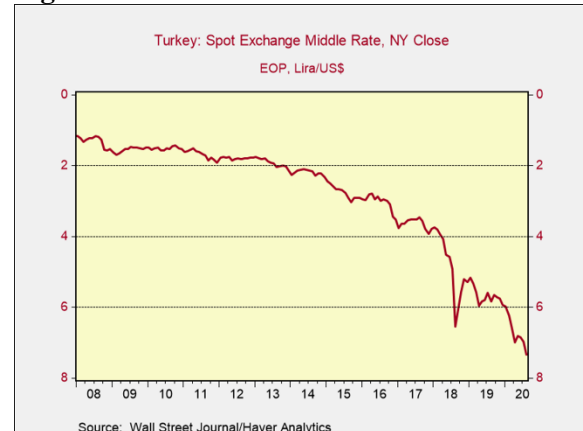


Figure 4.



Summary

For the sake of convenience, it may make sense to say, "The H.M.S. *Queen Mary* turned to starboard to avoid the sand bar," but, in reality, the ship turned because of a decision made by her captain and implemented by those who followed his orders. Just so, we've focused here on the individual, personal attributes of President Erdoğan and how they're impacting his policies.

In Part II next week, we'll deeply explore how Erdoğan is applying his policies in the newly discovered, rich natural gas fields of the Eastern Mediterranean. We'll discuss how his efforts to ensure that Turkey has a role in developing those resources could bring the country into conflict with Egypt, Israel, Cyprus, and, most dangerously,

Greece. As always, we'll conclude with a discussion of the potential ramifications for investors.

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