Turkey has lately shown signs of a clearly growing socio-political crisis in the country. Its economy is going through a difficult, if not disastrous, phase: the lira is plummeting, foreign exchange reserves are shrinking, external debt and unemployment are skyrocketing. All this raises doubts about the republic’s financial and economic prospects and the sustainability of the current regime.

The currency and debt crises in Turkey have been brewing for years. In particular, the Turkish economy went through a rather difficult period in 2016-2017 (after the attempted military coup) and the Turkish lira has been weakening consistently since 2017. However, with the Turkish lira having depreciated by more than 100% since September, no one can predict what will happen to the exchange rates and what the poverty rate will be. Economists and sociologists say that over the past 5 years, Turkey has lost all the real growth in prosperity that occurred in the 2000s and early 2010s. According to the World Bank’s World Economic Outlook, Turkey’s economic growth, which was 9.5% in 2021, will fall to 2% in 2022.

Many Turks who used to be Erdoğan’s supporters write on social media that they have become monstrously impoverished in recent years (that they cannot afford foreign goods, and food prices have risen so much that they have to dig through garbage cans). Online commentators make sad jokes that they did not anticipate that Erdoğan’s decision not to go to Europe would mean such a quick drift to Africa. The new economic model that the country’s
ruling party, the Justice and Development Party (AKP), adopted at the end of its 19th year in power has only exacerbated existing poverty.

Under these conditions, a protest movement is growing in the country. For example, residents in the Turkish province of Hatay took to the streets because of regular power cuts. The Turkish Journalists’ Association (TGS) conducted a social survey which showed that some 73.5 per cent of the press corps in the country cannot live off their income. Employees in the Istanbul bureau of BBC went on strike to fight for higher wages. The people of Turkey blame the government’s and President Recep Tayyip Erdoğan’s short-sighted policies for the protracted financial crisis.

Rapidly rising inflation in Turkey is hitting hard not only the low-income population but also the middle class, as consumer demand in the country has shrunk substantially. A sharp decline in consumer demand could lead to economic stagnation in the coming months and a new wave of unemployment. The galloping price increases have already forced the middle class to cut back on spending. The year 2022 has brought along another sharp increase in prices: natural gas prices have risen by 25% for households and 50% for industrial use; electricity prices have risen by 53% for citizens and 130% for companies. In addition, the prices of gasoline, car insurance and some tolls jumped.

As a result, monthly inflation in January is likely to reach 15%, exceeding even December’s figure of 13.5%. As for annual inflation in 2022, it could even exceed last year’s 36% - the highest rate in the 19 years of the AKP rule. Meanwhile, according to unofficial data from ENAG Inflation Research Group, an independent institution established in 2020 to track inflation in the country, the real annual consumer price inflation rate in Turkey was already 82.8% in December 2021.

As noted by the Turkish media, in addition to inflation reaching its highest level in two decades and the skyrocketing cost of living, the human rights situation in the country leaves much to be desired. As a result, unprecedented numbers of educated workers are fleeing the country for Europe, particularly Germany, and few, as the Turkish media outlets report, believe they will ever return. For example, according to the Turkish Medical Association (TTB), more than 8,000 doctors have left the Turkish public health sector in the past two years.

Another poll conducted by the Center for Social and Political Field Studies (Sosyo Politik) showed that support for the ruling AKP, led by Erdoğan, has also fallen to 27%. Its ally, the Nationalist Movement Party (MHP), is favored by 6.3%. In 2018, the level of support for the AKP and MHP was 37% and 7.3% respectively.

Under these circumstances, Kemal Kılıçdaroğlu, leader of the opposition Republican People’s Party, said the Turkish president is pushing the country towards a civil war. The said assessment came after Recep Tayyip Erdoğan “issued a warning” to anyone preparing to protest against the government. “They say they will take to the streets. Have you forgotten about the coup attempt? This nation then taught a lesson to those who took to the streets. We will sweep you off the streets!”, Erdoğan said in a January 4 speech to AKP.

In an attempt to support Erdogan, the Turkish government seeks to strip 28 opposition MPs of their immunity. At the same time, a Turkish court approved an indictment by the Interior Ministry against 23 members of the Religious Scholars Association for Mutual Assistance and Solidarity (DIAYDER) accused of having links to extremist groups banned in the country. Nine of the defendants are currently in custody, while others reportedly still work for the municipality of Istanbul. However, many experts and politicians believe that the Turkish authorities are thus preparing the ground for prosecuting Istanbul Mayor Ekrem İmamoğlu, a representative of the opposition Republican People’s Party (CHP) considered one of the most serious rivals of the current President Recep Tayyip Erdoğan in the 2023 elections.

In this regard, against the background of the events in Kazakhstan in early January, a number of experts do not rule out that the growing socio-political crisis in Turkey may in the near future lead to an undesirable aggravation of the situation in that country, which will only be answered by tougher measures by the current authorities against the opposition.