Turkish power contestation with the United Arab Emirates: an empirical assessment of official development assistance

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Abstract
Turkey’s post-Arab Spring regional rivalry with the United Arab Emirates (UAE) influences the allocation of its Official Development Assistance (ODA). Our paper provides a comprehensive comparison of Turkish and UAE’s ODA on global and regional levels. To understand the effects of power struggle on Turkish ODA, we employ a time-series cross-sectional model, taking Turkey’s annual ODA allocations as our dependent variable, and the UAE’s global and regional ODA levels as our independent variables. We observe that Africa emerges as the main region where the rivalry between Turkey and the UAE intensifies. Based on our regression analysis covering 2000–2020, our findings demonstrate the limits of religious-cultural explanations of foreign aid, suggesting donors’ geopolitical interests playing a higher role. We find out that Turkey allocates more ODA to Muslim countries, yet its main motivation is not based on religious-cultural affinity. Our case studies on Egypt and Somalia demonstrate competition between Turkey and the UAE for regional influence. We contribute to the existing foreign aid literature in two critical ways: First, we provide a comprehensive regional analysis of Turkey’s foreign aid behavior, as each geography has its own unique geopolitical dynamics. Second, we show that religious proximity is insufficient to explain Turkey’s ODA distribution, based on the existence of competing donors throughout multiple geopolitical crises.

Keywords Foreign aid · Development assistance · Turkey · UAE

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Introduction

In recent years, Turkey has enhanced its visibility in global politics (Ozkan 2013; Aktürk 2017; Aydn-Düzgit 2019), partly by adopting new policy tools in its Official Development Assistance (ODA). An unexpected consequence of Turkey’s increased activism is the deterioration of its relationship with the Gulf countries, in particular the United Arab Emirates (UAE). Turkey became more visible in the Middle East and North Africa by supporting popular movements from the onset of the Arab Spring (Başkan 2019). Turkey’s increased engagement in the region via foreign aid reinforced its image as an emerging donor (Altunişik 2014). Turkey had one of its most complicated relations with the UAE among the Gulf countries, and both countries utilize ODA for geopolitical leverage.

Turkey provides extensive ODA both inside and outside its borders, and its military and diplomatic ties expanded with countries from Qatar to Libya. Turkey allocates its foreign aid to Muslim majority countries (Kavakli 2018; Zengin and Korkmaz 2019). Turkey’s aid to Muslim countries leads to multiple encounters with regional adversaries. The acute crisis in the region and the subsequent humanitarian tragedy led to a revamping of Turkish and the UAE’s roles as the region’s leading donors, but also as significant global donors in terms of their allocation of foreign aid as a share of their GDP. While Turkey engaged with popular movements in the region with the Arab Spring, the UAE distanced itself from these movements, specifically from the Muslim Brotherhood and its affiliates (Lacroix 2014). The UAE extensively allocated aid to Arab countries with whom it had alliances. The regional balances in the post-Arab Spring period reformulated their global image, as Turkey and the UAE became competing poles of power in the Middle East and regional rivals. ‘Regional struggle’ or ‘regional rivalry’ indicates Turkey’s and the UAE’s diverging interests to influence different regimes in the Middle East and Africa. This rivalry became more visible after the Arab Spring with Turkey’s increased engagement with popular Islamic movements (Habibi 2019). Both Turkey and the UAE report their ODA to the OECD on an annual basis, providing substantive data for our comparative empirical analysis. The UAE represents a challenge for Turkey’s engagement with Muslim countries, based on foreign aid policies. Although there is a recent reconciliation between Turkey and the UAE, they still have conflicts over the Eastern Mediterranean, Gulf politics, the UAE-Israel rapprochement, Libya (Harchaoui 2020).

Our main proposition is Turkey adjusts its ODA in recipient countries where a rival donor with geopolitical interests in these countries is actively present. Accordingly, Turkey’s ongoing power struggle with the UAE shapes its Official Development Assistance, especially to Muslim majority countries. Our empirical assessment revealed this rival donor to be the UAE. The Turkish ODA adjustment is tied to the existence of a rival donor, making policy concessions more expensive, and a competitive donor environment motivates other donors to increase their ODA (Bueno de Mesquita and Smith 2016). For example, the USA enjoyed a single-donor environment in the post-World War II order, but faced with a challenge from the Soviet Union as an emerging donor, it increased its ODA to the developing world, and
subsequently received fewer policy concessions from the recipients (Bueno de Mesquita and Smith 2016). Similarly, Turkey increases its ODA to countries where its perceived rival, the UAE, has competitive aid allocations, as the UAE challenges the Turkish geopolitical targets in different regions. A comprehensive comparison of the Turkish and UAE ODA to Muslim countries reveals this power competition. Accordingly, we expect Turkey’s ODA engagement in Muslim countries to decline with the existence of a rival donor, the UAE. Even though Turkey has deep-rooted Islamic tendencies in its ODA allocations, the existence of a rival state in a Muslim recipient impacts its level of engagement. This proposition does not suggest that religion plays an insignificant role in ODA allocations but the presence of rival donors could moderate its role. We aim to highlight the significant role that material, geopolitical interests play in shaping Turkish foreign aid, and reveal the possible shortcomings of the religious, cultural-cultural-based explanations on foreign aid.

Our paper is structured in the following manner: First, we present a thorough description of Turkish and the UAE’s ODA allocations across top recipients and regions. Second, we utilize inferential statistics to demonstrate global and regional variations in Turkish ODA, in response to the UAE’s existence in recipient environments. Our comparison of Turkish and UAE’s ODA on global and regional dynamics reveals the basic patterns of their power contestations. Finally, we focus on a comparative analysis of two cases; Egypt and Somalia, to demonstrate how regional power politics affect donors’ behavior. Egypt and Somalia are chosen as the case studies to explain how geopolitical concerns shape Turkish and UAE’s ODA. These two cases highlight how when political crises become more acute, rival donors race to balance each other, illustrating the impact of competitive geopolitical environments on donor behavior. Our analysis provides new empirical evidence for Turkey’s foreign aid, and challenges the emphasis on religious-cultural similarity as its primary motivation. Therefore, we expect to reveal how regional power contestations among non-traditional donors affect their behavior in foreign aid allocation, considering Turkey’s power competition with the UAE. We contribute to the interest-based foreign aid literature with empirical corroboration of the impact of geopolitical and regional power contestation on non-traditional donors’ ODA flows.

Non-traditional donors: Turkey and the UAE

Global dynamics for foreign aid significantly changed with former recipients such as India, China, Turkey, Brazil, and the UAE transforming into significant donors with a substantial share of global ODA (Dreher et al. 2013; Naim 2007). These emerging donors are labeled non-traditional donors (NTDs), as they are not members of the OECD’s Development Assistance Committee (DAC). Manning (2006) emphasizes non-traditional donors provide alternatives to aid recipients with their non-conditional character. All donors allocate aid based on their interests (Morgenthau 1962; Alesina and Dollar 2000; Maizels and Nissanke 1984; McKinley and Little 1979) with significant problems in aid fragmentation and effectiveness (Gehring et al. 2017; Knack and Rahman 2007), as donors are fragmented in their geopolitical, economic, and political priorities. Non-traditional donors manifest not only
diverse inclinations and competition with OECD-DAC donors but also with other non-traditional donors. It is within this framework that Turkish and UAE aid competition needs to be evaluated.

Turkey’s foreign aid allocation is not recent (Kavakli 2018), but goes back to the end of the Cold War, the collapse of the Warsaw Pact and the subsequent geostrategic changes in 1990, which gave Turkey a historic opportunity to reconnect with the newly independent Turkic Republics, including Azerbaijan, Turkmenistan, Kazakhstan, Uzbekistan, and Kyrgyzstan (Ozkan 2013). The systemic and regional transformation provided Turkey with an opportunity to utilize a new foreign policy tool. Turkey established a new institution to manage its foreign aid, the Turkish Agency for Development and Assistance (TIKA) (Fidan and Nurdun 2008). The ethnic and religious similarity between Turkey and its aid recipients was the main motivating factor for developing diplomatic, economic ties, and foreign aid. The second turning point for the Turkish ODA came with the Arab Spring in 2011. Turkey increased its foreign aid allocation substantially after the Arab Spring. Figure 1 demonstrates this increase in Turkish foreign aid, peaking after 2011. A similar increase visible in UAE’s ODA as well. Figure 1 presents a comparison for the Turkish and UAE’s ODA since 2000, demonstrating how they have significantly increased their aid allocations in the last 20 years, with a sharp upward turn after the Arab Spring. While Turkey emerges as a global donor, and establish TIKA offices in geographically distant countries, it faced unintended consequences of acute political crises in the MENA, in particular Syria. Syria gets the bulk of Turkey’s ODA but not the UAE’s. Humanitarian aid since 2011 turned out to be the main component of Turkey’s ODA, with Syria as the primary recipient (Cihangir-Tetik and Müftüler-Baç 2021). We need to underline that the OECD database identifies only states as the recipients. However, Turkish ODA to Syria consists of the Turkish aid to Syrian regions controlled by the opposition forces, and the Syrian refugees in Turkey, and not to the ‘Syrian Arab Republic’ as the OECD database identifies.

The top recipients of Turkey’s ODA are the Syrian Arab Republic, Kyrgyzstan, Kazakhstan, Afghanistan, Somalia, West Bank and Gaza Strip, Sudan, Bosnia Herzegovina, Uzbekistan in 2018 (OECD Statistics). Figure 2 demonstrates that as of 2018, Turkey allocated the highest share of its ODA to Asia. Central and South Asia are the main recipient regions in Asian continent. In 2020, Europe, sub-Saharan Africa, and the Middle East (without Syria) are also the top recipient regions. These findings point out that Turkey provides higher ODA to countries with whom it has a high degree of ethnic-religious similarity. Figure 2 also shows how the Arab Spring affects Turkey’s aid flows to Africa. After Mohammed Morsi came to power in Egypt, Turkey provided 600 million US Dollars of foreign aid in 2012 and 2013. A similar trend was visible in Tunisia. However, after the Egyptian military coup, Turkey decreased its foreign aid substantially. The fluctuations in Turkish influence in North Africa determined its foreign aid flows.

While Turkish ODA is influenced by systemic transformation initially (Kavakli 2018; Altunişik 2014), regional dynamics seem to have a higher impact on shaping UAE’s ODA. That is partly because Arab solidarity determined Arab donors’ foreign aid policies (Neumayer 2003). Islamic leadership and Arab nationalism turned out to be ideological reflections of the early GCC donorship (Al-Mezaini 2017). The
establishment of OPEC combined with the rise of Arab nationalism and Islamic solidarity shaped the UAE’s early aid initiatives. The UAE established Abu Dhabi Fund for Development (ADFD) in 1971 as an official state agency responsible for coordinating and implementing foreign aid initiatives (Boogaerde 1991). This ideational orientation toward Arab countries constitutes one of the most harmonized foreign aid initiatives clustered around the OPEC (Manning 2006). The UAE allocated 12.87% of its GNP as foreign aid in 1973, but later this share declined parallel to the fluctuations in the oil prices (Boogaerde 1991: 53). The UAE’s foreign aid during the 1970s was in alliance with the Gulf Cooperation Council (GCC) countries, specifically Saudi Arabia (Al-Mezaini 2017). Religious and ethnic-based factors constituted the main components of the UAE aid (Villanger 2007). However, this harmonized foreign aid coordination among the Arab states no longer exists. New geopolitical shifts have spillovers onto the Arab countries’ foreign aid policies. The Arab Spring and Qatar Blockade illustrate how divergent geopolitical interests among the Arab countries prevent collective action. Turkey and Qatar’s rapprochement reflects this change in regional dynamics (Pala and Aras 2015).

The Arab Spring substantially shaped the UAE’s ODA and its visibility as a new donor. Figure 3 demonstrates the UAE’s rise as a foreign aid donor specifically after 2010. The UAE allocated its highest ODA as a share of its GNI in 2018 (Cochrane 2021). The UAE’s top ODA recipients in 2020 were Sudan, Jordan, Pakistan, Somalia, Egypt, Maldives, Syria, Colombia, Serbia, Kazakhstan. The UAE deepened its ties with Sudanese military and paramilitary groups after the fall of Omer Al-Bashir, a similar behavioral pattern that it used in Egypt after regime changes in MENA (Espanol 2022). Sudan received substantial direct budget support, a political type of foreign aid going directly to the government budget, from the UAE. At the same time, the UAE’s foreign aid flows become regionally diversified, as some European countries became the second-largest group of recipients of UAE foreign aid in 2018. In 2019 and 2020, the UAE’s ODA was allocated to a record of 145 and 118 countries, respectively.

Figure 3 reveals that Africa, the Middle East, and Europe are the leading recipient regions of the UAE’s ODA. The UAE’s aid to Serbia, Egypt, and other North African countries is directly related to the region’s changing dynamics. The regional rivalry between Turkey and the UAE intensified after the Arab Spring, partly because the Arab Spring was perceived as a detrimental change for the UAE and Saudi Arabia (Roberts 2017). When the Muslim Brotherhood—a non-state actor—became the ruling political faction in Egypt, it complicated Egypt’s relations with the UAE and Saudi Arabia, two countries that supported the pre-Arab Spring political status quo. This is also how the connection between regime survival and foreign aid became more salient. Donors might strengthen the position of winning coalitions in the recipients (Licht 2010). However, donor intent or donors’ democratic and autocratic character is significant in determining their support for political alternatives in the recipient countries (Bermeo 2011). For instance, Turkey provided extensive economic support to Egypt during Muslim Brotherhood’s rule. The UAE might have perceived this as a change in Turkish power, with Turkey striving for a

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1 Based on the OECD-Statistics (DAC2a).
leadership role, following the changes in the pre-Arab Spring status quo. Unexpectedly, Morsi’s fall from power in 2013 altered Turkey’s influence in Egypt (Aktürk 2017). In contrast, the UAE employed military and economic instruments and provided considerable foreign aid to Egypt shortly after Morsi’s fall from power. UAE perceived Morsi as the faction leader of the Muslim Brotherhood in Egypt, challenging its own power in the region. The UAE’s post-Arab Spring policy is related to this threat perception emanating from the rise of the Muslim Brotherhood, and its subsequent strategy has been to find multiple tools with which to balance this specific threat. This fits well with the argument that states allocate foreign aid to strengthen their allies and when they perceive existential threats (Walt 1985). As a
result, one could argue that the post-Arab Spring period demonstrates a robust repositioning between Turkey and the UAE, especially over their support to different players in the region.

Internal dynamics in Tunisia, Algeria, and Libya reflect similar struggles between Turkey and the UAE for political influence. In this environment of geostrategic shifts, ODA is the main instrument utilized to strengthen the already existing alliances and reflects the security concerns of regional rivals such as Turkey and the UAE. However, geostrategic changes in the MENA led both countries to emerge as top donors globally as a share of their GDP; moreover, this outreach is diversified across regions.

**Arenas of contestation: geopolitics of foreign aid**

Our empirical analysis highlights the spillovers of the regional competition between Turkey and the UAE on their ODA allocations used as a tool for this contestation. We test our first hypothesis that non-traditional donors increase their foreign aid allocation to countries where regional rival country has a significant presence as a major donor. When there is a single donor in a country, this donor can exert more power on the recipient country using foreign aid, getting policy concessions from the recipient becomes cheaper. When there are multiple rival donors, policy concessions become more expensive (Bueno de Mesquita and Smith 2016). A competitive donor environment leads other donors to increase their foreign aid. This is precisely what we expect to observe for Turkey and the UAE’s ODA, like the dynamics between the USA and the USSR. In other words, we expect Turkey to provide more foreign aid to recipient countries where rival donors, the UAE in this case, signal their geopolitical interests with an increase in their ODA. In assessing the power rivalry between Turkey and the UAE, policy concessions—from a recipient—might be related to seeking

![Fig. 3 UAE’s regional allocation of ODA](image-url)
support for the donor’s regional and global policies. For instance, Turkey’s growing trade interests seem to be the rationale for its increased level of foreign aid to specific countries (Pitel and Schipani 2021). As for the UAE, it increased its foreign aid to Somalia in return for joining the Yemeni War (Fenton-Harvey 2020). Protecting alliances, trade interests, and security concerns emerge as the main targets of policy concessions that Turkey and UAE expect from recipients, and these expectations might change across different regions. When geopolitical contestation intensifies, we expect to see the empirical verification of our first hypothesis.

We also expect that not only the amount of foreign aid correlates with the existence of a rival donor in a recipient country, but religious factors might also become less critical when geopolitical competition plays the decisive role. To explore this possible factor, we utilize a regression analysis for before-and-after trends regarding the Arab Spring, and two different cases in assessing different motivations for Turkish foreign aid to Muslim countries. Our case studies demonstrate how geopolitical interests have priority over religious affinity, even when Turkey provides substantial foreign aid to Muslim countries generally. Our second hypothesis suggests that although the ethnic-religious similarity is an essential component of Turkish aid allocation, Muslim-majority recipients who have a high-level aid engagement with a rival donor end up getting less Turkish ODA. This hypothesis does not claim that Turkey’s foreign aid engagement with Muslim countries has declined; instead, the presence of rival donors in Muslim countries playing an important role. That is because Turkey’s foreign aid distribution is impacted by its competition with rival donors such UAE, attesting to the critical role played by geopolitics, rather than religious affinity.

To test our first hypothesis, we employ a time series cross-sectional Ordinary Least Squares (OLS) regression model with only main effects. We expect a positive association between Turkish and the UAE’s foreign aid in different regions. Pooled cross-sectional models might be helpful to measure the effect of before and after trends (Wooldridge 2014: 66), as we see in the case of the Arab Spring. To test our second hypothesis, we included an interaction term of UAE ODA and the Muslim majority variable. Moreover, this second regression table takes 2011 as a cutoff point to capture trends before and after the Arab Spring. We expect that if acute regional crises intensify, then Turkey would adjust its ODA in line with the new developments. In addition to this quantitative analysis, we test our second hypothesis, using Egypt and Somalia as the main case studies, two different Muslim countries where Turkey and the UAE provide significant ODA. We assess how Turkey’s foreign aid varies vis-a-vis Muslim countries if the UAE has a high level of aid engagement in the same countries. We expect to illustrate how regional power politics might affect Turkish ODA independent of the religious-cultural proximity. This analysis brings forth an additional corroboration for the second hypothesis in quantitative terms. In the empirical appendix, we provide our sample countries, descriptive statistics, Muslim-majority countries, and alternative models for more robustness.

All the relevant variables are year lagged to cope with the endogeneity problem. We also use the one-year-lagged dependent variable as an independent variable to

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2 Before: 2000–2011; After: 2012–2018.
cope with the serial correlation problem. We do not offer causal claims, but focus on variation across years. Our analysis for geostrategic patterns of foreign aid behavior; we estimate regression models for each geostrategic region, including, Africa, sub-Saharan Africa, Europe, the Middle East, and Asia (without the Middle East). We employed this method precisely to avoid strong generalizations from our global estimations, indicating our external validity concern.

Non-interaction model

\[
\text{Turkey’s ODA} = B_0 + B_1(\text{Lagged DV}) + B_2(\text{UAE ODA}_{t-1}) + B_3(\text{Muslim}) + B_i(\text{Economic Variables})_{t-1} + B_j(\text{Political Variables})_{t-1}
\]

Interaction model

\[
\text{Turkey’s ODA} = B_0 + B_1(\text{Lagged DV}) + B_2(\text{UAE ODA}_{t-1}) + B_3(\text{Muslim}) + B_4(\text{UAE ODA}_{t-1} \times \text{Muslim}) + B_i(\text{Economic Variables})_{t-1} + B_j(\text{Political Variables})_{t-1}
\]

We have collected the data for Turkey and UAE’s official development assistance from the OECD Statistics (Dac2a).\(^3\) International trade data is drawn from the World Bank’s World Integrated Trade Solutions (WITS).\(^4\) Other economic and social variables such as Gross Domestic Product, Natural Resources Revenue (as a share of GDP), infant mortality rate, and population are drawn from the World Bank data.\(^5\) We use the electoral democracy index from V-Dem’s latest database,\(^6\) and operationalize the religion variable from Maoz and Henderson’s (2013) World Religion Dataset. We coded Muslim as ‘1’ if a country has a Muslim population over 50%, and ‘0’ if not. Control of corruption is taken from World Governance Indicators.\(^7\)

Regression output

Our regression output—without the interaction term—shows a significant positive association between Turkey and the UAE’s ODA in Sub-Saharan Africa. In other words, sub-Saharan countries with higher levels of UAE ODA receive more Turkish ODA within their own region. Figure 4 visualizes this association, while this tendency is not visible in other regions. As a result, we can validate our first hypothesis in this regard based on our empirical evidence for these recipients. This outcome may be explained by the fact that the Muslim nations in these regions receive greater funding from the UAE and Turkey. It is important to note that even when the

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3 https://stats.oecd.org/.
4 https://wits.worldbank.org/.
5 https://data.worldbank.org.
6 https://www.v-dem.net/vdemds.html.
7 https://info.worldbank.org/governance/wgi/.
Muslim element is accounted for in the models, there is still a positive association for Turkey’s and UAE’s ODA. In addition, we do not find any strong multicollinearity in the models.

Table 1 provides a detailed analysis of our models and the variables we have chosen in our empirical analysis for the allocation of foreign aid to recipient countries, such as corruption, population, resources, democratic development.

While our emphasis on religious affinity shaping donor’s aid allocations significantly seems to be verified in these results, this also fits well with the argument that the Turkish ODA has consistently prioritized Muslim countries (Kavaklı 2018). Our findings—regarding Africa, Asia, and Africa—support this literature that emphasizes religious affinity as a significant indicator for Turkish ODA. For example, a Muslim country gets around 15% more Turkish ODA (log) than non-Muslim countries in Africa. This positive association also holds for Turkey’s global ODA levels. A religious orientation is visible in terms of Turkey’s foreign aid behavior, based on the global, Asian, and African samples in the first table. However, this finding does not exist in all the regions. For example, while Turkey historically supports Muslim Balkan countries extensively, our findings did not corroborate that Muslim majority countries in Western Balkans receive more Turkish ODA, when other control variables are considered as shown in Table 1.

Turkish ODA levels for sub-Saharan Africa are positively associated with UAE’s ODA, as seen in the third model of Table 1. Other regional samples do not corroborate such a tendency. To further investigate our main findings, we use the Arab Spring as a demarcation line to see whether there are any changes before and after when the regional contestation between Turkey and the UAE intensified. Turkey started to prioritize its geographic hinterland and the Turkish ODA’s ‘global’ character is still defined and restricted by geographical distance. Our first model in the empirical appendix shows that a one-unit increase in the log of geographical distance leads to 24% less foreign aid from Turkey. Although Turkey’s foreign aid has become more diversified across regions, its global character is still weak regarding its ODA support for more distant countries. The Arab Spring is a significant event that shaped this tendency. This is an important finding for laying out the Turkish priorities in utilizing ODA as a tool for regional influence, rather than global presence.

Our second main finding relates to the correlation between export volume and Turkey’s ODA. It seems that imports from Turkey are essential in shaping its aid allocation globally, and for specific regions (Zengin and Korkmaz 2019). Turkey’s export partners tend to receive more Turkish aid for Africa, sub-Saharan Africa, and the global samples. Turkey’s export-aid nexus is visible in ongoing debates regarding Turkey’s new Africa initiative (Pitel and Schipani 2021). Africa and sub-Saharan

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8 100*(e.0.42 − 1).

9 We exclude Kosovo from the sample because software automatically drops out such countries with missing variables such as control of corruption. If we add Kosovo to the sample, results might change for Europe.

10 We use an extended model with log of distance in supplementary material, as it slightly increases Variance Inflation Factors (VIF). We provide additional VIF tables for each model we used in Table 1.
Africa highlight Turkey’s interest-based attitude regarding its ODA, as the coefficients for Africa are higher than for other regions. However, we cannot corroborate this finding for Europe and the Middle East. Countries with higher export volumes do not necessarily receive more foreign aid from Turkey within their own regions in Asia, Middle East, and Europe. These trends might change if we utilize different time scales as we did in the following sections. Natural resource is also a significant variable for Turkey, particularly for African, sub-Saharan and European samples. Within these regions, countries with higher natural resource extraction receive more foreign aid from Turkey. It is not fully clear whether Europe and Africa role in Turkey’s alternative energy routes alter its aid allocations; however,—as a country without its own energy sources—Turkey is trying to diversify its energy routes.11

Our third main finding is that Turkish ODA is negatively associated with the recipient’s control of corruption. This is a global tendency suggesting recipient countries with lower control of corruption scores receive more foreign aid from Turkey. This is valid for global, African and sub-Saharan samples. We do not suggest a causal claim that there is a direct correlation between corruption and Turkish foreign aid. Turkey does not have enough material power to invest in bureaucratic politics for the recipients,12 and does not use direct budget support or concessional loans as primary aid modalities.13 Turkey does not have a selective foreign aid policy prioritizing and rewarding good governance like OECD/DAC donors. Moreover, Turkey’s foreign aid allocation is not associated with democracy. Therefore, we do not find a negative or positive governance-aid nexus in Turkey’s foreign aid policy.

Finally, Turkey’s foreign aid is positively associated with DAC countries’ total global ODA flows. In other words, when DAC countries provide high foreign aid to a recipient country, Turkey is also more likely to increase its own ODA in the following year. This global tendency is visible in multiple regions with different

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11 Turkey’s International Energy Strategy, retrieved on September 15, 2022, from Republic of Türkiye Ministry of Foreign Affairs website: https://www.mfa.gov.tr/turkeys-energy-strategy.en.mfa.
12 With the exception Somalia, where Turkey has a broader diplomatic, commercial, and military cooperation.
13 Except some acute geopolitical crises such as regime change in Egypt.
confidence levels. However, we do not have enough empirical evidence to assess whether this tendency comes from competition or collaboration. Recipient-need indicators such as GDP Per Capita is not associated with Turkey’s ODA flows. On the other hand, we find that Turkey does not prioritize countries with higher infant mortality rate. Therefore, we do not find a recipient-need prioritization in Turkey’s foreign aid allocation.

As summarized above, our main findings on the Turkish ODA and its many facets point out to key patterns shaping Turkish donor behavior. However, more assessment is needed to capture whether regional competition with a rival donor
| Table 2  | Turkey’s ODA flows to different regions before and after the Arab Spring |
|----------|--------------------------------------------------------------------------------|
|          | (1) | (2) | (3) | (4) | (5) | (6) | (7) | (8) | (9) | (10) |
|          | Africa (2000–2011) | Africa (2012–2019) | Subsaharan (2000–2011) | Subsaharan (2012–2019) | Europe (2000–2011) | Europe (2012–2019) | Middle East (2000–2011) | Middle East (2012–2019) | Asia (2000–2011) | Asia (2012–2019) |
| L.Lagged DV | 0.545*** (10.21) | 0.427*** (7.64) | 0.538*** (9.30) | 0.406*** (6.01) | 0.457*** (6.42) | 0.623*** (11.64) | 0.596*** (5.37) | 0.512*** (3.26) | 0.785*** (17.61) | 0.797*** (17.06) |
| Muslim | 0.510*** (3.73) | 1.214*** (4.38) | 0.605*** (3.49) | 0.884** (2.61) | −0.732 (−0.85) | 0.553*** (3.35) | 1.699*** (3.26) | −0.688 (−1.12) | 0.596* (1.78) | 0.442*** (2.09) |
| L.UAE ODA | 0.0933*** (3.35) | 0.0689** (2.51) | 0.0821** (2.68) | 0.0699** (2.57) | −0.0186 (−0.36) | 0.0185 (0.91) | 0.00815 (0.23) | 0.0281 (1.14) | 0.0665 (1.23) | −0.0252 (−0.58) |
| Muslim*UAE ODA | −0.0733* (−1.85) | −0.111** (−2.28) | −0.0529 (−0.92) | −0.0155 (−0.27) | 0.151 (0.85) | −0.0991*** (−4.70) | −0.0395 (−0.71) | 0.0229 (0.45) | |
| L.DAC ODA | 0.0568** (2.12) | 0.254*** (3.25) | 0.0553 (1.54) | 0.191** (2.50) | 0.154* (2.04) | 0.214*** (3.20) | 0.141 (1.68) | 0.260** (2.66) | 0.0397* (1.79) | 0.0485** (2.06) |
| L.Export | 0.0786** (2.47) | 0.0743* (1.79) | 0.0788** (2.56) | 0.0754 (1.66) | 0.365* (1.99) | 0.221 (1.55) | −0.0544 (−0.74) | −0.143 (−1.08) | 0.0531 (1.17) | 0.0443 (1.42) |
| L.Natres | 0.0698** (2.41) | 0.0429 (0.64) | 0.0992*** (2.82) | 0.0504 (0.71) | 0.378** (3.13) | 0.320*** (4.52) | −0.0326 (−0.53) | 0.0143 (0.26) | −0.0162 (−0.33) | 0.0504 (1.37) |
| L.GDP Per C | −0.0117 (−0.47) | −0.0105 (−0.31) | −0.0125 (−0.47) | −0.0185 (−0.57) | −0.156 (−1.05) | 0.0327 (0.95) | 0.0328 (0.68) | 0.0340 (0.80) | −0.00838 (−0.24) | −0.0222 (−1.04) |
| L.Infant Mor | 0.00953*** (−2.98) | −0.00143 (−0.32) | −0.0134*** (−3.24) | −0.00303 (−0.59) | 0.0553 (1.31) | 0.0531 (1.45) | −0.0361** (−2.35) | 0.00274 (0.19) | 0.00149 (0.24) | −0.00635 (−1.34) |
| L.Concor | −0.298* (−2.00) | −0.172 (−1.14) | −0.248 (−1.50) | −0.139 (−0.85) | −0.500 (−0.54) | −0.263 (−0.60) | −0.313 (−1.44) | −0.0177 (−0.11) | −0.195 (−1.52) | −0.0181 (−1.45) |
| L.Democracy | 0.0116 (0.03) | −0.647 (−1.39) | −0.237 (−0.61) | −0.645 (−1.31) | −0.359 (−0.20) | 1.003 (1.00) | 1.879*** (2.22) | −0.803 (−1.07) | 0.101 (0.21) | 0.467 (1.59) |
|                | (1)  | (2)  | (3)  | (4)  | (5)  | (6)  | (7)  | (8)  | (9)  | (10) |
|----------------|------|------|------|------|------|------|------|------|------|------|
|                | Africa (2000–2011) | Africa (2012–2019) | Subsaharan (2000–2011) | Subsaharan (2012–2019) | Europe (2000–2011) | Europe (2012–2019) | Middle East (2000–2011) | Middle East (2012–2019) | Asia (2000–2011) | Asia (2012–2019) |
| L.Population   | −0.0184 | −0.0643 | 0.0152 | 0.00809 | −0.486** | −0.598*** | 0.370** | 0.0576 | −0.0698 | 0.0372 |
|                | (−0.43) | (−0.65) | (0.30) | (0.07) | (−2.85) | (−3.54) | (2.39) | (0.39) | (−0.83) | (0.99) |
| Constant       | −0.407 | −0.584 | −0.692 | −0.924 | 3.685* | 3.549*** | −6.354** | 1.368 | 0.873 | −0.885* |
|                | (−0.93) | (−0.64) | (−1.59) | (−0.91) | (2.02) | (3.74) | (−2.60) | (0.85) | (0.86) | (−1.78) |
| R²             | 0.602 | 0.541 | 0.576 | 0.561 | 0.771 | 0.963 | 0.852 | 0.959 | 0.836 | 0.886 |
| N_clust        | 52 | 55 | 47 | 50 | 11 | 11 | 14 | 13 | 29 | 29 |
| N              | 462 | 477 | 417 | 432 | 94 | 99 | 121 | 114 | 259 | 260 |
has spillovers onto Turkish ODA. More empirical analysis controlling general global and regional tendencies with an interaction term on UAE ODA and Muslim Majority is needed for different time scales. This brings forth the following questions as to whether Turkey adjusts its ODA to Muslim countries, conditional on the presence of the UAE as a donor in these countries.

Table 2 provides multiple answers to these questions by considering the interaction between the Muslim majority and the presence of the UAE’s ODA. It is essential to assess whether Turkey provides more ODA to Muslim countries with more aid engagement with the UAE. Therefore, we conducted a regression analysis using an interaction term of Muslim majority and UAE’s foreign aid flows.

Lagged DV suggests that Turkey’s ODA in the prior year is a significant predictor of its subsequent ODA flows, as can be observed from all the models. This holds true regardless of the model. UAE’s official development assistance is positively associated with Turkey’s ODA for African and sub-Saharan samples. In other words, recipient countries with higher UAE aid engagement receive more foreign aid from Turkey in the following year, in contrast to other countries in these regions. However, this finding is not valid for all the regions. On the other hand, the Muslim coefficient is significantly elevated for African, sub-Saharan, European, and Asian recipients after the Arab Spring, highlighting Turkey’s rising concern for these countries. Such a tendency might be independent from the Arab Spring or highlight an increasing religiosity in Turkey’s ODA orientation. Yet, our interaction term shows the limits of religious explanations, precisely because it has demonstrated that the Muslim variable and the presence of the UAE are both positively and highly connected with Turkey’s ODA for the whole African continent. Yet in our primary emphasis, the interaction term between UAE ODA and Muslim, is both negatively and highly linked with Turkish ODA, with a 95% confidence level. There is no empirical proof that this finding is corroborated before the Arab Spring. Table 2 reveals that after the Arab Spring, when regional rivalry became more prominent, Muslim nations in Africa that interact more with the UAE are less likely to get aid from Turkey. Figure 5 shows this interaction. In the first graph, regardless of whether the recipient was Muslim, Turkey allocates more foreign aid to countries with higher UAE ODA engagement before the Arab Spring.

After the Arab Spring, this pattern shifted and Muslim nations with significant UAE ODA engagement began to receive lower Turkish ODA. In contrast, non-Muslim nations received more aid, with higher UAE ODA levels going to Africa. However, this post-Arab Spring pattern does not provide empirical proof that Turkey allocates higher ODA to non-Muslim nations than to Muslim nations. Our findings only reveal that Turkish ODA allocations for Muslim countries are constrained by the existence of the rival donor in the recipient country when regional contestation is acute. For the Middle East, it is harder to predict the effect of being a Muslim recipient since all countries—except Israel—are Muslim. We, therefore, do not rely on the Middle East estimations in Table 2.

A critical finding is how the positive effect of export variable vanishes after the Arab Spring. Therefore, we do not have an empirical verification for the aid-export nexus for the post-Arab Spring period. A similar finding is also valid for the natural resource variable. Before the Arab Spring, natural resource extraction is significantly
associated with Turkish ODA, however, this positive effect is not observable after the Arab Spring, except Europe sample. Our findings illustrate that trade and commercial interests are not pressing priorities for Turkish ODA after the Arab Spring. This finding might signal the weakening effect of commercial interests, and the salience of new geopolitical trends with security trumping over economic interests. When policy concessions become more probable, then donors orient themselves to these trends. In the supplementary material, we also used other donors’ foreign aid flows including Germany, UK, France, USA, Netherlands, Sweden, and Israel. We did not corroborate our second hypothesis for these Western donors. Muslim countries with higher foreign aid engagement with Israel receive less foreign aid from Turkey after the Arab Spring. Figure A1 in our supplementary files demonstrates these findings. It is important to underline that Israel’s foreign aid does not reach the substantial amounts of the UAE and Turkey’s ODA. Its foreign total ODA amount remains around 150 million US dollars based on our estimations from the OECD Statistics (Dac2a). This finding is important for future research on aid competition, with regards to the role of geopolitical concerns moderating the effects of religion.

Africa: new spillover of regional competition?

Africa is the central region where the effects of power shifts are most visible (Kornegay and Landsberg 2009), with donors’ geopolitical interests shaping their foreign aid behavior (Kragelund 2011). Regional developments in Africa determine new donors’ foreign aid allocations, as seen from our main statistical models. Africa emerges as a regional competition hub among different donor countries. This is hardly surprising given that the African continent encompasses many aid-dependent countries, and the recipients cannot perform their primary state services and functions without significant levels of foreign aid (Goldsmith 2001). This aid-dependency co-exists with limited statehood where a state enjoys domestic sovereignty only partially. However, North Africa is qualitatively different from Sub-Saharan Africa in terms of its economic and political development, and aid-dependency and limited statehood exist primarily in sub-Saharan Africa. Figure 6 illustrates how Turkish and the UAE’s aid recipients in Africa follow a similar annual trend.

Figure 6 shows that the number of recipient countries increases parallel to an increase in bilateral interactions between donors and recipients. We find that the total number of Turkish and the UAE’s foreign aid recipients in Africa increase almost at a similar pace. As a result, as of 2018, Turkey and the UAE seem to have interacted with almost all the countries in sub-Saharan Africa for foreign aid.

While we identify a general trend for Turkey and the UAE in Africa, we tried to assess how regional power politics affected Turkey and the UAE’s regional development policies regarding the recipient country’s specific conditions. To do so, we focus on Egypt from North Africa and Somalia from South Africa as our main case studies. The former shows how Turkey and the UAE pursue competing objectives, while the latter manifests how Turkey and the UAE support different regions in

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14 We label a country as aid-dependent when 10% of its GDP come from Official Development Assistance (ODA). We follow Brautigam (2000) and Goldsmith (2001).
the same country, showing how their material interests are radically different. Our focus on Egypt and Somalia provides an in-depth analysis of foreign aid competition between Turkey and the UAE. We also use these two cases for our second hypothesis. Turkey has already adopted a new endeavor towards Africa with its Africa ‘Opening’ in 1998 (Ozkan and Orakci 2015). Its aid allocations increased after 2011, like the UAE, as shown in Fig. 7. After 2011, both the UAE and Turkey intensified their foreign aid engagement in Africa with a discernible competition over Muslim countries. Turkey and the UAE responded to Egyptian and Somalian geopolitical concerns with a reliance on foreign aid flows and diverging policies in Egypt over their preferred political outcomes. In internationally recognized Somalia territory, they seem to have similar inclinations. However, sub-state trends in Somalia reveal that the UAE mostly provides assistance to Somaliland. Our findings demonstrate when geopolitical contestation is acute, regardless of the recipient country’s religious identity- Turkey and the UAE tend to provide ODA to different actors in a country. Our comparative analysis for Turkish and the UAE’s role in Egypt and Somalia below illustrates this competition between different emerging donors over their preferences in utilizing foreign aid as a tool. Our findings in Egypt support our second hypothesis, that Muslim countries with higher foreign aid engagement with rival donors receive less foreign aid. Somalia depicts a different situation, and our findings seemingly support our first hypothesis, namely if UAE provides more ODA for a recipient, then Turkey increases its foreign aid in the following years. As seen from the regression tables, this inclination is specifically valid for sub-Saharan Africa, where taking policy concessions is possible, even with the existence of a rival donor. This is mostly possible due to aid dependency, limited statehood, and domestic conflicts in such African countries. Somalia is a useful case showing the role of these factors in donor competition.

**Egypt**

Egypt is one of the most influential countries in North Africa, with a population of 106 million, acting as an interlocutor between Israel and Arab countries. It is also a
country that has seen the rise of popular unrest, and significant contestation between different political forces domestically. One of these key cleavages is between the Muslim Brotherhood and the ruling secular elites. In 2011, when the Arab uprisings ignited in Tunisia moved onto Egypt, the country witnessed a high level of popular mobilization, especially around mass mobilization under the leadership of the Muslim Brotherhood. This uprising presented Turkey with a chance to increase its tute-lage in these countries. Initially highly cautious about involvement in the Arab uprisings, Turkey supported Mohammed Morsi and the Muslim Brotherhood in Egypt. To signal this support, Turkey increased its ODA flows to Egypt extensively after Morsi was elected President in 2012. However, following the military coup against Morsi in 2013, Turkey sharply decreased its foreign aid to Egypt. Figure 8 shows that Turkish ODA for Egypt declined substantially after Morsi’s fall from power, and it turned negative in President Sisi’s first year in power due to loan repayments. Turkey vehemently opposed the military coup in Egypt. The UAE supported the
new government in Egypt under President Sisi by allocating substantial foreign aid as seen in Fig. 8. Turkey and the UAE’s initial humanitarian responses to the regime changes in Egypt were highly antagonistic.

The UAE has firm anti-Muslim Brotherhood policies both domestically and regionally, specifically after 2011 (Lacroix 2014). Supporting and establishing alliances with the Muslim Brotherhood’s affiliations creates uneasiness for the UAE for two reasons: first, it has a substantial threat perception of Muslim Brotherhood (Steinberg 2017). That is because, Muslim Brotherhood aims at sweeping reforms in Egypt and Syria as well as in almost all Muslim countries, including the UAE (Smith-Diwان 2017). Its vision of a new political order threatens the ruling dynasties in the Gulf countries (Gause 2017), leading to a clash of interests with Turkey.

Additionally, the UAE repeatedly claimed that Turkey is attempting to restore Ottoman colonialism, and perceived Turkey’s post-Arab Spring actions15 as an effort to meddle in the internal affairs of Arab states.16 The Arab Spring had several unforeseen effects on Qatar as well, who has been perceived as a supporter of the Muslim Brotherhood and other extreme Islamist organizations throughout the Middle East and Syria. In 2017, Qatar was subject to harsh diplomatic sanctions from the UAE, Saudi Arabia, Egypt, and Kuwait (Stephens 2017). Qatar’s diplomatic boycott was supported by governments such as Niger, Gabon, Senegal, Chad, Comoros, Jordan, Djibouti, Mauritania, Yemen, and Libya (Tobruk),17 and these

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15 “UAE Accuses Turkey of Trying to Restore ‘colonial Rule’ over Arab World | Middle East Eye, 29 Sept. 2020, https://www.middleeasteye.net/news/uae-rebukes-turkey-un-trying-restore-colonial-rule-over-arab-world.
16 “UAE Says It Aligned with Greece, Egypt, France against Turkey in Eastern Mediterranean Row.” Duvar English, 27 Nov. 2020, https://www.duarenglish.com/uae-says-it-aligned-with-greece-egypt-france-against-turkey-in-eastern-mediterranean-row-news-55233.
17 “The Econ-Political Impact of the Gulf Crisis on Sub-Saharan Africa | Al Jazeera Center for Studies, 7 June 2018, https://studies.aljazeera.net/en/reports/2018/06/econ-political-impact-gulf-crisis-saharan-africa-180607070242239.html.
sanctions were spillovers from the Arab Spring and the Syrian conflict. According to the UAE, Qatar supported the Syrian offshoots of El-Qaida, including Jabhat al-Nusra and Jabhat Fatah al-Sham later.\textsuperscript{18} Turkey followed a more pro-Qatari stance. These regional contests for influence resulted in opposing camps in the Middle East. Therefore, we are careful about Turkish motivations in foreign aid as an indicator of its support for Muslim countries. Egypt—a Muslim country—did not receive substantial Turkish foreign aid until the Muslim Brotherhood came to power. On the other hand, the UAE provided extensive foreign aid to Egypt after the fall of Morsi and the removal of the Muslim Brotherhood from positions of power. Even though Egypt is a Muslim country, Turkey did not have a material benefit in supporting the post-Morsi government, whereas the UAE similarly did not benefit from the Morsi government. This variation in Turkish and UAE ODA towards Egypt is independent of the Muslim variable and fits well with the regional contestation for power argument in this paper.

\section*{Somalia}

In contrast, a comparison of Turkish and the UAE’s ODA to Somalia reveals a different pattern compared to their power contestations in Egypt. Both Turkey and UAE provided substantial ODA to Somalia, like their ODA engagement in Egypt, both provide substantial ODA and invest significantly in the country. UAE’s ODA to Somalia followed a consistent pattern even when their bilateral relations took a hit with the Qatar crisis.\textsuperscript{19} However, there is a significant caveat with regards to OECD reporting for Somalia- where ODA to Somalia and Somaliland are both covered as ODA to Somalia. That is because the OECD database includes only territorial sovereign states as the recipient countries. Therefore, to assess the level of power contestation between Turkey and the UAE in Somalia, we uncovered how Turkish and UAE ODA to Somalia might be granted to different regions in the country while being reported under one heading by the OECD.

A key difference between Egypt and Somalia accounting for Turkish and UAE’s ODA flows is related to Somalia’s limited state capacity. Somalia’s central government is unable to fully control its territories. In particular, Somaliland is a de-facto state, without international recognition, yet with a high degree of domestic sovereignty and in pursuit of greater autonomy from Somalia. Somaliland has gained significance as different ODA donors assisted the quest for Somaliland’s diplomatic recognition against Somalia. The UAE takes a more favorable stance on Somaliland compared to Turkey (Fabricus 2020). Second, Somalia is an aid-dependent state and cannot maintain its existence without substantial external economic support. This aid-dependence makes Somalia a hub of competition between different traditional and non-traditional donors. However, these donors seek policy concessions,

\textsuperscript{18} Qatar backed ‘terrorism and extremism’; UAE tells UN court | Arab News (2020). Retrieved December 6, 2020, \url{https://www.arabnews.com/node/1727496/middle-east}.

\textsuperscript{19} The United Arab Emirates in the Horn of Africa | Crisis Group. (2018, November 6). Retrieved October 14, 2020: \url{https://www.crisisgroup.org/middle-east-north-africa/gulf-and-arabian-peninsula/united-arab-emirates/b65-united-arab-emirates-horn-africa}. 

\begin{figure}[h!]
\centering
\includegraphics[width=\textwidth]{figure1.png}
\caption{A graph showing the relationship between...}
\end{figure}
including Turkey, China, and the Gulf countries. For instance, China supports Somalia’s territorial integrity against Somaliland in response to Somalia’s support for the one-China policy. While Turkey is using its soft power instruments in Somalia, it also established a military base in Mogadishu (Akpınar 2017). This is an example of an interest-based attitude resulting from geopolitical concerns. Limited statehood and aid-dependence, the main defining characteristics of Somalia, end up making the country more vulnerable in its bilateral and multilateral relations.

Figure 9 reveals that Turkish and the UAE’s ODA to Somalia follow similar trends. Turkey has supported Somalia’s central government in its civil war during the 1990s. At the same time, Turkey keeps diplomatic representation with a consul general in Somaliland, indicating that it supports both Somalia and Somaliland, and plays a facilitator role (Akpınar 2013). However, Turkey is cautious in its non-recognition of Somaliland as an independent state and underlines its respect for Somaliland as a sub-state entity. To do so, Turkey allocates foreign aid to both Somalia and Somaliland, plays a reconciliatory role between the opposing forces, and counterbalances other international actors such as the UAE. However, Turkish ODA is overwhelmingly granted to the central government, as Turkey does not want to provoke the central government’s concerns about Somaliland. The UAE’s stance in Somalia is the opposite. This variation between Turkey and the UAE in Somalia reflects their power contestation in the region as well.

UAE’s relations with Somalia were stable until the 2017 Qatar Crisis (Crisis Group 2018). Like other donors, the UAE provided foreign aid to both Somalia and Somaliland in return for policy concessions. For example, the UAE offered to build a hospital in Mogadishu to enlist Somalia’s support in the Yemeni Civil War (Al-Monitor 2020). Even though the Somalian government declined the offer, this still represents a clear example of foreign aid in return for a policy concession. Moreover, the UAE invests more in Putland and Somaliland to control ports which are essential for trade routes (Fick 2018).

While the Somalian government had some reservations towards the UAE, Somaliland was more welcoming to the UAE, who supported Somaliland’s sovereignty claims. The most important policy concession for the UAE in Somaliland turned out to be the naval military bases. Somalian government appealed to the UN Security Council to stop the UAE’s construction of these military bases in Somaliland and tried to prevent the UAE’s engagement in Somaliland, claiming its initiative for

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20 Somali reiterates respect of one-China principle—CGTN. (2020, July 6). Retrieved May 5, 2022, https://news.cgtn.com/news/2020-07-06/Somali-reiterates-respect-of-one-China-principle--RTBQhglLzy/index.html.
21 Turkey supports Somaliland in its fight against coronavirus | Daily Sabah (2020). Retrieved September 25, 2022, from Daily Sabah website: https://www.dailysabah.com/politics/turkey-supports-somaliland-in-its-fight-against-coronavirus/news.
22 Turkey boosts Somaliland livelihoods with beehives. (04.11.2020). Anadolu Ajansı. Retrieved February 7, 2021, https://www.aa.com.tr/en/africa/turkey-boosts-somaliland-livelihoods-with-beehives/2031607.
23 Stratfor (2017). Somalia: Northern Territory Approves UAE Naval Base. Retrieved April 28, 2021, from Stratfor website: https://worldview.stratfor.com/situation-report/somalia-northern-territory-approves-uae-naval-base?app=old.
military bases violates the Federal State of Somalia’s authority (Stratfor 2017). In response, Somaliland joined other African countries in its support of the UAE against Qatar. These are clear policy differences between Turkey and UAE in terms of their involvement in Somalia and Somaliland, and their engagement with different parties, highlighting their power contestation and regional rivalry. A major factor in assessing Turkey and the UAE’s foreign aid to Somalia despite their power contestation is related to Somalia’s limited statehood. The OECD Statistics and the data submitted to the OECD are misleading because aid to Somaliland also count as aid to Somalia. Therefore, the high level of similarity between the Turkish and the UAE’s ODA to Somalia might result from this accounting. Even though Turkey and the UAE ODA allocate aid to different regions, this is counted as aid to Somalia without any differentiation. This is an empirical challenge, as the sub-state aid data is not reported in official reports. Regions or states with limited statehood bring forth this essential question over accounting, as aid dependency and limited statehood pose challenges for capturing aid flow where the analysis unit is a country-year dyad.

**Conclusion**

In this paper, we provided a thorough analysis of the central pillar of regional power politics between Turkey and the UAE as reflected in their foreign aid allocations. Our quantitative analysis of their ODA allocations in different regions reveals the magnitude of this rivalry. Our assessment of two representative cases reflect the same pattern along with our quantitative assessment in terms of regional rivalry between Turkey and the UAE. Our findings indicate that the struggle for power between Turkey and the UAE led to an increase in the total volume of Turkish

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24 From a different perspective, Kurdistan Regional Government (KRG) receives substantial foreign aid from different Western institutions, but this counts as aid to Federal Government of Iraq.
ODA. Our empirical analysis demonstrated the limits of religious and cultural-based explanations for foreign aid. While religious proximity might influence regional and global ODA shares, geopolitical interests need to be taken into consideration as a limitation on the validity of cultural-based factors. In other words, the existence of competitive regional donors obstructs the religious orientation for Turkey’s ODA. Our findings point out to the circumstances of religious orientation as a robust explanatory variable. When geopolitical crisis is acute, rival donors adjust their foreign aid to the needs of competitive donor environments. Accordingly, the effect of religion might be moderated by these geopolitical concerns, as seen in the Egyptian and Somalia/Somaliland cases.

Our findings reveal how Turkey and UAE became regional rivals competing geopolitically through their ODA. As regional rivals, they had diverging positions in Egypt, leading them to allocate ODA funds to Egypt based on their preferred political outcomes. Donor competition for policy concessions is tough to pay off in Egypt when compared to Somalia. In Egypt, donor interests are polarized in line with governmental changes, as Egypt is not an aid-dependent country, getting policy concessions is harder. However, aid-dependent countries such as Somalia are more vulnerable compared to their Northern Muslim counterparts. This vulnerability is tied to Somalia’s openness to and dependence on foreign powers. Second, since Somalia is an aid-dependent country, many donors want to get policy concessions related to trade and security, as seen with Turkey and UAE. That is because donors provide ODA to the countries where they are more likely to get policy concessions.

Our analysis revealed how regional power politics shape different actors’ behavior in allocating foreign and development aid. This revelation enabled us to predict possible regional rivalries based on ODA allocations and increases in net ODA amounts, as well as the total number of recipients. The increase in aid flows could be sudden and marked, due to regime changes, as in the Egyptian case, or in parallel in distant countries where the geopolitical competition is relatively lower. Our analysis of Turkish ODA engagement with the recipients on a global basis demonstrated how it adjusts its ODA allocations for Muslim recipients based on the UAE’s presence. Our findings contribute to foreign aid literature with this revelation and empirical verification on how both countries support Muslim countries to a higher degree, and foreign aid allocation decreases if a recipient country has a high level of foreign aid engagement with the rival donors in Africa. Geostrategic interests hold the key to understanding foreign aid allocation rather than religious-cultural affinities.

Our findings do not suggest that cultural proximity does not play a role in determining Turkey’s foreign aid flows, however points out to the conditions under which this role might be constrained by geopolitical concerns. It is discernible that a power struggle among emerging powers occurs when there is a bilateral conflict. A critical aspect of this conflict threshold is regime changes and proxy wars such as in Syria, Libya, or other countries in the MENA region. Our findings on Egypt and Somalia highlight the correlation between regime survival, changes, and foreign aid allocations, demonstrating non-traditional donors invest in recipient regimes to serve the needs of specific political groups. While Turkey and the UAE are not major donors at the global level in comparison to the USA or China, their engagement in the Middle East and Africa still matters in shaping global foreign aid. A detailed glimpse
into the Turkish donor behavior through the lenses of a rival donor presence contributes to the Turkish foreign policy literature as well as foreign aid literature. Further research, however, is needed to uncover the modalities of the regional rivalries emerging in the Middle East between the regional powers and more empirical analysis in uncovering rival donors’ competition at different levels is necessary to assess the salience of geopolitical factors.

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